



SFE Clearing Bulletin No 16/04

From: SFE Clearing Corporation Pty Ltd ACN 050 615 864

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EXCESS CASH DEPOSITED WITH SFE CLEARING CORPORATION

This Bulletin is to advise of an addition to the Operating Rules of SFE Clearing which clarifies SFE Clearing's right to access excess cash in a Clearing Participant's account. Regulatory approval has been received for a new rule 49, which came into effect on 21 June 2004, as follows:

49 Excess Deposits

All deposits held by SFE Clearing in a Clearing Participant's House Clearing Account or Client Clearing Account, including any monies deposited in excess of a Clearing Participant's Margin and Daily Settlement obligations at the time of the deposit, are deemed to have been deposited for the purpose of satisfying Margin and Daily Settlement obligations.

Deposits held by SFE Clearing which are in excess of a Clearing Participant's Margin and Daily Settlement obligations from time to time are refundable to the Clearing Participant by SFE Clearing upon demand, provided that SFE Clearing is satisfied, in its absolute discretion, that such deposits will not be required to satisfy a Margin or Daily Settlement obligation regarding an Open Position.

This new rule makes it clear that any funds which are deposited in a Clearing Participant's House or Client Clearing Account may be used by SFE Clearing to satisfy the Participant's margin and daily settlement obligations, and if the Participant requests that such funds be returned, SFE Clearing will do so only if it is satisfied that the deposit will not be required to satisfy margin or daily settlement obligations.

Should you have any queries or require further details please contact Paul Baranov, Senior Legal Counsel, on 9256 0597 or pbaranov@sfe.com.au.

A handwritten signature in black ink that reads 'Barbara Jones'.

Barbara Jones
Senior Legal Counsel