

SFE CIRCULAR

NO 232/00

**DOWNLOADING BUSINESS RULE AMENDMENTS
FROM SFE's WEBSITE**

Update Service No. 2-2

The Loose-Leaf service of the Business Rules of SFE has been updated to reflect the recent amendments to the Business Rules which have already been notified by Circular.

Attached is a copy of the update which users of the loose-leaf service may wish to download from the web-site. Users who wish to do this should download the whole document and print all the pages **double-sided** (or print single-sided and double-side photocopy). The pages also need to be punched with a three-hole punch before inserting into your binder.

The filing instructions should then be followed as set out.

Users who do not wish to download their own update but wish to obtain a hard copy from SFE should contact Ms Kym Megy at SFE (phone: 02 9256 0539). Participants and subscribers are entitled to a free copy, and the fee for other users is \$20.00.

Barbara Jones
Company Secretary
& Senior Legal Counsel

BUSINESS RULES UPDATE SERVICE NO 2-2**DECEMBER 2000**

This is the first update of the September 2000 issue of the Business Rules of the Sydney Futures Exchange Limited.

The major changes which are included in this update are

- amendments to the Trading Rules to provide for the SYCOM IV enhancements which were introduced on 18 December 2000,
- amendments to the 90 Day Bank Accepted Bill Market By-Laws to provide for:
 - Overnight Options and
 - to bring forward the time of expiry of the exchange traded options from 4.30 pm to 12.30 pm

Some additional items have been updated and a new page 469/470 has been included as some loose leaf services are missing AF.15-AF.18 which should have been printed on page 470.

The filing instructions are set out below and details of the amendments appear on the next page.

Filing Instructions

Tab and Heading	Remove Pages	Replace With New Pages
Frontispiece	remove	replace
Schedule of Participants' mnemonics	remove	replace
Tab 3 Schedules	213-218	213-218
Tab 4 Trading Rules	239-244 261-266 287-288 291-292	239-244 261-266 287-288 291-292
Tab 5 Ten Year Treasury Bond Contract	313-314	313-314
Tab 5.1 Bank Bill Contract	323-326	323-326
Tab 5.9 Three Year Treasury Bond Contract	429-430	429-430
Tab 5.15 Australian Dollar Contract	469-470	469-470
Tab 5.16 Barley Contract	473-474	473-474
Tab 5.17 Canola Contract	485-486	485-486
Tab 5.18 Sorghum Contract	497-498	497-498

Details of the amendments

Amendment to	Comments	Effective Date	Circular No
19th and 20th Schedules	Update		
TR.1.1 (Definition section)	Amendments to definitions of 'equilibrium price', 'custom market' and 'custom market order', and new definitions of 'Inter Commodity Lagged Spread', 'Market Limit Order' and 'Timed Order' to reflect SYCOM IV enhancements	18/12/00	
Amendments to TR.9.4, 9.9, 12.1(d), new 12.1(g) & (h), new 14(j), amendments to 15.1(a) and (b)	to reflect SYCOM IV enhancements	18/12/00	225/00
Preamble and clause 1 to Schedule D	to reflect SYCOM IV enhancements	18/12/00	225/00
Preamble and clause 3 to Schedule F	to reflect SYCOM IV enhancements	18/12/00	225/00
BAB 104(a), 105(b), 106 and 107	to bring forward the time of expiry of BAB Options to 12.30 pm from 4.30 pm	1/12/00	208/00 225/00
BAB 200-208 added	to provide for BAB Overnight Options	14/11/00	196/00

SYDNEY FUTURES EXCHANGE LIMITED

ABN 000 299 392



BUSINESS RULES

as at 18 December 2000

**Comprising Constitution (adopted at
Extraordinary General Meeting held
22 July 2000), By-Laws and Trading Rules**

(This page has been deliberately left blank)

SCHEDULE OF PARTICIPANT MNEMONICS

<u>Code</u>	<u>Name</u>
AAA	ABN AMRO Bank N.V.
ANZ	ANZ Futures Limited
BEL	C, A & L Bell Commodities Corporation Pty Limited
BNP	BNP Paribas
CBA	Commonwealth Bank of Australia
DBA	Deutsche Bank AG
FBA	Credit Suisse First Boston Australia Securities Limited
FCS	Fortis Clearing Sydney Pty Ltd
FIM	FIMAT SNC trading as FIMAT Australia
GSA	Goldman Sachs Australia Pty Limited
HKB	HSBC Futures (Australia) Pty Limited
JBW	J B Were Futures Pty Limited
JPM	J P Morgan Australia Limited
LQF	L Quay Futures Brokers Pty Limited
MBL	Macquarie Bank Limited
MER	Merrill Lynch (Australia) Futures Limited
NAB	National Australia Bank Limited
OMT	Ord Minnett Jardine Fleming Futures Limited
RMB	RMB Australia Limited
SSB	Salomon Smith Barney Australia Capital Markets Pty Limited
THA	Timber Hill Australia Pty Limited
TMG	TransMarket Pty
TSL	Traderspace Limited
UBS	UBS Warburg Australia Limited

SCHEDULE OF COMMODITY CODES

<u>Code</u>	<u>Commodity</u>
AI	Dow Jones AP/ELS Australia Index Futures
AI	Options on Dow Jones AP/ELS Australia Index Futures
AO	Share Price Index Futures
AO	Options on Share Price Index Futures
AO	Serial Options on Share Price Index Futures
AN	ANZ Bank Shares Futures
AZ	Overnight Options on All Ordinaries Share Price Index Futures
BA	Barley Futures
BC	Westpac Banking Corporation Share Futures
BH	Broken Hill Proprietary Shares Futures
BW	Broad Wool Futures
CA	Rio Tinto Limited Share Futures
CN	Canola Futures
FB	Fosters Brewing Group Share Futures
FW	Fine Wool Futures
GW	Greasy Wool Futures
GW	Options on Greasy Wool Futures
IM	MIM Holdings Share Futures
IR	90 Day Bank Accepted Bills Futures
IR	Options on 90 Day Bank Accepted Bill Futures
NB	National Australia Bank Share Futures
NE (NSW)	New South Wales (NSW) Base Load Electricity Futures Contract
NU	News Corporation Share Futures
NX (NSW)	New South Wales (NSW) Peak Period Electricity Futures Contract
PC	Pacific Dunlop Share Futures
SO	Sorghum Futures
SX	Serial Options on 10 Year Commonwealth Treasury Bond Futures
SY	Serial Options on 3 Year Commonwealth Treasury Bond Futures
TE	Telstra Share Futures
VE (VIC)	Victorian (VIC) Base Load Electricity Futures Contract
VX (VIC)	Victorian (VIC) Peak Period Electricity Futures Contract
WH	Wheat Futures
WH	Options on Wheat Futures
WM	Western Mining Corporation Share Futures
XB	10 Year Commonwealth Treasury Bond Futures
XB	Options on 10 Year Commonwealth Treasury Bond Futures
XO	Overnight Options on 10 Year Commonwealth Treasury Bond Futures
YB	3 Year Commonwealth Treasury Bond Futures
YB	Options on 3 Year Commonwealth Treasury Bond Futures
YO	Overnight Options on 3 Year Commonwealth Treasury Bond Futures

NINETEENTH SCHEDULE

THREE YEAR TREASURY BOND CONTRACT

35	<u>Cash Settlement Month - December 1996</u> 6.25% March 1999 12.0% July 1999 7.0% April 2000 13.0% July 2000	44	<u>Cash Settlement Month - March 1999</u> 8.7% January 2001 12.0% November 2001 9.75% March 2002 9.5% August 2003
36	<u>Cash Settlement Month - March 1997</u> 6.25% March 1999 12.0% July 1999 7.0% April 2000 13.0% July 2000	45	<u>Cash Settlement Month - June 1999</u> 8.75% January 2001 12.0% November 2001 9.75% March 2002 9.5% August 2003
37	<u>Cash Settlement Month - June 1997</u> 12.0% July 1999 7.0% April 2000 13.0% July 2000 8.75% January 2001	46	<u>Cash Settlement Month - September 1999</u> 12.0% November 2001 9.75% March 2002 9.5% August 2003
38	<u>Cash Settlement Month - September 1997</u> 7.0% April 2000 13.0% July 2000 8.75% January 2001 12.0% November 2001	47	<u>Cash Settlement Month - December 1999</u> 12.0% November 2001 9.75% March 2002 9.5% August 2003 9.0% September 2004
39	<u>Cash Settlement Month - December 1997</u> 7.0% April 2000 13.0% July 2000 8.75% January 2001 12.0% November 2001	48	<u>Cash Settlement Month - March 2000</u> 12.0% November 2001 9.75% March 2002 9.5% August 2003 9.0% September 2004
40	<u>Cash Settlement Month - March 1998</u> 7.0% April 2000 13.0% July 2000 8.75% January 2001 12.0% November 2001	49	<u>Cash Settlement Month - June 2000</u> 9.75% March 2002 9.5% August 2003 9.0% September 2004 7.5% July 2005
41	<u>Cash Settlement Month - June 1998</u> 13.0% July 2000 8.75% January 2001 12.0% November 2001 9.75% March 2002	50	<u>Cash Settlement Month - September 2000</u> 10.0% October 2002 9.5% August 2003 9.0% September 2004 7.5% July 2005
42	<u>Cash Settlement Month - September 1998</u> 13.0% July 2000 8.75% January 2001 12.0% November 2001 9.75% March 2002	51	<u>Cash Settlement Month - December 2000</u> 10.0% October 2002 9.5% August 2003 9.0% September 2004 7.5% July 2005
43	<u>Cash Settlement Month - December 1998</u> 8.75% January 2001 12.0% November 2001 9.75% March 2002 9.5% August 2003	52	<u>Cash Settlement Month - March 2001</u> 10.0% October 2002 9.5% August 2003 9.0% September 2004 7.5% July 2005

NINETEENTH SCHEDULE**THREE YEAR TREASURY BOND CONTRACT**

53	<u>Cash Settlement Month - June 2001</u>
	9.5% August 2003
	9.0% September 2004
	7.5% July 2005

TWENTIETH SCHEDULE
TEN YEAR TREASURY BOND CONTRACT

The following series of Commonwealth Government Treasury Bonds are those declared by the Board pursuant to By-Law TB.4(a).

