



SFE NOTICE NO.

178/08

Date of Issue: 25 November 2008
Effective Date: Immediately

Initial Margins and Other Deposits

The Exchange wishes to remind all Participants of the following requirements:

Clearing Rule 43.1 states:

*“A Clearing Participant shall deposit with respect to each Open Position with SFE Clearing an amount determined by SFE Clearing in its absolute discretion from time to time (whether before or after the opening of such Open Position) upon demand or **by such time as is Prescribed in the Schedules** or is required by the Board or the Managing Director or his delegate.”*

The Schedule states:

Clearing Rule	Description	Time
43.1*	Time for payment of Initial Margins and Daily Settlement Accounts	10:30am (Sydney time) in the case of SFE or 12:30pm (Auckland time) in the case of NZFOE on the Business Day of the Relevant Exchange following day of trade (or as otherwise demanded by SFE Clearing).

Participants are advised that the Schedule is part of the Rule and as such, a Clearing Participant must **deposit an amount determined by SFE Clearing by the time Prescribed in the Schedules, which is 10:30am**. The Exchange advises that having the payment pending in RTGS is an integral part of the deposit process and hence the 10:30am deadline applies.

Therefore, failure to match a payment in RTGS prior to 10:30am is a breach of Clearing Rule 43.1 and failure to deposit payment of margins prior to the 11:00am deadline will cause a Participant to be in default.

Please find below a link to the Exchange’s powers in the event that a Participant fails to make payment by the 11:00am deadline and is in Default.

http://www.asx.com.au/supervision/pdf/sfe_operating_rules/sfe_clearing_rules.pdf

Should you have any queries please contact Robert Coaldrake, General Manager Futures and Prudential Risk on (02) 9227 0223 or Robert.Coaldrake@asx.com.au or Janice Coles, Senior Futures Supervision Officer on (02) 9227 0224 or Janice.Coles@asx.com.au.

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