

POSIT[®] Information Australia

2019

Information provided pursuant to ASIC Market Integrity Rules (Securities Markets) 2017, Rule 5A.2.1.

Virtu ITG Australia Limited (“VIA”) holds an Australian Financial Services License (AFSL 219582). It is a Participant of the exchange market operated by ASX Limited (“ASX”) and the exchange market operated by Chi-X Australia Pty Limited (“Chi-X”). VIA operates a crossing system for its clients called POSIT[®] (crossing system identifier 3451).

POSIT[®] enables client orders to be matched with other client orders on an anonymous basis. The earliest form of POSIT[®] commenced in 1998 and comprised matching of orders at three set points in time during the trading day. This version of POSIT[®] was retired in April 2009. In October 2010, VIA launched a version of POSIT[®] that enabled continuous crossing throughout the trading day.

The types of financial products that can be traded in POSIT[®] are equity market products listed on the ASX.

Only clients of VIA may access POSIT[®]. All of VIA’s clients are wholesale clients (as defined by Chapter 7 of the Corporations Act 2001) and can be categorized into the following groups:

- Institutional clients (e.g. Fund managers);
- Crossing system operators that may trade as principal or agent (including on behalf of one of their related bodies corporate);
- Liquidity providers; and
- Other Participants/third party brokers.

A client sending orders into POSIT[®] has the choice of determining whether it wants its orders to interact with some or all of these types of clients. In order to access POSIT[®], an entity must:

- Be a wholesale client within the definition set out in Chapter 7 of the Corporations Act 2001;
- Meet VIA’s Know Your Client and risk profile requirements;
- Enter into a written agreement with VIA in respect of the brokerage services provided by VIA and the type of trading undertaken by the entity with VIA; and
- Be approved as a client of VIA by VIA’s internal client approval process.



A client may choose how it wishes to access POSIT®. It may send orders to POSIT® to VIA's Trading Desk for placement of the order into POSIT® by a VIA trader, or the client may access POSIT® directly via electronic connection, including via VIA Algorithms®. If a client wishes to access POSIT® directly, it will need a FIX connection to VIA's order handling system.

A few of VIA clients that send orders to POSIT® are third party brokers that operate their own crossing systems. In particular, orders may be received in POSIT® from:

- Instinet Australia Limited (crossing system identifier 2171)

POSIT® itself does not send orders to third party crossing systems. If a VIA client wishes to access a third-party crossing system via VIA, then it does so via VIA's aggregation algorithm called POSIT Marketplace® ("PMP"). By using PMP, a client can choose to send its order to the following third-party crossing systems:

- Credit Suisse Equities (Australia) Limited (crossing system identifier 1101);
- Deutsche Securities Australia Limited (crossing system identifier 2102);
- Instinet Australia Limited (crossing system identifier 2171);
- JP Morgan Securities Australia Limited (crossing system identifier 2971);
- Goldman Sachs Australia Pty Ltd (crossing system identifier 3611); and
- Macquarie Securities (Australia) Limited (crossing system identifier 1562)

Updates:

11 November, 2013 in order to remove Morgan Stanley Australia Securities Limited (crossing system identifier 2991) from the list of third-party crossing systems.

11 December, 2013 in order to add liquidity providers to the list of categories of clients.

16 January, 2014 in order to add Goldman Sachs Australia Pty Ltd to the list of third-party crossing systems.

24 February, 2015 in order to add Citigroup Global Markets Australia to the list of third-party crossing systems.

11 June, 2015 in order to add UBS Securities Australia Limited to the list of third-party crossing systems.

31 August, 2015 in order to remove UBS Securities Australia Limited from the list of third-party crossing systems.

9 September, 2015 in order to add UBS Securities Australia Limited to the list of third-party crossing systems.



15 January, 2015 in order to remove UBS Securities Australia Limited from the list of third-party crossing systems.

15 March, 2017 in order to remove Merrill Lynch Equities (Australia) Limited from the list of third-party crossing systems.

27 March, 2018 in order to add Macquarie Securities (Australia) Limited to the list of third-party crossing system.

29 June, 2019 in order to remove Citigroup Global Markets Australia from the list of third-party crossing systems.

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