1	<u>Cash Settlement Month - March 1989</u> 12.5% March 1997 12.5% September 1997 12.5% January 1998 12.0% July 1999 13.0% July 2000	8	<u>Cash Settlement Month - December 1990</u> 12.5% March 1997 12.5% September 1997 12.5% January 1998 12.0% July 1999 13.0% July 2000
2	<u>Cash Settlement Month - June 1989</u> 12.5% March 1997 12.5% September 1997 12.5% January 1998 12.0% July 1999 13.0% July 2000	9	<u>Cash Settlement Month - March 1991</u> 12.5% March 1997 12.5% September 1997 12.5% January 1998 12.0% July 1999 13.0% July 2000
3	<u>Cash Settlement Month - September 1989</u> 12.5% March 1997 12.5% September 1997 12.5% January 1998 12.0% July 1999 13.0% July 2000	10	<u>Cash Settlement Month - June 1991</u> 12.5% March 1997 12.5% September 1997 12.5% January 1998 12.0% July 1999 13.0% July 2000
4	<u>Cash Settlement Month - December 1989</u> 12.5% March 1997 12.5% September 1997 12.5% January 1998 12.0% July 1999 13.0% July 2000	11	<u>Cash Settlement Month - September 1991</u> 12.5% March 1997 12.5% September 1997 12.5% January 1998 12.0% July 1999 13.0% July 2000
5	<u>Cash Settlement Month - March 1990</u> 12.5% March 1997 12.5% September 1997 12.5% January 1998 12.0% July 1999 13.0% July 2000	12	<u>Cash Settlement Month - December 1991</u> 12.5% January 1998 12.0% July 1999 13.0% July 2000 12.0% November 2001
6	<u>Cash Settlement Month - June 1990</u> 12.5% March 1997 12.5% September 1997 12.5% January 1998 12.0% July 1999 13.0% July 2000	13	<u>Cash Settlement Month - March 1992</u> 12.5% January 1998 12.0% July 1999 13.0% July 2000 12.0% November 2001
7	<u>Cash Settlement Month - September 1990</u> 12.5% March 1997 12.5% September 1997 12.5% January 1998 12.0% July 1999 13.0% July 2000	14	<u>Cash Settlement Month - June 1992</u> 12.0% July 1999 13.0% July 2000 12.0% November 2001 10.0% October 2002

TWENTIETH SCHEDULE

TEN YEAR TREASURY BOND CONTRACT

15	<u>Cash Settlement Month - September 1992</u> 13.0% July 2000 12.0% November 2001 10.0% October 2002	22	<u>Cash Settlement Month - June 1994</u> 10.0% October 2002 9.5% August 2003 9.0% September 2004 7.5% July 2005 6.75% November 2006
16	<u>Cash Settlement Month - December 1992</u> 12.0% November 2001 10.0% October 2002 9.5% August 2003	23	<u>Cash Settlement Month - September 1994</u> 10.0% October 2002 9.5% August 2003 9.0% September 2004 7.5% July 2005 6.75% November 2006
17	<u>Cash Settlement Month - March 1993</u> 12.0% November 2001 10.0% October 2002 9.5% August 2003	24	<u>Cash Settlement Month - December 1994</u> 9.5% August 2003 9.0% September 2004 7.5% July 2005 6.75% November 2006
18	<u>Cash Settlement Month - June 1993</u> 12.0% November 2001 10.0% October 2002 9.5% August 2003 9.0% September 2004	25	<u>Cash Settlement Month - March 1995</u> 9.5% August 2003 9.0% September 2004 7.5% July 2005 6.75% November 2006
19	<u>Cash Settlement Month - September 1993</u> 10.0% October 2002 9.5% August 2003 9.0% September 2004	26	<u>Cash Settlement Month - June 1995</u> 9.5% August 2003 9.0% September 2004 7.5% July 2005 6.75% November 2006
20	<u>Cash Settlement Month - December 1993</u> 12.0% November 2001 10.0% October 2002 9.5% August 2003 9.0% September 2004	27	<u>Cash Settlement Month - September 1995</u> 9.0% September 2004 7.5% July 2005 10.0% February 2006 6.75% November 2006 10.0% October 2007
21	<u>Cash Settlement Month - March 1994</u> 10.0% October 2002 9.5% August 2003 9.0% September 2004 7.5% July 2005	28	<u>Cash Settlement Month - December 1995</u> 9.0% September 2004 7.5% July 2005 10.0% February 2006 6.75% November 2006 10.0% October 2007

TWENTIETH SCHEDULE

TEN YEAR TREASURY BOND CONTRACT

29	<u>Cash Settlement Month - March 1996</u> 9.0% September 2004 7.5% July 2005 10.0% February 2006 6.75% November 2006 10.0% October 2007	37	<u>Cash Settlement Month - March 1998</u> 10.0% February 2006 6.75% November 2006 10.0% October 2007 8.75% August 2008 7.5% September 2009
30	<u>Cash Settlement Month - June 1996</u> 9.0% September 2004 7.5% July 2005 10.0% February 2006 6.75% November 2006 10.0% October 2007	38	<u>Cash Settlement Month - June 1998</u> 10.0% February 2006 6.75% November 2006 10.0% October 2007 8.75% August 2008 7.5% September 2009
31	<u>Cash Settlement Month - September 1996</u> 7.5% July 2005 10.0% February 2006 6.75% November 2006 10.0% October 2007 8.75% August 2008	39	<u>Cash Settlement Month - September 1998</u> 6.75% November 2006 10.0% October 2007 8.75% August 2008 7.5% September 2009
32	<u>Cash Settlement Month - December 1996</u> 7.5% July 2005 10.0% February 2006 6.75% November 2006 10.0% October 2007 8.75% August 2008	40	<u>Cash Settlement Month - December 1998</u> 6.75% November 2006 10.0% October 2007 8.75% August 2008 7.5% September 2009
33	<u>Cash Settlement Month - March 1997</u> 7.5% July 2005 10.0% February 2006 6.75% November 2006 10.0% October 2007 8.75% August 2008	41	<u>Cash Settlement Month - March 1999</u> 10.0% October 2007 8.75% August 2008 7.5% September 2009 5.75% June 2011
34	<u>Cash Settlement Month - June 1997</u> 7.5% July 2005 10.0% February 2006 6.75% November 2006 10.0% October 2007 8.75% August 2008	42	<u>Cash Settlement Month - June 1999</u> 10.0% October 2007 8.75% August 2008 7.5% September 2009 5.75% June 2011
35	<u>Cash Settlement Month - September 1997</u> 7.5% July 2005 10.0% February 2006 6.75% November 2006 10.0% October 2007 8.75% August 2008	43	<u>Cash Settlement Month - September 1999</u> 10.0% October 2007 8.75% August 2008 7.5% September 2009 5.75% June 2011
36	<u>Cash Settlement Month - December 1997</u> 10.0% February 2006 6.75% November 2006 10.0% October 2007 8.75% August 2008	44	<u>Cash Settlement Month - December 1999</u> 10.0% October 2007 8.75% August 2008 7.5% September 2009 5.75% June 2011

TWENTIETH SCHEDULE**TEN YEAR TREASURY BOND CONTRACT**

- 45 Cash Settlement Month - March 2000
10.0% October 2007
8.75% August 2008
7.5% September 2009
5.75% June 2011
- 46 Cash Settlement Month - June 2000
8.75% August 2008
7.5% September 2009
5.75% June 2011
- 47 Cash Settlement Month - September 2000
8.75% August 2008
7.5% September 2009
5.75% June 2011
- 48 Cash Settlement Month – December 2000
8.75% August 2008
7.5% September 2009
5.75% June 2011
6.5% May 2013
- 49 Cash Settlement Month – March 2001
8.75% August 2008
7.5% September 2009
5.75% June 2011
6.5% May 2013
- 48 Cash Settlement Month – June 2001
7.5% September 2009
5.75% June 2011
6.5% May 2013

(This page has been deliberately left blank)

TWENTY-FIRST SCHEDULE

REPORTABLE POSITIONS

(Amended 30/10/95, 24/4/96)

The levels prescribed by the Board pursuant to General By-Law G.36(b) are ONE.

TWENTY-SECOND SCHEDULE

(Deleted)

PART A - GENERAL**TR.1 DEFINITIONS**

TR.1.1 In these Trading Rules the words standing in the first column of the table set out below shall except where inconsistent with the subject or context bear the meanings set opposite to them respectively in the second column. Except where the contrary intention appears words used in the Trading Rules shall bear the same meaning as in the Constitution and General By-Laws of the Exchange.

<u>Words</u>	<u>Meanings</u>
Affiliate	Has the meaning given by TR.4.3.
Allocate	The signification through STACS that the bought or sold side of a Futures Contract or Option Contract is to be held in the name of another Participant.
AOEI	The workstation being the electronic Automated Order Entry Interface through which a MFOS routes orders to the SYCOM® host.
Board	The whole or any number of the Directors of the Exchange for the time being assembled at a meeting of Directors.
Business Day	Any day on which the office of the Exchange is open.
Business Rules	The rules, regulations and by-laws made by the Exchange or contained in its Constitution that deal with the activities and conduct of the Exchange and its Members, the activities and conduct of each clearing house for the Exchange and the activities and conduct of other persons in relation to each Market run by the Exchange.
Buyer	In relation to a Futures Contract, the buyer of that contract, and in relation to an Option Contract, the taker or purchaser of that contract, including a person offering to take or purchase, as the case may be.
By-Laws	Such By-Laws as shall be made and promulgated in accordance with the Constitution and By-Laws from time to time or made in accordance with any previous Articles of Association of the Exchange.
Chief Executive	The chief executive officer of the Exchange or where there is no Chief Executive, the Chairman of the Exchange or a person delegated by him to perform some or all of the powers and functions of the Chief Executive, (including any power to nominate or delegate) as conferred by the Board or the Business Rules... <u>(Amended 22/12/99)</u>
Clearing House	Any body or corporation appointed by the Exchange to act as a clearing house for the Exchange.

Client	In relation to a Participant, any person, Firm or corporation on behalf of whom the Participant trades, or on behalf of whom the Participant proposes to trade or from whom the Participant accepts instructions to trade, in Futures Contracts or Option Contracts.
Client Identifier	The unique identifier of at least one character assigned by a Participant to each Client to identify the Client in the Participant's dealing record.
Client Trade	A trade of a Participant held on behalf of a client.
Close	The completion of trading in a SYCOM® Trading Date in a particular Futures Contract or Option Contract, or such other time as is designated by the Board.
Constitution	The constitution of the Exchange as amended from time to time.
Contract Committee	The committee constituted, from time to time, pursuant to TR.7.
Contract Committee Panel	The panel of SYCOM® Traders constituted from time to time, pursuant to TR.7.
Custom Market	The facility within SYCOM® whereby non-standard multi-legged strategies may be entered, consisting of up to six legs and, in respect of either Futures Contracts or Option Contracts or a combination of both, traded pursuant to TR.16. (<u>Amended 18/12/00</u>)
Custom Market Order	A non-standard multi-legged strategy, of either Futures Contracts or Option Contracts or a combination of both, consisting of up to six legs and traded pursuant to TR.16. (<u>Amended 18/12/00</u>)
Daily Settlement Price	The official daily quotation for each Futures Contract or Option Contract traded on a Futures Market of the Exchange for each delivery or cash settlement month (and in the case of Option Contracts, for each series) as determined by the Exchange for the purpose of margining and settling by the Clearing House.
Designate	The indication or designation by any means within STACS that the trade is either a House Trade or a Client Trade.
Equilibrium Price	The matched price at which the most volume may trade at the conclusion of the Pre-Opening Phase. (<u>Amended 18/12/00</u>)
Exchange	The corporation styled "Sydney Futures Exchange Limited". Where these Trading Rules confer on the Exchange a power to do or refrain from doing some act or to exercise a discretion, a reference to the Exchange includes a reference to the Board, the Chief Executive or other officer of the Exchange authorised by the Board or Chief Executive to exercise that power or who is otherwise properly authorised to exercise that power.
Exchange Official	An Exchange employee whose duties include the supervision of SYCOM® Trading and such other duties as may be required by the Chief Executive or the Trading Manager from time to time.
Exchange System	Any trading system or any computer system utilised by the Exchange for any purpose, including without limitation in connection with SYCOM®.

