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AMENDMENTS TO EXCHANGE FOR PHYSICAL (EFP) LODGEMENT TIMES

SFE Corporation Limited provides notification of a change of times by which details of some EFP transactions must be lodged with SFE, commencing 15 October 2001. These times are prescribed by the Board and set out in the Second Schedule.

Participants should be aware that SFE Surveillance staff have identified occasions whereby the selling Participant has lodged details of a trade almost two (2) hours after the traded time; this is in compliance with the prescribed time, but leaves the buying Participant minimal time to acknowledge the trade. In certain instances, the buying Participant has taken longer than two (2) hours from the traded time of the EFP to approve the trade and, therefore, is technically in breach of the requirements.

The current interpretation of the wording in the Second Schedule may appear to put the onus on the buying Participant to comply, however, SFE are of the opinion that the onus for compliance should apply equally to the selling and buying Participants

The amendment to the prescribed time provides a requirement for the selling Participant to lodge the trade within one (1) hour of the traded time i.e. an EFP traded at 1.00 pm should be lodged by no later than 2.00 pm. This is to ensure that the buying Participant has ample opportunity to acknowledge the trade within the required two (2) hour period i.e. by 3.00 pm and thus, all parties comply with the requirements.

In addition, as they were advised in SFE Bulletin No. 75/01, Participants should be aware that it is their responsibility to inform SFE of extenuating circumstances, which would cause the late lodgement of an EFP.

Participants should note that failure to comply with the above may result in the EFP being rejected by SFE and/or disciplinary action being taken.

The Schedule has been amended to show the new prescribed times, as set out in the attached Annexure.

Should you have any queries, please contact Mark Floyd on 9256 0477 or mfloyd@sfe.com.au

A handwritten signature in black ink that reads "M floyd". The "M" is large and stylized, and "floyd" is written in a cursive script.

Mark Floyd
Acting Manager, Surveillance

SECOND SCHEDULE**EXCHANGE FOR PHYSICAL LODGEMENT TIMES**

For the purposes of General By-Law G.25(b), the Board has prescribed the following times for the provision of details of Exchange for Physical (EFP) transactions to SFE with effect from ~~12 February 1996~~ 15 October 2001.

- (i) ~~if the trade occurs after 7.00 am but at or before 4.00 pm on the same Business Day, by no later than two hours after that trade~~ if the trade occurs after 7.00 am but at or before 4.00 pm on the same Business Day:
(a) the selling Participant must lodge the trade within one (1) hour from the trade time of the EFP and;
(b) the buying Participant must acknowledge the trade within two (2) hours from the trade time of the EFP
- (ii) if the trade occurs after 4.00 pm but at or before 4.30 pm on a Business Day, by no later than 6.00 pm on the same Business Day; (Amended 30/4/97)
- (iii) if the trade occurs after 4.30 pm on a Business Day but at or before 7.00 am on the following Business Day, by no later than 9.00 am on that following Business Day (Amended 30/4/97)

For the purposes of General By-Law G.25(d), the Board has prescribed a minimum lot size of 101 lots for the acceptance of EFP's in the Three Year and Ten Year Commonwealth Treasury Bond Contracts. This prescription is effective 12 February 1996.

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