



SFE Clearing Bulletin No: 09/04

From: SFE Corporation Limited ABN 74 000 299 392

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MARGIN CASHFLOWS - ANZAC DAY HOLIDAY

Further to Screen Dealing Bulletin 05/04 published 26th March 2004, Participants now have the option to process Daily Settlements in Austraclear on Monday 26th April 2004 or deposit unallocated margins with SFECC on Friday 23rd April 2004. Participants electing to pay margin requirements on Monday 26th April 2004 must ensure that appropriate banking arrangements are in place to facilitate cash movements on the day.

Sydney Cash Flows - 26 April 2004

Clearing Participants who usually operate out of Sydney may elect to settle shortages/excesses via Austraclear, or leave extra margins in both House and Client Accounts with SFE Clearing on 23rd April 2004. These extra margins will be used to cover any shortages due on 26th April 2004, with the balance being treated as excess cash and therefore not subject to the 0.50% per annum interest haircut.

Those Clearing Participants who elect to settle shortages/excesses via Austraclear on 26th April 2004 will pay/receive funds as per normal procedures and cut off times.

The extra margins required will be equivalent to the total initial margin on both the Participant's House and Client Accounts calculated for positions as at the close of business on Thursday 22nd April 2004.

US Dollar Cashflow – 26 April 2004

Clearing Participants are advised that US Dollar margin processing will not occur on Monday 26th April 2004. Therefore Participants are advised that they are required to deposit extra US Dollar margins with SFECC equivalent to the total initial US Dollar margin on both the Participant's House and Client Accounts calculated for positions as at the close of business on Thursday 22nd April 2004.

New Zealand Cashflows – 26 April 2004

NZ products will be open for business as usual on the 26th April 2004 and Participants will be required to pay any shortages in their NZ\$ House and Client accounts as normal.

Participants have the option to avoid cashflows and leave additional cover (equivalent to the total initial margin on both the House and Client accounts calculated as at the close of business on Thursday, 22nd April 2004).

BRC – 26 April 2004

BRC Participants are again reminded that the BRC system will not be open for matching, novation or settlement of trades, and accordingly no margins will be collected.

Will all Participants please ensure that no new trades or repos are entered with a value date of 26th April 2004. Please exercise care when keying your transactions (outright trades, repos and unwinds) so that the settlement date reflects the next good day, 27th April 2004.

Note: when unwinding repos on Friday 23rd April 2004 for settlement Tuesday 27th April 2004, please use the **BRCRENEG function and change the 'New 2nd Transaction Date' to 27-APR-2004.**

Participants electing to deposit double initial margins on Friday 23rd April 2004 are required to complete the attached form and return to SFE Clearing by no later than 12:00 noon **Wednesday 21st April 2004**



David Raper
Manager, Business Operations - Derivatives

SFE takes no responsibility for any errors or omissions contained in this bulletin and will not be liable for any reason including without limitation negligence, for losses, consequential or otherwise, arising from or in connection with decisions made in reliance upon this information. This information does not substitute for the Business Rules and in the case of inconsistency the Business Rules prevail. Before acting on any matter contained in this bulletin readers should discuss the matter with their own professional advisers.

**CONFIRMATION OF BANKING ARRANGEMENTS FOR
MONDAY 26 APRIL 2004**

Our organisation,(Participant Name) confirms to SFE Clearing that the banking arrangements set out, will apply for Monday 26th April 2004. (Place an “X” where applicable below)

YES

NO

WILL YOUR SYDNEY OFFICE BE OPEN?

AUSTRACLEAR

We will pay or receive daily margins as a normal business day. Normal cut off times will apply. Funds due to SFE Clearing must be authorised by 10.30am and cleared by 11am. Payments will be available by 12.00 noon.

Please note, to have chosen ‘Austraclear’ you must ensure that:

- 1) your bankers are able to accommodate usage of our daily Austraclear account on a public holiday
- 2) that necessary arrangement have been made with Austraclear.

OR

DEPOSIT OF EXTRA MARGINS (SYDNEY)

We will not settle any cash flows with SFE Clearing on Monday 26th April 2004. We agree that extra margins will be deposited with SFE Clearing on Friday 23rd April 2004 by 11am. Extra margins will be paid in respect of both House and Clearing Client Accounts and will be equivalent to the initial margin liability (if any) of each account at the close of business on Thursday 22nd April 2004.

OPTIONAL

DEPOSIT OF EXTRA MARGINS (NEW ZEALAND PRODUCTS)

We will not settle any \$NZD cash flows with SFE Clearing on Monday 26th April 2004. We agree that extra margins will be deposited with SFE Clearing on Friday 23rd April 2004 by 11am. Extra Margins (\$NZD) will be paid in respect of both House and Client accounts and will be equivalent to the initial margin liability (if any) of each account at the close of business on Thursday 22nd April 2004.

Participant’s Authorised Signature

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