Exercise Price	The price at which a Buyer shall purchase or sell the underlying Futures Contract upon the exercise of an Option Contract.
Firm	A partnership of two (2) or more persons.
FOK	Orders which expire after a period of time as determined by the Screen Dealing Committee or the Trading Manager, also known as "Fill or Kill".
Full Participant	Any person who is admitted and remains recognised as a Participant under General By-Law G.3.. (<u>Amended 13/12/99</u>)
Futures Contract	A futures contract as that term is defined in the Corporations Law.
GTC	Orders which remain "Good till Cancelled" as described in TR.12.1.
House Trade	Any Trade other than a Client Trade.
In Writing	Written, typed, printed or lithographed or partly one and partly another, including any other mode of representing or reproducing words in a visible form, including electronically produced, displayed and recorded matter.
Inter-Commodity Lagged Spread	A spread of a type described as such in TR.14(j). (<u>Added 18/12/00</u>)
Inter-Commodity Spread	A spread of a type described as such in TR. 14.
Inter-Regional Spread	A spread of a type described as such in TR. 14.
Interim Daily Settlement Price	In respect of a Futures Contract or Option Contract, the Daily Settlement Price for the Futures Contract or Option Contract determined by the Exchange immediately following the Close of the Market, before any objections are heard pursuant to TR.21.
Intra-Commodity Spread	A spread of a type described as such in TR. 13.
Levelling Phase	The final thirty (30) seconds of the Pre-Opening Phase when a common opening price is determined.
Limit Orders	Orders to be executed at a specified price.
Local Participant	Any person who is admitted and remains recognised as a Participant under General By-Law G.5.
Market	A market in one of the contracts traded on the Exchange.
Market Halt	A period of time when trading in a Market has been temporarily suspended by the Exchange.
Market Limit Order	An order which is limited to execution at a price that is specified above or below the prevailing Market. (<u>Added 18/12/00</u>)
MFOS	A Participant's software application for use by the Participant or its clients for trading SYCOM® via an AOEI and known as a "Member Firm Order System".

MFWS	A workstation used by a Participant for trading SYCOM® and known as a “Member Firm Workstation.
Net Premium	The net price agreed upon between the Buyer and the Seller for the purchase or sale of an option strategy.
Nominating Participant	In relation to a Local Participant , the Full Participant who has given the undertaking required by General By-Law G.5.5(f) or (g) in the form of the Seventeenth Schedule.
Officer	Director, partner or employee.
Open	The commencement of Open Trading in a particular Futures Contract or Option Contract or such other time as is designated by the Board.
Open Trading	The period of trading on SYCOM® in a particular Futures Contract or Option Contract following the Pre-Opening Phase, during which bids and offers may be freely made, accepted, matched, cancelled and amended.
Option Contract	A “futures option” as that term is defined in the Corporations Law.
Option Series	Options of the same class having the same exercise price and declaration date.
Overnight Option	An option on a Futures Contract which expires on the morning of the Business Day following the relevant SYCOM® Trading Date, on the basis of an Overnight Options Price established in accordance with the Business Rules.
Overnight Options Daily Settlement Price	The price against which an Overnight Option is settled.
Participant	A Full Participant or a Local Participant
Pre-Opening Phase	A period of ten (10) minutes (or such other period as may be determined by the Board) prior to the Open in respect of a particular Futures Contract or Option Contract during which bids and offers may be entered into the SYCOM® Book for execution at a common price on the Open.
Pre-Price Discovery Phase	A phase where the market is halted and appropriate orders are purged in preparation for the Price Discovery phase.
Price Discovery Phase	A second Pre-Opening Phase.
Prioritised Execution	A method of prioritising orders for execution based upon orders being received on SYCOM® obtaining priority of execution over: <ul style="list-style-type: none"> (a) all subsequent entries at the same price; (b) all entries at a lower price in the case of a bid to buy; and (c) all entries at a higher price in the case of an offer to sell, with each entry being recorded by SYCOM®.
Publish	Make information available to the public and/or to Participants by any means including electronic means.

Purge	The process whereby, in the event of a MFWS or AOEI losing connection to SYCOM® for a period of time, an order which has not been designated as “Retain” will be automatically cancelled by SYCOM®.
Representative	In respect of a Participant, a SYCOM® Trader or other person who has been engaged or is otherwise subject to an agreement or understanding, whereby that person will advise, or solicit instructions from other persons, or trade on the Participant’s behalf in relation to dealings in Futures Contracts or Option Contracts.
Retain	In the event of a MFWS or AOEI losing connection to SYCOM® for a specified period an order designated as “Retain” will remain active in SYCOM®.
Screen Dealing Committee	The committee constituted under TR.6.
Seller	In relation to a Futures Contract, the seller of that contract and in relation to an Option Contract, the grantor or writer of that contract, including a person offering to grant or write, as the case may be.
Serial Options	Those Option Contracts which do not expire in the same calendar month as the Underlying Futures Contract.
Shared Order	An order that may be viewed and actioned by authorised SYCOM® Traders of the same Participant.
Sponsoring Full Participant	A Full Participant of which a SYCOM® Trader is an Officer or Representative, or the Nominating Participant of a Local Participant.
Spread Trade Facility	A function within SYCOM® which allows spread trades to be effected using a price differential.
STACS	The Sydney Trade Allocation and Confirmation System as defined in General By-Law G.44.1
Sweep Order	An order that allows a SYCOM® Trader to buy or sell one or more price levels through the prevailing Market to execute a given volume. The depth of the sweep order function will be as determined from time to time by the Board.
SYCOM®	The computerised trading facility operated by the Exchange and known as “Sydney Computerised Market”.
SYCOM® Book	A function that contains all active orders in SYCOM®.
SYCOM® Data	All data including symbols, information, statistics and any other data in letter or numeral form disclosing, describing, summarising or otherwise commenting on the trading of Futures Contracts or Option Contracts traded on SYCOM®.

SYCOM® Trader	An Officer or Representative of a Full Participant, (or an Officer or Representative of an Affiliate of a Full Participant), a Local Participant, or where the Local Participant is a corporation or a Firm, its Director as described in General By-Law G.5.2 or its partner as described in General By-Law G.5.3 who in each case shall have been approved by the Screen Dealing Committee as a SYCOM® Trader, to enter and release bids and offers to the SYCOM® system, accept bids and offers and cancel orders released to the SYCOM® system.
SYCOM® Trading Date	The period from any commencement of Open Trading to the Close of trading (disregarding any temporary interruptions to SYCOM® trading).
SYCOM® Trading Procedures	The procedures specified by the Exchange which are annexed to the Trading Rules as Schedules and which form a part of the Trading Rules.
Timed Order	Orders which expire at a specified time and date. (<u>Amended 18/12/00</u>)
Trading Manager	The employees of the Exchange designated by the Board or its delegate, who shall supervise trading in accordance with the Trading Rules, or, in the absence of the Trading Manager, any Exchange employee designated by the Chief Executive from time to time to act as Trading Manager.
Trading Proficiency Examination	A test of a person's knowledge of SYCOM® trading functionality as it pertains to the execution and management of orders.
Trading Rules Examination	A test of a person's knowledge of these Trading Rules, conducted by the Exchange as a prerequisite to becoming a SYCOM® Trader.
Underlying Futures Contract	The Futures Contract upon which an Option Contract is based.
User Defined Ratio	The volume ratio of each contract within a Custom Market order, as defined by a SYCOM® Trader at order entry.
Year	Calendar year.

Words importing the singular number only shall include the plural number and vice versa.

The word "person" and words importing a person or persons shall include corporations, companies and firms and the word "Firms" shall include partnerships.

Words importing the masculine gender only shall include the feminine or neuter gender.

Headings shall not affect interpretation.

Except where the contrary intention appears, the Trading Rules shall be interpreted as if they were part of the General By-Laws.

TR.2

INTRODUCTION

TR.2.1

This Chapter 2 of the Trading Rules shall apply to trading on the Exchange's SYDNEY COMPUTERISED MARKET known as SYCOM® which provides for the trading of Futures Contracts and Option Contracts by means of computers and computer Prioritised Execution. For the purposes of this Chapter 2, references to the Trading Rules shall be deemed to be references to the SYCOM® Trading Rules.

PART B - TRADING PROVISIONS

- TR.9 **OPEN AND CLOSE OF SYCOM® TRADING DATES**
- TR.9.1 SYCOM® Trading in a particular Futures Contract or Options Contract shall commence and cease at the time determined by the Board.
- TR.9.2 There will be a Pre-Opening Phase prior to the commencement of Open Trading.
- TR.9.3 During the Pre-Opening Phase only individual Limit Orders at a specified price may be entered into the SYCOM® Book but they cannot be executed by SYCOM® until the Open.
- TR.9.4 Deleted. (18/12/00)
- TR.9.5 No bids or offers entered into the SYCOM® Book during the Pre-Opening Phase may be cancelled during the Levelling Phase and no further bids or offers may be entered in this period.
- TR.9.6 At the expiry of the Levelling Phase, SYCOM® shall execute at the Open as many as possible bids greater than or equal to a common price and as many as possible offers less than or equal to a common price. For the purposes of filling orders at the common opening price, time of order submission shall be used to determine priority among orders at a single price. The allocation of orders by SYCOM® shall be final.
- TR.9.7 The common price calculated during the Levelling Phase in accordance with TR.9.6 shall be determined on the basis of an Equilibrium Price at which the most trades may be executed. During the Pre-Opening Phase SYCOM® shall display, where possible, an indicative Equilibrium Price based on the bids and offers in the SYCOM® Book.
- TR.9.8 Upon commencement of Open Trading, all bids and offers released for trading, shall be executed by SYCOM® by Prioritised Execution.
- TR.9.9 There shall be a Pre-Price Discovery Phase for specified Markets as determined by the Exchange from time to time. At the commencement of the Pre-Price Discovery Phase, all orders that have not traded or have not fully traded and/or are not designated as GTC shall be purged from SYCOM® in readiness for the Price Discovery Phase. No new orders shall be accepted and no modifications to GTC orders, with the exception of cancellation of GTC orders, shall be made during the Pre-Price Discovery Phase. (Amended 18/12/00).
- TR.9.10 There shall be a Price Discovery Phase for specific Markets, as determined by the Exchange from time to time, prior to the re-commencement of Open Trading.
- TR.9.11 During the Price Discovery Phase only individual Limit Orders may be entered into the SYCOM® Book but they cannot be executed by SYCOM® until the Open.
- TR.9.12 No bids or offers entered into the SYCOM® Book during the Price Discovery Phase may be cancelled during the Levelling Phase and no further bids or offers may be entered in this period.
- TR.9.13 At a time after the Close of a Commodity specified by the Exchange, all orders that have not traded or have not fully traded and are not designated as GTC shall lapse and be Purged from SYCOM®.

