

CIRCULAR



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**To: All Members
Back Office Accounting Suppliers
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No: 327/98

Year 2000 Compliance - Circular 5

This is the fifth circular published by the SFE and NZFOE to provide updates describing the current status and progress made by the Exchanges towards Year 2000 readiness.

STATUS

The SFE and NZFOE's Year 2000 project is on target to meet the published date of January 1999 for testing the Y2K compliance of core systems. Implementation is targeted for the first quarter 1999.

The SYCOM® IV implementation has been rescheduled for March 1999. SYCOM® III is currently being tested with Y2K compliance targeted for December 1998. Cycle 2 testing of the allocation and clearing systems, STACS and CPS on a compliant platform has commenced.

OBJECTIVE

The SFE and NZFOE established a project to address the potential Year 2000 problems in mid 1996. The SFE and NZFOE's role as co-regulators of their respective Futures and Options markets, necessitates that the SFE and NZFOE's Year 2000 program incorporate both reviewing the market's Year 2000 progress and enhancing and upgrading our own systems so they are ready for the millennium.

The purpose of this circular is to update Members on the Year 2000 readiness status of the Exchanges' core systems.

Y2K TEST APPROACH

The SFE and NZFOE have dedicated test environments for all critical and most non-critical systems. The strategy for Y2K testing includes ageing, that is setting the system date forward and rolling into the required test dates.

The SFE and NZFOE have prepared detailed test plans with particular focus on date related functionality. These test plans have been developed using as required the Exchanges' Y2K mandatory test dates and other dates necessary for the date related functionality testing.

The nature of the SFE and NZFOE systems means that testing of each system may not be undertaken independently, often requiring the integration of a number of core systems. For example testing of STACS/CPS required trades to be generated from the trading floor and SYCOM systems.

SFE SYSTEM STATUS

SYCOM® IV functional testing including Y2K testing is in progress and targeted for completion March 1999. SYCOM® III is being tested for Y2K compliance with a target completion date of December 1998.

The SFE and NZFOE have commenced Cycle 2 testing of STACS/CPS and the BOA End User Package on a compliant platform and target completion is December 1998.

A review of the Bulletin Board (BBS) infrastructure is in progress. There will be no changes to the format of the data files provided to the Members or to the Upload files the Members send to the Exchanges. It is expected that an upgrade will be required to the file transfer software and that minor display issues will be found. Members will be advised of the display issues on completion of testing. No changes are anticipated at Member sites.

The Exchanges are recommending that Members upgrade their BOA End User Package PC and Bulletin Board PC to compliant platforms. Members will be advised when these upgrades can be implemented.

The Chicago Mercantile Exchange advises that all versions of PC-SPAN® from version 3.12b will continue to operate at the same level of functionality after December 31st, 1999 as prior to it with respect to dates. Please see the CME web site for more details at <http://www.cme.com/span/spany2k.htm>. The current version of PC-SPAN® is 3.12e. Members may upgrade to this version at a cost of \$125. Please contact the SFECH for an upgrade.

NYMEX have advised that a new version of ACCESS is targeted for 2nd quarter 1999.

MEMBER UPGRADES REQUIRED

- | | |
|----------------------|---|
| SYCOM® | - SYCOM® IV is targeted for live operation 31 st March 1998. |
| | - SYCOM® III compliance is on target for completion December 1998. |
| STACS | - STACS terminals at member sites do not require a software upgrade, however the Exchanges will be upgrading the terminals to a compliant version of the operating system during the 1 st Quarter of 1999. |
| BOA End User Package | - SFE and NZFOE recommend Members to upgrade their PCs to DOS 6.22 and compliant BIOS versions. Members will be notified by the Exchanges when updates can be made. |
| BBS | - SFE and NZFOE recommend Members to upgrade their PCs to the appropriate compliant platform. Members will be notified by the Exchanges when updates can be made. |
| | - SFE will upgrade the file transfer software as required and advise Members of the display errors on completion of testing. |
| PC-SPAN® | - SFE and NZFOE recommend that Members upgrade to version 3.12e. See the CME website http://www.cme.com/span for details of the functionality included in this version. |
| Contract Value | - SFE and NZFOE have ported these calculators to a compliant version of Excel – MS Excel 97. |

Calculator Spreadsheet	-	The calculators will be tested by mid-December and will be made available through the SFE web site. Members will be notified when they are available.
SFEIN 1.1a	-	This new version of SFEIN has an improved user interface which is easier to use along with improved flexibility.
	-	Y2K testing of this upgrade is scheduled for completion March 1999.
NYMEX ACCESS	-	NYMEX advise that new version of ACCESS is targeted for 2 nd quarter 1999.

MEMBER TESTING

The SFE and NZFOE have sent a survey to all Floor and/or Clearing Members and Trading Permit Holders to identify the market requirement for an industry wide test of the Exchanges' core systems and interfaces to Members. A workgroup, including Member representation, is being established. This work group will survey Members to identify the scope of the industry wide test.

If you have not requested a Test Pack and you anticipate using the SFE and NZFOE data for your internal Y2K testing, please complete the attached Registration Form and return it to the SFE. Please be aware that the data will be available up to the end of January 1999. Details of the Test Packs, including a list of contents, were published on 30 September 1998 in Circular No. 277/98. This circular is available on the Y2K pages of the SFE website at <http://www.sfe.com.au>.

CRITICAL SYSTEMS TARGET DATES

Critical Systems	Description	Notes	Estimated Completion Date
SYCOM®	Automated Trading system	SYCOM® IV currently being tested.	March 1999
		SYCOM® III currently being tested.	December 1998
STACS	Allocation System	Cycle 1 testing of the compliant application has been completed. No significant issues were identified.	Completed
		Cycle 2 testing on the compliant platform has been scheduled.	November 1998
CPS	Clearing and Settlement System	Cycle 1 testing of the compliant application has been completed. No significant issues were identified.	Completed
		Cycle 2 testing on the compliant platform has been scheduled.	December 1998
BOA End User Package	Confirmed trades and allocations feed	Hardware to be upgraded. No changes required to the application.	November 1998
BBS	Bulletin Board System	Review of the BBS infrastructure is in progress.	December 1998

If you have any queries on the above or any other issues regarding the SFE and NZFOE Year 2000 project, please either email to

year2000@sfe.com.au

or contact Fiona Diplock, Year 2000 Member Liaison on (02) 9256 0479.

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Year 2000 Project

A Project of the Sydney Futures Exchange



MEMBER TEST PACK REGISTRATION

Fax To: Sydney Futures Exchange

Attn: John Manton

Fax No.: 61 2 9256 0491

From:

(firm name / mnemonic)

Contact:

(key contact for Y2K Testing)

Address:

(for delivery of Test Pack)

Phone No.:

Fax No.:

Please indicate the following:

Which Test Pack(s) you require:

Please Tick	Test Member
	BBB (SFE)
	CCC (SFE)
	CCC (NZFOE)
	DDD (SFE)
	EEE (SFE)
	FFF (NZFOE)
	GGG (SFE)
	GGG (NZFOE)

Which data you require:

Please Tick	Data
	Full Test Pack
	STACS Reports
	Clearing Member Reports
	Fee & Commission Statements
	Confirmed Trades Feed
	Settlement File
	SPAN File
	Intra-Day Settlement File

**Fiona Diplock
Senior Project Analyst**

19/11/98

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