



SFE NOTICE NO.

156/08

Date of Issue: 23 September 2008

Effective Date: 23 September 2008

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## Changes to the Process for the Consideration of Requests for Exemptions to the Operating Rules of the SFE

As an outcome of the Exchange's Disciplinary Integration Project a comprehensive single rule book has been developed and implemented as at 31 March 2008. This single rule book provides a uniform path for all disciplinary matters identified in ASX Markets Supervision to travel for determination by an Integrated ASX Disciplinary Tribunal. The new ASX Disciplinary Tribunal has been formed by incorporating the existing members of the ASX Tribunal Panel with the members of the SFE Business Conduct Committee, the SFE Market Practices Committee and some new nominees to form a group of well qualified independent industry experts.

Historically one of the roles of the SFE Business Conduct Committee was to consider requests from Participants for Exemptions to the Operating Rules of the Sydney Futures Exchange and to the Clearing Rules of SFE Clearing. The consideration of such requests for exemption is not part of the mandate of the ASX Disciplinary Tribunal and alternate arrangements have been developed for the consideration of such requests from Participants.

ASX Markets Supervision Units such as Issuers, Participants and Capital Monitoring have a well defined and documented policy and set of procedures in place to deal with requests from Participants and/or Listed Entities to consider waivers to the ASX Market and Listing Rules. The principle underpinning ASX Participants' approach to granting relief is that the policy underlying the rule must not be undermined or offended and that the integrity of the market will not be undermined should relief to the rule be granted. The procedures used by the ASX supervision units are based on a formal documented process incorporating a number of levels of sign-off.

When considering requests for exemptions to the Operating Rules of the SFE or the Clearing Rules of SFE Clearing, Futures Supervision will now adopt a process aligned to that used by other Market Supervision Units in assessing and granting of waivers of the ASX Market Rules. The adoption of a policy and process that ensures that the intent of the underlying the rule is upheld and that the integrity of the market is not threatened is a logical response to the issue and demonstration of further integration across ASX Markets Supervision.

It is also envisaged that Futures Supervision will adopt a process of communicating the outcome of an Exemption request in much the same way as ASX deals with the publication of the outcome of requests for waivers. A register of exemptions granted will be maintained and periodically an updated list of exemptions will be published on the ASX website to ensure transparency across the market.

As part of the transition to the amended position the SFE informs Participants, effective immediately that any request for consideration of an exemption to the Operating Rules is conditional upon the Participant agreeing to publication of any exemption granted.

Should you have any queries in relation to the above, please contact me on (02) 9227-0223 or at [robert.coaldrake@asx.com.au](mailto:robert.coaldrake@asx.com.au)

A handwritten signature in black ink, appearing to read 'R.W. Coaldrake', written in a cursive style.

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