TR.10 **EXPRESSIONS OF INTEREST**

TR.10.1 An “expression of interest” (or any similar term), is an enquiry made to a Participant or SYCOM® Trader either:

- (a) to obtain the current best bid and/or offer in a particular Market; or
- (b) to enquire as to the volume that may be obtained at a given price.

An expression of interest is not a firm order to buy or sell.

- TR.10.2 (i) Upon receipt of an expression of interest where the enquiry concerns a single contract and/or price/volume details relating to that single contract, the Participant or SYCOM® Trader must make an enquiry via the SYCOM® “Request for Quote” facility. (Amended 22/12/99)
- (ii) Upon receipt of an expression of interest where the enquiry concerns multi-legged strategy and/or price/volume details relating to that multi-legged strategy, the Participant or SYCOM® Trader must make an enquiry via the SYCOM® "Message" facility. (Amended 22/12/99)

TR.10.3 Once the expression of interest has been entered pursuant to TR.10.2(i) or (ii), the Participant or SYCOM® Trader may then make an enquiry regarding the same expression of interest amongst other market participants and must only disclose that same information that has been disclosed either via the Request for Quote or Message facility to the Exchange pursuant to TR.10.2(i) or (ii) in relation to the expression of interest. (Amended 22/12/99)

TR.10.4 An expression of interest becomes an order when the Client confirms trading instructions based on responses to the expression of interest.

TR.10.5 Where a Participant of SYCOM® Trader has made an enquiry pursuant to TR.10.2(i) or (ii) and as a result of such an enquiry, the Participant or SYCOM® Trader receives orders which are opposite in effect, the restriction in TR.17.1(c)(viii) shall apply. (Amended 22/12/99)

TR.10.6 Where a Participant or SYCOM® Trader enters an order into SYCOM® based on an expression of interest without first confirming with the Client that it is a firm order to buy or sell, the Participant or SYCOM® Trader shall be in breach of General By-Law G26(b). (Amended 22/12/99)

TR.10.7 For the purpose of TR.10, in respect of a Participant which is a corporation, a “Client” shall include a related corporation as defined by the Corporations Law or a division of the Participant - which is separate from the Participant’s futures division.

TR.11 **INPUT OF BIDS AND OFFERS**

TR.11.1 Instructions received from Clients and orders for a Participant’s own account shall be executed by that Participant in the sequence in which they are received and recorded unless it would be fair and equitable to allocate contracts obtained in respect of similar orders on the same day on a different basis.

TR.11.2 Bids and offers must only be entered directly into SYCOM® by SYCOM® Traders and must be entered upon receipt, in sequence and pursuant to client instructions. SYCOM® Traders may enter bids and offers into the SYCOM® Book and may amend, modify or cancel such orders.

TR.11.3 Entries will be accepted into the SYCOM® Book only during SYCOM® trading hours.

- TR.11.4 (a) Once accepted by SYCOM®, entries in the SYCOM® Book, other than orders entered via the Custom Market, shall be maintained in time priority as recorded by SYCOM® until executed on a Prioritised Execution basis (other than during a Pre-Opening Phase) or cancelled.
- (b) Once accepted by SYCOM®, GTC Orders entered in the SYCOM® Book may be maintained through to the next SYCOM® Trading Date subject to Purge and Retain functionality.

TR.11.5 The following shall be input when entering a bid or offer:

- (a) type of order and/or time indications as required by the order type;
- (b) relevant price;
- (c) quantity;
- (d) an indication as to whether an order should be Retained by SYCOM® if the Participant's workstation goes off line;
- (e) an indication as to whether an order is a Shared Order;
- (f) subject to TR.11.6 an account number to be assigned to the order;
- (g) in the case of the Spread Trade Facility, the differential;
- (h) in the case of Custom Market Orders, the individual leg prices and the base ratio; and
- (i) subject to TR.11.6, a Client Identifier assigned to the client unless such Client Identifier is satisfied by (f) above.

TR.11.6 The Client Identifier referred to in TR.11.5(i) or account number in TR.11.5(f) shall be inputted no later than ten (10) minutes after the entering of a bid or offer and may only be inputted after this time when the Participant can demonstrate to the satisfaction of the Exchange that extenuating circumstances existed.

TR.11.7 A SYCOM® Trader must lock his or her MFWS keyboard when the MFWS is unattended.

TR.12 **PERMITTED ORDERS**

TR.12.1 All users of SYCOM® acknowledge that SYCOM® operates so that the only permitted orders are as described in TR.12 and must comply with this TR.12. The only orders which can be accepted by SYCOM® are:

- (a) Limit Order: also referred to as "LIM", being an order to be executed at a specified price;
- (b) Sweep Order: being an order that allows a SYCOM® Trader to buy or sell one or more price levels through the prevailing Market to execute a given volume;
- (c) Spread Order: being a Limit Order with a specified differential at which such order is to be executed;
- (d) Custom Market Order: being a Limit Order which is a non-standard multi-legged strategy consisting of up to six legs of either Futures Contracts or Option Contracts or a combination of both and traded pursuant to TR.16; (Amended 18/12/00)
- (e) Fill or Kill: also referred to as "FOK", being a Limit Order which expires after a period of time as determined by the Screen Dealing Committee or the Trading Manager;
- (f) Good Till Cancelled: "GTC" being a Limit Order which remains good till cancelled;
- (g) Market Limit Order: also referred to as "MLM", being a Limit Order to be executed at a specified price which is above or below the prevailing Market; and (Amended 18/12/00)
- (h) Timed Orders: being a Limited Order which expires at a specified time and date. (Amended 18/12/00).

Orders in paragraphs TR.12.1(a) to (h) are subject to the Purge and Retain functionality. (Amended 18/12/00).

TR.12.2 An order on SYCOM® may also be designated as follows:

- (a) Market: also referred to as “MKT”, orders are not functional and act as an order type identifier only;
- (b) Market if Touched: also referred to as “MIT”, orders are not functional and act as an identifier only;
- (c) Stop Order: also referred to as “STP”, orders are not functional and act as an identifier only;
- (d) Stop Limit: also referred to as “SLM”, orders are not functional and act as an identifier only;
- (e) Discretionary: also referred to as “DSC”, orders are not functional and act as an identifier only; and
- (f) Timed: also referred to as “TIM”, orders are not functional and act as an identifier only.

However the orders described in TR.12.2(a) to (f) shall have functionality as Limit Orders and are also subject to the Purge and Retain functionality.

TR.12.3 During Open Trading no bids may be released into SYCOM® that are higher than the current best offer price and no offers may be released into SYCOM® that are lower than the current best bid price, except when entering a Sweep Order.

TR.13 **INTRA-COMMODITY SPREADS**

- (a) A SYCOM® Trader must specify the quantity of Futures Contracts bid or offered and the price differential when entering an Intra-commodity Spread order.
- (b) A bid will be buying the near month and selling the far month, an offer will be selling the near month and buying the far month.
- (c) An Intra-commodity Spread order when executed will be filled for both legs by SYCOM® simultaneously with equal volume.
- (d) The Intra-commodity Spread market is fully interactive with the underlying market. If an Intra-commodity Spread order equals or tightens the bid/offer spread in the underlying market, SYCOM® will generate an implied bid or offer price, as the case may be, based on the Intra-commodity Spread order into the underlying market. If bids and offers in the underlying market equal or tighten the bid/offer spread in the Intra-commodity Spread market SYCOM® will combine separate underlying orders to generate an implied Intra-commodity Spread order in the Intra-commodity market. An implied price will be identifiable by colour if a SYCOM® Trader so chooses.
- (e) An Intra-commodity Spread order, if and when matched by SYCOM®, may trade with other spread orders or orders from the underlying market.
- (f) When an Intra-commodity Spread order is matched with another Intra-commodity Spread order SYCOM® will use the spread trade price algorithm to determine the proceeds of the individual legs as detailed in Schedule C.
- (g) Intra-commodity cross trades shall be subject to TR.17.
- (h) Each individual leg of an Intra-Commodity Spread must be allocated to the same account. (Amended 22/12/99)

TR.14 **INTER-COMMODITY SPREADS AND INTER-REGIONAL SPREADS**

- (a) A SYCOM® Trader must specify the quantity of the spread bid or offered and the price differential when entering an Inter-commodity Spread or Inter-regional Spread order.
- (b) Inter-commodity Spread or Inter-regional Spread markets pre-defined by the Exchange shall be at a ratio of one to one unless otherwise defined by the Exchange from time to time.
- (c) If an Inter-commodity Spread or Inter-regional Spread order is traded at a volume ratio then one lot of an Inter-commodity Spread or Inter-regional Spread order shall be, if and when matched, matched at the pre-defined volume ratio for the individual legs.
- (d) An Inter-commodity Spread or Inter-regional Spread order will be filled for both legs automatically by SYCOM® simultaneously with the pre-defined volume ratio when matched.

- (e) The Inter-commodity Spread or Inter-regional Spread is partially interactive with the underlying market. If bids and offers in the underlying market equal or tighten the bid/offer spread in the Inter-commodity Spread or Inter-regional Spread market and sufficient volume to meet any pre-defined volume ratio is met, SYCOM® will combine separate underlying orders to generate an implied Inter-commodity Spread or Inter-regional Spread bid or offer price, as the case may be, in the Inter-commodity Spread or Inter-regional Spread market. An implied price will be identifiable by colour if a SYCOM® Trader so chooses.
- (f) An Inter-commodity Spread or Inter-regional Spread order, if and when matched by SYCOM®, may trade with other Inter-commodity Spread or Inter-regional Spread orders or orders from the underlying market.
- (g) When an Inter-commodity Spread or Inter-regional Spread order is matched with another Inter-commodity Spread or Inter-regional Spread order, SYCOM® will use the spread trade price algorithm as detailed in Schedule C to determine the prices of the individual legs.
- (h) Inter-commodity Spread or Inter-regional Spread cross trades shall be subject to TR.17.
- (i) Each individual leg of an Inter-commodity Spread or Inter-regional Spread must be allocated to the same account.
- (j) An Inter-Commodity Spread order can be traded so that the spot expiry month of one commodity can be spread against an expiry month of another commodity other than the spot expiry month. (Amended 18/12/00).

