



July 17, 2003

Administrative Board Notice BN003/03

By the power vested in the Board under Rule **2:03** of the GASCI Rules the Board has resolved that the procedures for executing a cross during on-floor trading when the rules of GASCI prohibit a cross outside of an on-floor trading session will be as follows:

Scope

A broker may be desirous of executing a cross when the rules of GASCI prohibit a cross outside of trading sessions. This could be the case if there is no best bid or best offer on the limit order book or if the spread between the best bid and the best offer is less than 0.2.

- 1) A broker desirous of executing a cross under such conditions can only do so by executing a trade during an on-floor trading session.*
- 2) The broker intending to execute the cross should make it clear to their clients that that the orders involved may not be filled as the orders will be exposed to the floor and thus to possible intervention by another broker. It is possible that one side of an intended cross will no longer have a counterparty (since the intervening broker will have taken their place) and the order will be left unfilled on the limit order book.*
- 3) The broker intending to execute a cross during on-floor trading must expose matching buy and sell orders on the limit order book for a minimum of five minutes.*
- 4) Prior to executing the trade the broker must verbally announce whether any other broker wishes to intervene in the transaction.*
- 5) Provided no other broker intervenes the broker exposing the cross may complete the transaction and fill in the trade report and update the order book as usual.*
- 6) Another broker may intervene by improving the price on either side of the cross.
 - a. if responding to an offer the intervening broker must bid higher than the crossing price*
 - b. if responding to a bid the intervening broker must offer stock lower than the crossing price**

The supporting resolution **A03/16/7/03** was made by the Board of GASCI at the meeting held on the 16th day of July and is so recorded in the minutes of that meeting.

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Clarence Perry
Company Secretary