TR.15 **STRIP TRADING AND OPTION STRATEGIES**

TR.15.1 For the purpose of this TR.15:

- (a) a Strip Trade means a trade where seven (7) or more consecutive traded months of a Futures Contract are bought or sold simultaneously, with the same volume for each of those traded months; and (Amended 18/12/00)
- (b) an Option Strategy means a strategy consisting of seven (7) or more legs of a combination of any Futures or Options Contract. (Amended 3/12/99, 18/12/00)

TR.15.2

- (i) A Strip Trade or Option Strategy must be executed in a manner determined by the Screen Dealing Committee, Trading Manager or Board in accordance with this TR.15 and as applicable either the Strip Trade and Option Strategy SYCOM® Trading Procedures as set out in Schedule D or the Strip Trading Procedures as set out in Schedule DA. (Amended 10/11/99)
- (ii) An order which may be traded on SYCOM® where there is a specific pre-defined Strip market designated by the Exchange must be traded pursuant to Schedule DA. (Amended 10/11/99)

TR.15.3 Upon receipt of an expression of interest in a Strip Trade or Option Strategy, the Participant or SYCOM® Trader must make an enquiry pursuant to TR.10.2(i) or (ii). (Amended 22/12/99)

TR.15.4 Once the expression of interest has been entered pursuant to TR.10.2(i) or (ii), the Participant or SYCOM® Trader may then make further enquiry amongst other market participants pursuant to TR.10.3. (Amended 22/12/99)

TR.15.5

- (i) Upon receipt of an order in a Strip Trade or Option Strategy to be executed pursuant to Schedule D, the Participant or SYCOM® Trader must transmit the order immediately to SYCOM® via the message function, stating the average price or Net Premium of the trade and the number of lots to be traded for each contract month. (Amended 10/11/99)
- (ii) Upon receipt of an order for a Strip Trade to be executed pursuant to Schedule DA, the SYCOM® Trader must transmit the order via order entry into the defined SYCOM® market window. (Amended 10/11/99)

- TR.15.6 Where a Strip Trade or Option Strategy is entered pursuant to Schedule D, then, upon release of the order to the market by SYCOM®, Participants have a period of five (5) minutes to attempt to obtain counterparties. Should a Participant receive an opposite order in the Strip Trade or Option Strategy, it must transmit the order to SYCOM® via the message function. After the five (5) minute period has elapsed, SYCOM® will match the orders on a first in first out basis, however, the originating Participant is guaranteed to cross 50% of the original order volume. Should there be any volume remaining of the originating order, the originating Participant may cross this remaining volume, otherwise, the originating order shall lapse. (Amended 10/11/99)
- TR.15.7
- (i) Where a Strip Trade or Option Strategy has traded pursuant to Schedule D, and once orders are matched, SYCOM® will inform the originating Participant of its counterparties. The originating Participant must within five (5) minutes of receiving the identities of counterparties from SYCOM®, confirm with each of its counterparties the basis of each contract month for the Strip Trade or Option Strategy and obtain authorisation of such confirmations by an Exchange Official, otherwise the matter will be referred to the Trading Manager. (Amended 10/11/99)
 - (ii) Where a Strip has traded pursuant to Schedule DA, the seller and buyer shall complete a Strip Trade and Option Strategy Trade Record pursuant to TR.15.8. The Strip Trade and Option Strategy Trade Record must be transmitted to the Exchange within five (5) minutes after the Strip Trade has been confirmed so that the Exchange can present the trades to the Clearing House for registration. (Amended 10/11/99)
 - (iii) Where a Strip Trade or Option Strategy Trade Record is not received by the Exchange within the time required in TR.15.7(i) and (ii), or the parties to the Strip Trade or Option Strategy cannot agree the prices to be inserted on the Strip Trade or Option Strategy Record, the Exchange shall allocate the indicative prices generated by the Exchange as the individual prices to the legs of the Strip Trade or Option Strategy. The trade shall be deemed to be confirmed by the parties and recorded by the Exchange as being executed by SYCOM®. (Amended 10/11/99)
- TR.15.8 A record providing details of the Strip Trade or Option Strategy must be completed by the Seller and provided to the Buyer for verification containing the following information:
- (i) the average price of the Strip Trade or Net Premium of the Option Strategy;
 - (ii) which Participant bought and sold;
 - (iii) the number of lots traded; and
 - (iv) the basis for each contract month.
- The form of Strip Trade or Option Strategy record to be provided to the Exchange is attached at Schedule E.
- TR.15.9 Any Strip Trade or Option Strategy which is not executed in accordance with this TR.15 shall be invalid. Each record for a Strip Trade or Option Strategy must be provided to the Exchange in writing for verification. Full details shall be recorded by the Exchange and the record shall be retained by the Exchange and full details of the Strip Trade or Option Strategy shall be provided on SYCOM®.
- TR.15.10 Participants and their SYCOM® Traders are responsible for ensuring that records for Strip Trades or Option Strategies are lodged with the Exchange within five (5) minutes of the trade being executed.
- TR.15.11 Exchange Officials are under no obligation to accept record details in accordance with TR.15.8 where the information cannot be readily and properly verified.
- TR.15.12 Each individual leg of a Strip Trade or Option Strategy must be allocated to the same account.

SCHEDULE C**SPREAD TRADE PRICE ALGORITHM**

SYCOM® uses the following algorithm to determine the individual leg prices for Spread-to-Spread trades:

- 1 If there is a bid and offer in the near month, then the algorithm uses the mid point of this bid and offer to establish the near month price, the spread differential traded at will be used to establish the far month's price.
- 2 In the absence of a bid and offer in the near month, the algorithm uses the mid point of the bid and offer in the far month to establish the far month price, the spread differential traded at will be used to establish the near month's price.
- 3 In the absence of a bid and offer in the near and far month, the algorithm uses any bid or offer existent in the near month to establish the near month price, the spread differential traded at will be used to establish the far month's price.
- 4 In the absence of a bid or offer in the near month, the algorithm uses any bid or offer existing in the far month to establish the far month price, the spread differential traded at will be used to establish the near month's price.
- 5 In the absence of any of the above, the algorithm uses the closing price (assume this is the settlement price) in the near month to establish the near month price, the spread differential traded at will be used to establish the far month's price.

SCHEDULE D

**STRIP TRADE AND OPTION STRATEGY
SYCOM® TRADING PROCEDURES (Amended 3/12/99, 18/12/00)**

Strip Trades, consisting of seven (7) or more consecutive traded months of a Futures Contract which are bought or sold simultaneously with the same volume for each of those traded months, which cannot otherwise be executed pursuant to Schedule DA, and Option Strategies consisting of seven (7) or more legs of a combination of any Futures or Options Contracts and all other orders which have no resemblance to order functionality which already may exist in SYCOM® may be executed in accordance with the procedures outlined below:

- 1 A SYCOM® Trader wishing to transmit an order to SYCOM® must do the following:
 - (a) state the average price of the Strip Trade and the volume to be traded for each contract month; or
 - (b) state the Net Premium of an Option Strategy, and the volume to be traded for each Option Contract, and this should be sent to SFE SYCOM® Control Centre via the message function.

- 2 The terminology used on the quote facility for a Strip Trade should be as follows:

“Sell/Buy CCMY – CCMY x lots @ average price”

Option Strategy:

“Sell/Buy CCMYXXXXXP/C, Sell/Buy CCMYXXXXXP/C, Sell/Buy CCMYXXXXXP/C, Sell/Buy CCMYXXXXXP/C, Sell/Buy CCMYXXXXXP/C @ a/b/c/d/e ratio for x lots @ net premium”

Exchange officials will then “broadcast to the market” the Strip Trade or Option Strategy order. The order will be allocated a number for that SYCOM® Trading Date.

Example of Strip Trade order message sent by SYCOM®:

“MNM Sell/Buy CCMY – CCMY x lots @ average price (Strip/Option #1)”

SYCOM® Traders interested in taking the other side of the Strip Trade or Option Strategy shall notify the SFE SYCOM® Control Centre via the “message” function.

Example of Strip Trade order message sent by SYCOM® Trader:

“Buy/Sell x lots of Strip/Option #(order No.)”

- 3 After the 5 minute period has elapsed per TR.15.6 an Exchange Official shall allocate any volume on a First In First Out (FIFO) basis, however the originating Participant is guaranteed of crossing 50% of the original order volume. Messages are time stamped at the trading engine and this time will determine the FIFO allocation. Partial trades will also be allocated. Therefore SYCOM® Traders should take note that they may receive a partial fill on their order message.

If there are no interested parties or not all of the available volume is traded then the SYCOM® Trader initiating a Strip Trade or Option Strategy may cross any remaining volume. Should there be volume remaining of the originating order, and there are no interested counterparties, the originating order will lapse.

- 4 The basis (ie the underlying contract price) of each contract month for the traded Strip Trade or Option Strategy will need to be confirmed between the counter parties.

SCHEDULE E**STRIP TRADE AND OPTION STRATEGY
TRADE RECORD (Amended 10/11/99)**

Trading Date: _____ Trade Time: _____

Average Net Price: _____ Deal No _____
(Exchange use only)

Deal No	Contract	Strike Price P/C	Sell	Buy	Volume	Basis/Price

SELLER: _____ (Authorised SYCOM® Trader Signature) _____ (print name)	_____ Participant (MNM)
BUYER: _____ (Authorised SYCOM® Trader Signature) _____ (print name)	_____ Participant (MNM)

FOR SFE USE:	
Received by:	_____
Time:	_____
Details Agreed:	_____
Presented to the Trade Entry for Registration:	_____

SCHEDULE F**CUSTOM MARKET SYCOM® TRADING PROCEDURES**(Amended 8/10/99, 7/2/00, 18/12/00)

The Custom Market allows Participants to create their own multi - legged strategies, consisting of up to six legs. This may consist of either Futures Contracts or Option Contracts or a combination of both. The Custom Market eliminates legging risk as the order is filled at a user defined ratio and at specific leg prices.

- 1 No Custom Market Order should have any resemblance to order functionality which may already exist in SYCOM®, for example futures spreads that are available on Spread Trading windows and any Inter-commodity markets listed on SYCOM®.
- 2 Prices for all legs of a Custom Market Order must be within the following price limits at the time of order entry:
 - (a) The high/low of the Trading Date for the appropriate contract.
 - (b) If only a bid or only an offer then the specified tick range as set out in Schedule J from the existing bid or offer (if the bid is below prior settlement then prior settlement may be used, if the offer is above prior settlement then prior settlement may be used).
 - (c) If no bid or offer exist, then the specified tick range as set out in Schedule J from the settlement price. In the case of an Option Contract then within the specified tick range as set out in Schedule J from the system generated indicative price.
 - (d) For Futures/Options orders, deltas must be within the range as set out in Schedule J.
- 3 All Custom Market Orders must be traded at the lowest common denominator. Orders not created in the lowest common denominator will be automatically rejected and will not be transmitted to SYCOM®. The maximum volume that can be used in the volume ratio field is fifty lots.

for example, trading an IR straddle:

- + 100 IRZ9 95000P @ price
- + 100 IRZ9 95000C @ price

In the Custom Market for the above example, the Custom Market Order should be entered with 100 lots in the volume field and the ratio field should be 1 - 1 for the two legs.

However in relation to an option ratio strategy the volume entered into the volume ratio field may exceed 50 lots for the leg representing the larger ratio denomination only; the volume entered into the volume ratio field for the leg with the least volume must remain at 50 lots or less.

- 4 Simultaneous futures/options transactions may be placed for execution within the Custom Market.
- 5 When a Custom Market Order is matched, SYCOM® Traders will receive confirmations for each leg of the Custom Market Order at the under defined ratio.
- 6 If there is no market for a particular strategy in the Custom Market a trader must ask for a market via the message facility broadcast to "all users" before inputting the order. Similarly, should a SYCOM® Trader wish to enter an order with a different basis or delta to a strategy already in SYCOM®, it must be treated as a new strategy, and therefore the SYCOM® Trader must broadcast a message, via the message facility, advising of the exact changes prior to inputting the order.
- 7 Where there is an existing Custom Market Order bid and/or offer, a SYCOM® Trader may not in relation to that order, enter (a) subsequent order(s) utilising different leg prices which achieves the same net price as the existing bid or offer in the Custom Market. Orders that are subsequently entered and trades resulting from such order shall be cancelled by the Exchange.
- 8 Where a bid and offer has been established in the Custom Market, a trade may only be executed between that bid and offer. In the event of only a bid or only an offer, a trade may not be executed where it is lower than the bid, or where it is higher than the offer. Orders that are subsequently entered and trades resulting from such orders shall be cancelled by the Exchange.

Undesirable Situations or Practices

TB.211 In the event that an undesirable situation within the meaning of General By-Law G.33 is developing or has developed in relation to Futures Contracts or Option Contracts or both, the provisions set out in that By-Law shall apply.

TB.212 The provisions of TB.17 shall apply to these Overnight Options Contract By-Laws.

THREE AND TEN YEAR TREASURY BOND LIST

ABN AMRO Bank N.V.
Commonwealth Bank of Australia
CS First Boston Australia Discount Limited
Deutsche Capital Markets Australia Limited
Macquarie Bank Limited
Merrill Lynch (International) Australia Limited
National Australia Bank Limited
Royal Bank of Canada Dominion Securities Global Markets
Salomon Smith Barney Australia Capital Markets Limited
UBS Warburg Australia Limited
Westpac Banking Corporation

(This page has been deliberately left blank)

EXCHANGE TRADED OPTIONS(Added 20/12/84)

BAB.100 The contract unit shall be an option to buy, in the case of a Call, or an option to sell in the case of a Put, one 90 Day Bank Accepted Bill of Exchange Futures Contract as described in By-Law BAB.1.

BAB.101 Trading shall be conducted in those months as set out in the attached option schedule. (Amended 18/8/87)

- BAB.102
- (a) The Premium of an option shall be yield per cent per annum in multiples of 0.005 per cent. For quotation purposes the Premium shall be multiplied by 100. (Amended 19/2/85, 7/4/97)
 - (b) The value of the Premium in dollars and cents shall be calculated by reference to the following formula: (Amended 17/12/85)

Value of Premium =

$$\left[\frac{\{1,000,000 \times 365\}}{100} - \frac{\{1,000,000 \times 365\}}{100} \right] \times p$$

$$\left[\frac{\{365 + (e \times 90)\}}{100} - \frac{\{365 + ((e + 0.01) \times 90)\}}{100} \right]$$

where e = 100-Exercise Price (*vide* BAB.103(a))

and p = (Premium in yield per cent per annum) x 100
(Amended 19/2/85)

- BAB.103
- (a) Exercise prices shall be yield per cent per annum in multiples of 0.25 per cent deducted from 100.00. (Amended 19/2/85, 26/6/89)
 - (b) Trading in Puts and Calls on the first day of a new Option Contract month shall be at the following Exercise Prices: (Amended 8/9/97)
 - (i) the Daily Settlement Price for the corresponding Bank Accepted Bill Futures Contract delivery month on the preceding Business Day as determined by the Exchange rounded to the nearest Exercise Price as referred to in sub-clause (a) hereof. In the event that Daily Settlement Price is precisely midway between two Exercise Prices it shall be rounded to the lower Exercise Price; (Amended 18/8/87, 22/3/96)
 - (ii) the prices which exceed the price described in paragraph (i), such prices being multiples as determined by the Chief Executive (or his designate) of the interval determined in accordance with BAB.103(a); and (Amended 8/9/97)
 - (iii) the prices which are below the prices described in paragraph (i), such prices being multiples as determined by the Chief Executive (or his designate) of the interval determined in accordance with BAB.103(a). (Amended 8/9/97)
 - (c) Whenever the Daily Settlement Price determined by the Exchange for Bank Accepted Bill Futures Contracts in the delivery month corresponding to an Option Contract month is less than 0.30 per cent below the highest Exercise Price or is above the highest Exercise Price, then a new Exercise Price for both Puts and Calls shall be introduced on the following Business Day. (Amended 21/1/86, 18/8/87, 26/6/89, 22/3/96)

- (d) Whenever the Daily Settlement Price as determined by the Exchange for Bank Accepted Bill Futures Contracts in the delivery month corresponding to an Option Contract month is less than 0.30 per cent above the lowest Exercise Price or is below the lowest Exercise Price, then a new Exercise Price for both Puts and Calls shall be introduced on the following Business Day. The new Exercise Price shall be 0.25 per cent below the lowest listed Exercise Price for that Option Contract month. (Amended 21/1/86, 18/8/87, 26/6/89)
- (e) No new Exercise Price shall be introduced in the Option Contract month next due to expire after the Business Day two week prior to the expiration of option trading (*vide* BAB.104).
- (f) Notwithstanding the provisions of sub-clauses (a) to (e) hereof the Board may determine, in respect of the listing of an Option Series, that one or more of the provisions of this By-Law shall not apply or shall apply in a manner as varied by the Board. (Amended 18/8/87)
- BAB.104 (a) The Declaration Date for a Bank Accepted Bill Option Contract shall be the Friday immediately prior to the settlement day of the corresponding Bank Accepted Bill Futures Contract delivery month, unless that Friday is not a Business Day in which case the Declaration Date shall be the Business Day immediately preceding that day. (Amended 17/12/85)
- (b) Trading shall cease on the Declaration Date at 12:30pm or at such other time as determined by the Board or its designate. (Amended 18/12/00)
- BAB.105 (a) The Buyer of an Option Contract may lodge a Notice of Exercise or Abandonment in respect of that Option Contract. (Amended 18/8/87)
- (b) Subject to sub-clause (c) a Notice of Exercise or Abandonment in a form determined by the Clearing House shall be effective if received by the Clearing House prior to twenty minutes after the Close of Trading on any Business Day (including the Declaration Date) on which an Option Contract may be traded. (Amended 23/4/85, 18/8/87, 18/1/94, 18/12/00)
- (c) On the Declaration Date of an Option Contract the Clearing House, unless otherwise directed by a Notice of Exercise or Abandonment received in accordance with sub-clause (b) hereof, shall:
- (i) Exercise all In-the-Money options.
- (ii) Allow all other options to expire. (Amended 18/8/87)
- (d) For the purpose of paragraph (i) of sub-clause (c) hereof, an option shall be In-the-Money if the Daily Settlement Price as determined by the Clearing House for the underlying Bank Accepted Bill Futures Contract delivery month for the Declaration Date lies above the Exercise Price in the case of a Call Option, or lies below the Exercise Price in the case of a Put Option. (Amended 18/8/87)
- BAB.106 Other than on the Declaration Date the Clearing House shall notify a Seller that an exercise notice has been assigned by no later than forty-five (45) minutes prior to the Commencement of Trading in Bank Accepted Bill options on the Business Day following the day on which the exercise notice has been lodged with the Clearing House in accordance with BAB.105(b). (Amended 18/8/87, 18/12/00)
- BAB.107 The Clearing House shall endeavour to notify a Seller that an Exercise or Abandonment Notice has been assigned by the Clearing House and or its designate by 3.00 pm on the Declaration Date. (Amended 18/8/87, 18/12/00)
- BAB.108 In the event that an undesirable situation within the meaning of General By-Law G.33 is developing or has developed in relation to Futures Contracts or Options Contracts or both, the provisions set out in that By-Law shall apply. (Amended 19/5/88)

OVERNIGHT OPTIONS (Added 18/12/00)

- BAB.200 The contract unit shall be an option to buy, in the case of a call, or an option to sell in the case of a put, one 90 Day Bank Accepted Bill of Exchange Futures contract as described in By-Law BAB.1.
- BAB.201 The futures contracts months in respect of which overnight options trading may occur (called "option contract months") shall be determined by the Board from time to time.
- BAB.202
- (a) The premium of an option shall be yield per cent per annum in multiples of 0.005 per cent. For quotation purposes the premium shall be multiplied by 100.
- (b) The value of the premium in dollars and cents shall be calculated by reference to the following formula:
- Value of Premium =
- $$\frac{[\{ \frac{1,000,000 \times 365}{100} - \{ \frac{1,000,000 \times 365}{100} - \frac{(e \times 90)}{100} \} \}]}{[\{ 365 + \frac{(e \times 90)}{100} \} \{ 365 + \frac{(e + 0.01) \times 90}{100} \}]} \times p$$
- where e = 100-Exercise Price (see BAB.203(a))
- and p = (premium in yield percent per annum) x 100
- (c) In calculating the value of the premium in accordance with sub-clause (b) hereof, the calculations within the brackets shall be carried out to eight decimal places. The value of the premium is rounded to the nearest cent, 0.500 cents being rounded up.
- BAB.203
- (a) Exercise prices shall be yield per cent per annum in multiples of 0.01 per cent deducted from 100.000.
- (b) Trading in puts and calls of an overnight option contract month shall subject to paragraph (c) below be at the following nine exercise prices.
- (i) the daily settlement price for the corresponding 90 Day Bank Accepted Bill of Exchange Futures contract delivery month as determined by the Exchange, rounded to the nearest exercise price as referred to in sub-clause (a) hereof. In the event that the daily settlement price is precisely midway between two exercise prices it shall be rounded to the lower exercise price;
- (ii) the price which is 0.010 per cent higher than that described in paragraph (i);
- (iii) the price which is 0.020 per cent higher than that described in paragraph (i);
- (iv) the price which is 0.030 per cent higher than that described in paragraph (i);
- (v) the price which is 0.040 per cent higher than that described in paragraph (i);
- (vi) the price which is 0.010 per cent lower than that described in paragraph (i);
- (vii) the price which is 0.020 per cent lower than that described in paragraph (i);
- (viii) the price which is 0.030 per cent lower than that described in paragraph (i);
- (ix) the price which is 0.040 per cent lower than that described in paragraph (i).
- (c) Any number of new exercise prices for both puts and calls can be introduced for trading in the current SYCOM trading session as determined by the Chief Executive or his designate or the SYCOM Manager in accordance with the SYCOM Trading Etiquette.
- (d) Notwithstanding the provisions of sub-clauses (a) to (c) hereof the Board may determine, in respect of the listing of an option series, that one or more of the provisions of this By-Law shall not apply or shall apply in a manner as varied by the Board.
- BAB.204
- (a) The Declaration Date for a 90 Day Bank Accepted Bill of Exchange Overnight Option contract shall be the Business Day immediately following the SYCOM session during which the option contract was first listed for trading.
- (b) Trading shall cease at the end of the SYCOM trading session in which the option contracts were first listed for trading.
- BAB.205
- (a) On the Declaration Date of an option contract the Clearing House shall:
- (i) exercise all in-the-money options, and
- (ii) allow all other options to expire.

- (b) For the purposes of paragraph (i) of sub-clause (a) hereof, an option shall be in-the-money if the Overnight Option Futures Price of the underlying futures contract delivery month lies above the exercise price in the case of a call option, or lies below the exercise price in the case of a put option.

Overnight Option Futures Price

BAB.206 The Overnight Option Futures Price referred to in By-Law BAB.205(b) hereof shall be determined by the following procedure:

- (a) For the purposes of this By-Law BAB.206, the quotation times shall be 8:32 am., 8:34 am., 8:36 am., 8:38 am. and 8:40 am. on each trading day of the 90 Day Bank Accepted Bill of Exchange Futures contract.
- (b) The Exchange shall determine the arithmetic mean of the prevailing market bid and offer quotations at the quotation times in the underlying 90 Day Bank Accepted Bill of Exchange Futures contract calculated to three decimal places and rounded to two decimal places. In rounding, the arithmetic mean shall be expressed to the nearest second decimal place on the condition that where the third decimal place is five the arithmetic mean shall be rounded to the next highest second decimal place. The arithmetic mean so calculated shall be the Overnight Option Futures Price.
- (c) In the event of disagreement on the Overnight Option Futures Price, the Contract Committee shall arbitrate in any dispute; however this will in no way derogate from the powers of the Exchange to make a final decision on Overnight Option Futures Prices.
- (d) Subject to By-Law BAB.207, the Exchange shall announce the Overnight Option Futures Price by no later than 8:45 am. on the same business day.

BAB.207 If in the opinion of the Exchange a situation is developing or has developed which is capable of preventing the Exchange from declaring an Overnight Option Futures Price in accordance with By-Law BAB.206, the Chief Executive or his designate may take such steps as deemed necessary in the circumstances so as to enable the Exchange to declare an Overnight Option Futures Price and may give directions to Participants accordingly. Any decision taken by the Chief Executive or his designate in this regard shall be final.

Undesirable Situations or Practices

BAB.208 In the event that an undesirable situation within the meaning of General By-Law G.33 is developing or has developed in relation to futures contracts or option contracts or both, the provisions set out in that By-Law shall apply.

THREE AND TEN YEAR TREASURY BOND LIST

ABN AMRO Bank N.V.
Commonwealth Bank of Australia
CS First Boston Australia Discount Limited
Deutsche Capital Markets Australia Limited
Macquarie Bank Limited
Merrill Lynch (International) Australia Limited
National Australia Bank Limited
Royal Bank of Canada Dominion Securities Global Markets
Salomon Smith Barney Australia Capital Markets Limited
UBS Warburg Australia Limited
Westpac Banking Corporation

(This page has been deliberately left blank)

Delivery Procedures

- AF.8 (a) Clearing Participants must lodge with the Clearing House an “End Position Confirmation Form” by no later than 2.00 pm on the last permitted day of trading.
- (b) On the last permitted day of trading, the Clearing House shall provide Clearing Participants with a “Delivery Notification Advice” by 4.00 pm. Clearing Participants must provide to the Clearing House any corrections or adjustments to the Delivery Notification Advice on the appropriate form by no later than 5.00 pm of that day.

AF.9 On the settlement day of a contract the obligations and the rights of the parties to the contract shall be satisfied in the following way:

- (a) Sellers shall, by no later than the prescribed time on that day, receive United States Dollars from the Clearing House in their account with the Designated Bank of their choice. This amount shall be the final settlement price multiplied by 100,000.
- (b) Sellers shall, by no later than the prescribed time on that day, use the Austraclear system to pay to the Clearing House if requested the amount in Australian dollars representing the contract value.
- (c) Buyers shall, by no later than the prescribed time on that day, use the Austraclear system to receive from the Clearing House if requested the amount in Australian dollars representing the contract value.
- (d) Buyers shall, by no later than the prescribed time on that day, have United States Dollars debited from their account by the Clearing House at the Designated Bank of their choice. This amount shall be the final settlement price multiplied by 100,000.

Settlement Day

AF.10 The settlement day for the contract shall be a business day which is the third Wednesday of the settlement month or such other day as the Board may determine.

Hours of Trading

AF.11 The hours for trading in the contracts shall be determined by the Board or the Chief Executive.

Quotation

AF.12 The quoted months for trading in the contracts shall be March, June, September and December up to twelve (12) months ahead.

Price Quotations

AF.13 The minimum price fluctuation shall be in multiples of 0.0001 United States dollars per Australian dollar¹.

Final Day of Trading

AF.14 The last permitted day for trading in a settlement month shall be the business day prior to the third Wednesday of the settlement month or such other day as the Board may determine. Trading in a settlement month shall cease at 11.00 am on the last permitted day for trading.

¹ SYCOM® will display “0.XXYY” as “XX.YY”.

AF.15 If in the opinion of the Board of the Exchange or the Clearing House a situation is developing or has developed which is capable of preventing the Clearing House declaring a numerical value in accordance with By-Law AF.3 the Clearing House in consultation with the Board of the Exchange may take any steps it deems necessary in the circumstances to correct such situation so as to enable it to declare a numerical value and may give direction to Participants accordingly, and any provision of these By-Laws which cannot be complied with until the value has been declared shall be complied with as soon as possible after it has been declared. Any decision taken by the Clearing House under this AF.15 shall, subject to AF.18, be final.

Default

- AF.16
- (a) Should a delivery not be duly made by a Clearing Participant as provided in these By-Laws, such Clearing Participant shall be in default.
 - (b) Should a delivery not be duly taken by a Clearing Participant as provided in these By-Laws, such Clearing Participant shall be in default.

Documents

AF.17 Documents must be taken up and given by Clearing Participants without prejudice to and regardless of any question in dispute and such questions shall be referred to arbitration. All differences, interest and all other charges are for prompt settlement.

Undesirable Situations or Practices

AF.18 In the event that an undesirable situation within the meaning of General By-Law G.33 is developing or has developed in relation to futures contracts or option contracts or both, the provisions set out in that By-Law shall apply.

BY-LAWS OF THE BARLEY FUTURES
(Commenced 20/06/00)

Contract Unit

- BA.1 Each bought and sold contract shall consist of 50.00 metric tonnes of barley which meets either New South Wales Grains Board NSW Feed Barley No 1 applicable standards in NSW or Australian Barley Board Feed Barley No 1 applicable standards in Victoria and is stored in an Approved Warehouse pursuant to BA.4.

Applicable Standards

- BA.2 Applicable Receival Standards and Sampling Methodology are those set out in Part “B” of the Twenty-Sixth Schedule and which are in force at the time of delivery of barley to an Approved Warehouse pursuant to BA.4.

Measurement

- BA.3 Barley must be weighed and tested at the point of delivery according to applicable Sampling Methodology pursuant to BA.2.

Approved Warehouses

- BA.4
- (a) The Board of the Exchange or its designate in consultation with the Clearing House shall from time to time approve warehouses at which barley must be stored at the time of submission of delivery documentation to the Clearing House in satisfaction of the Barley Futures Contract. A list of such warehouses is set out in Part “A” of the Twenty-Sixth Schedule.
 - (b) Warehouses designated in accordance with (a) shall be called Approved Warehouses.
 - (c) Application for approval pursuant to (a) shall be made to the Exchange in such a form and manner as determined by the Board or its designate.
 - (d) In these By-Laws a “Warehouse Receipt” shall refer to a document in a form approved by the Board or its designate from time to time as indicated in Part “C” of the Twenty-Sixth Schedule which confirms that the holder is entitled to ownership of barley which meets the specifications contained in these By-Laws and is stored in an Approved Warehouse.

Tendering Procedures

- BA.5 Tender documentation shall be in a format determined by the Board or its designate from time to time as indicated in Part “C” and “D” of the Twenty-Sixth Schedule. Buyer documentation shall be in the format determined by the Board or its designate from time to time as indicated in Part “E” of the Twenty-Sixth Schedule.
- BA.6
- (a) Tender documentation must be lodged with the Clearing House by a time determined by the Board in consultation with the Clearing House as set out in the Twenty-Sixth Schedule Part “F” on any Notice Day within the Delivery Period pursuant to BA.8.
 - (b) Tender documentation lodged on any Notice Day within the Delivery Period after the time prescribed in BA.6(a) shall be carried forward to the next Notice Day.
 - (c) Buyer documentation must be lodged with the Clearing House by a time determined by the Board in consultation with the Clearing House as set out in the Twenty-Sixth Schedule Part “F”. Buyer documentation must be lodged on the first business day in the Delivery Period and each subsequent day of the Delivery Period when any open long positions change.

- (d) Tender documentation must be lodged with the Clearing House by a time determined by the Board in consultation with the Clearing House as set out in the Twenty-Sixth Schedule Part "F" on the final day of trading of the delivery month or such Clearing Participants shall be in default.
- (e) A tender shall not be withdrawn or substituted without the consent of the Clearing House.

Safe Accommodation

- (f) A Seller may request the Clearing House to retain the documentation in safe accommodation in accordance with BA.22 and BA.23 until such time as the Seller notifies the Clearing House that it intends to deliver the barley pursuant to these By-Laws.
- (g) The Clearing House will not act on any instructions received from a Participant unless it is satisfied that all requirements under these By-Laws have been complied with.
- (h) Where tender documentation is held in safe accommodation, a safe accommodation receipt evidencing such documentation must be submitted to the Clearing House together with any other certificate which may be determined by the Board and indicated in the Twenty-Sixth Schedule.
- (i) The Seller is obliged to ensure and undertake that at the time of tendering the safe accommodation receipt, all documentation evidenced by the safe accommodation receipt continues to satisfy all requirements and specifications as provided for in these By-Laws.

Final Day of Trading

- BA.7 The "final day of trading" permitted shall be the third Tuesday of each delivery month if that day is a business day otherwise the last business day prior thereto or such other day as the Board may determine.

Delivery Period

- BA.8 The Delivery Period begins on the first business day of the delivery month and ends with the close of trade on the final day of trading in the delivery month.
- BA.9
- (a) Notice Day for the purposes of these By-Laws is any business day in the Delivery Period on which tender documentation may be lodged with the Clearing House but excludes the final day of trading of the delivery month.
 - (b) Settlement Day for the purposes of these By-Laws is the business day following a Notice Day and is the day on which settlement funds are required to be remitted and a Warehouse Receipt is required to be transferred to the Buyer.

Value of Barley

- BA.10
- (a) No price premium shall apply to barley that is of higher quality than that specified in these By-Laws.
 - (b) In the event of an excess above 50.00 metric tonnes the deliverer shall forego all rights to such excess and the weight shall be deemed to be 50.00 metric tonnes.
 - (c) Barley which is stored in an Approved Warehouse will be subject to a location differential, set for the life of the contract, as determined by the Board or its designate from time to time.
 - (d) When barley is stored in an Approved Warehouse:
 - (i) the Seller shall ensure that all taxes, government levies or industry levies applicable to the barley have been paid prior to any Warehouse Receipt being issued; and
 - (ii) the Seller shall be responsible for payment of all charges, by whatever name, made/levied by the Approved Warehouse, prior to effective delivery pursuant to BA.11 including charges described as "storage", "handling", "delivery", "entrance", "exit", "in charges", "out charges" and the like.

**BY-LAWS OF THE
CANOLA FUTURES**
(Commenced 20/06/00)

Contract Unit

- CN.1 Each bought and sold contract shall consist of 20.00 metric tonnes of canola of South Australian or Victorian origin, which is stored in an Approved Warehouse pursuant to CN.4 and which meets Australian Oilseed Federation applicable Oilseed standards, with the following exceptions:
- (i) no minimum oil requirement (and therefore no bonifications adjustment for oil content);
 - (ii) no price adjustments for impurities, moisture, broken seed, damaged seed, sprouted seed or green seed;
 - (iii) all references to "Rejectable over" are to be deleted, so that grain which exceeds the maximums specified for impurities, broken seed, damaged seed, sprouted seed or green seed must be rejected.

Applicable Standards

- CN.2 Applicable Receival Standards and Sampling Methodology are those set out in Part "B" of the Twenty-Eighth Schedule and which are in force at the time of delivery of canola to an Approved Warehouse pursuant to CN.4.

Measurement

- CN.3 Canola must be weighed and tested at the point of delivery according to applicable Sampling Methodology pursuant to CN.2.

Approved Warehouses

- CN.4
- (a) The Board of the Exchange or its designate in consultation with the Clearing House shall from time to time approve warehouses at which canola must be stored at the time of submission of delivery documentation to the Clearing House in satisfaction of the Canola Futures Contract. A list of such warehouses is set out in Part "A" of the Twenty-Eighth Schedule.
 - (b) Warehouses designated in accordance with (a) shall be called Approved Warehouses.
 - (c) Application for approval pursuant to (a) shall be made to the Exchange in such a form and manner as determined by the Board or its designate.
 - (d) In these By-Laws a "Warehouse Receipt" shall refer to a document in a form approved by the Board or its designate from time to time as indicated in Part "C" of the Twenty-Eighth Schedule which confirms that the holder is entitled to ownership of canola which meets the specifications contained in these By-Laws and is stored in an Approved Warehouse.

Tendering Procedures

- CN.5 Tender documentation shall be in a format determined by the Board or its designate from time to time as indicated in Part "C" and "D" of the Twenty-Eighth Schedule. Buyer documentation shall be in the format determined by the Board or its designate from time to time as indicated in Part "E" of the Twenty-Eighth Schedule.
- CN.6
- (a) Tender documentation must be lodged with the Clearing House by a time determined by the Board in consultation with the Clearing House as set out in the Twenty-Eighth Schedule Part "F" on any Notice Day within the Delivery Period pursuant to CN.8.
 - (b) Tender documentation lodged on any Notice Day within the Delivery Period after the time prescribed in CN.6(a) shall be carried forward to the next Notice Day.

- (c) Buyer documentation must be lodged with the Clearing House by a time determined by the Board in consultation with the Clearing House as set out in the Twenty-Eighth Schedule Part "F". Buyer documentation must be lodged on the first business day in the Delivery Period and each subsequent day of the Delivery Period when any open long positions change.
- (d) Tender documentation must be lodged with the Clearing House by a time determined by the Board in consultation with the Clearing House as set out in the Twenty-Eighth Schedule Part "F" on the final day of trading of the delivery month or such Clearing Participants shall be in default.
- (e) A tender shall not be withdrawn or substituted without the consent of the Clearing House.

Safe Accommodation

- (f) A Seller may request the Clearing House to retain the documentation in safe accommodation in accordance with CN.22 and CN.23 until such time as the Seller notifies the Clearing House that it intends to deliver the canola pursuant to these By-Laws.
- (g) The Clearing House will not act on any instructions received from a Participant unless it is satisfied that all requirements under these By-Laws have been complied with.
- (h) Where tender documentation is held in safe accommodation, a safe accommodation receipt evidencing such documentation must be submitted to the Clearing House together with any other certificate which may be determined by the Board and indicated in the Twenty-Eighth Schedule.
- (i) The Seller is obliged to ensure and undertake that at the time of tendering the safe accommodation receipt, all documentation evidenced by the safe accommodation receipt continues to satisfy all requirements and specifications as provided for in these By-Laws.

Final Day of Trading

- CN.7 The "final day of trading" permitted shall be the third Tuesday of each delivery month if that day is a business day otherwise the last business day prior thereto or such other day as the Board may determine.

Delivery Period

- CN.8 The Delivery Period begins on the first business day of the delivery month and ends with the close of trade on the final day of trading in the delivery month.
- CN.9
- (a) Notice Day for the purposes of these By-Laws is any business day in the Delivery Period on which tender documentation may be lodged with the Clearing House but excludes the final day of trading of the delivery month.
 - (b) Settlement Day for the purposes of these By-Laws is the business day following a Notice Day and is the day on which settlement funds are required to be remitted and a Warehouse Receipt is required to be transferred to the Buyer.

Value of Canola

- CN.10
- (a) No price premium shall apply to canola that is of higher quality than that specified in these By-Laws.
 - (b) In the event of an excess above 20.00 metric tonnes the deliverer shall forego all rights to such excess and the weight shall be deemed to be 20.00 metric tonnes.
 - (c) Canola which is stored in an Approved Warehouse will be subject to a location differential, set for the life of the contract, as determined by the Board or its designate from time to time.
 - (d) When canola is stored in an Approved Warehouse:
 - (i) the Seller shall ensure that all taxes, government levies or industry levies applicable to the canola have been paid prior to any Warehouse Receipt being issued; and

**BY-LAWS OF THE
SORGHUM FUTURES**

(Commenced 20/06/00)

Contract Unit

- SO.1 Each bought and sold contract shall consist of 50.00 metric tonnes of sorghum, of Queensland origin, which meets GraincoAustralia Limited Red Sorghum (1Red) applicable standards and is stored in an Approved Warehouse pursuant to SO.4.

Applicable Standards

- SO.2 Applicable Receival Standards and Sampling Methodology are those set out in Part “B” of the Twenty-Seventh Schedule and which are in force at the time of delivery of sorghum to an Approved Warehouse pursuant to SO.4.

Measurement

- SO.3 Sorghum must be weighed and tested at the point of delivery according to applicable Sampling Methodology pursuant to SO.2.

Approved Warehouses

- SO.4
- (a) The Board of the Exchange or its designate in consultation with the Clearing House shall from time to time approve warehouses at which sorghum must be stored at the time of submission of delivery documentation to the Clearing House in satisfaction of the Sorghum Futures Contract. A list of such warehouses is set out in Part “A” of the Twenty-Seventh Schedule.
 - (b) Warehouses designated in accordance with (a) shall be called Approved Warehouses.
 - (c) Application for approval pursuant to (a) shall be made to the Exchange in such a form and manner as determined by the Board or its designate.
 - (d) In these By-Laws a “Warehouse Receipt” shall refer to a document in a form approved by the Board or its designate from time to time as indicated in Part “C” of the Twenty-Seventh Schedule which confirms that the holder is entitled to ownership of sorghum which meets the specifications contained in these By-Laws and is stored in an Approved Warehouse.

Tendering Procedures

- SO.5 Tender documentation shall be in a format determined by the Board or its designate from time to time as indicated in Part “C” and “D” of the Twenty-Seventh Schedule. Buyer documentation shall be in the format determined by the Board or its designate from time to time as indicated in Part “E” of the Twenty-Seventh Schedule.
- SO.6
- (a) Tender documentation must be lodged with the Clearing House by a time determined by the Board in consultation with the Clearing House as set out in the Twenty-Seventh Schedule Part “F” on any Notice Day within the Delivery Period pursuant to SO.8.
 - (b) Tender documentation lodged on any Notice Day within the Delivery Period after the time prescribed in SO.6(a) shall be carried forward to the next Notice Day.
 - (c) Buyer documentation must be lodged with the Clearing House by a time determined by the Board in consultation with the Clearing House as set out in the Twenty-Seventh Schedule Part “F”. Buyer documentation must be lodged on the first business day in the Delivery Period and each subsequent day of the Delivery Period when any open long positions change.
 - (d) Tender documentation must be lodged with the Clearing House by a time determined by the Board in consultation with the Clearing House as set out in the Twenty-Seventh Schedule Part “F” on the final day of trading of the delivery month or such Clearing Participants shall be in default.
 - (e) A tender shall not be withdrawn or substituted without the consent of the Clearing House.

Safe Accommodation

- (f) A Seller may request the Clearing House to retain the documentation in safe accommodation in accordance with SO.22 and SO.23 until such time as the Seller notifies the Clearing House that it intends to deliver the sorghum pursuant to these By-Laws.
- (g) The Clearing House will not act on any instructions received from a Participant unless it is satisfied that all requirements under these By-Laws have been complied with.
- (h) Where tender documentation is held in safe accommodation, a safe accommodation receipt evidencing such documentation must be submitted to the Clearing House together with any other certificate which may be determined by the Board and indicated in the Twenty-Seventh Schedule.
- (i) The Seller is obliged to ensure and undertake that at the time of tendering the safe accommodation receipt, all documentation evidenced by the safe accommodation receipt continues to satisfy all requirements and specifications as provided for in these By-Laws.

Final Day of Trading

- SO.7 The "final day of trading" permitted shall be the third Tuesday of each delivery month if that day is a business day otherwise the last business day prior thereto or such other day as the Board may determine.

Delivery Period

- SO.8 The Delivery Period begins on the first business day of the delivery month and ends with the close of trade on the final day of trading in the delivery month.
- SO.9
- (a) Notice Day for the purposes of these By-Laws is any business day in the Delivery Period on which tender documentation may be lodged with the Clearing House but excludes the final day of trading of the delivery month.
 - (b) Settlement Day for the purposes of these By-Laws is the business day following a Notice Day and is the day on which settlement funds are required to be remitted and a Warehouse Receipt is required to be transferred to the Buyer.

Value of Sorghum

- SO.10
- (a) No price premium shall apply to sorghum that is of higher quality than that specified in these By-Laws.
 - (b) In the event of an excess above 50.00 metric tonnes the deliverer shall forego all rights to such excess and the weight shall be deemed to be 50.00 metric tonnes.
 - (c) Sorghum which is stored in an Approved Warehouse will be subject to a location differential, set for the life of the contract, as determined by the Board or its designate from time to time.
 - (d) When sorghum is stored in an Approved Warehouse:
 - (i) the Seller shall ensure that all taxes, government levies or industry levies applicable to the sorghum have been paid prior to any Warehouse Receipt being issued; and
 - (ii) the Seller shall be responsible for payment of all charges, by whatever name, made/levied by the Approved Warehouse, prior to effective delivery pursuant to SO.11 including charges described as "storage", "handling", "delivery", "entrance", "exit", "in charges", "out charges" and the like.

Effective Delivery

- SO.11
- (a) On receipt of tender documentation from the Seller, the Clearing House shall assign sorghum as tendered for delivery to a Buyer. The Seller irrevocably appoints the Clearing House as its agent and attorney to perform all acts on its behalf, and to exercise all powers necessary to assign sorghum as tendered for delivery to a Buyer. Such assignment by the Clearing House shall be final. A Buyer to whom a delivery has been assigned by the Clearing House is obligated to take such delivery and make payment pursuant to SO.13.