

PROPOSED 2010 SFE OPERATING RULES FRAMEWORK as at 26/2/2010

New SFE rule heading	Existing rules from SFE Operating Rules or Australian Securities Exchange Disciplinary and Appeals Rulebook (DARB) (Note that wording may not be identical but the rule covers similar matters)
1. Access to the facility	
• Admission of Market Participants	2.1.5; 2.2.1(d); 2.2.2(d); 2.2.18
• Trading Permissions	1.7
• Grant of Admission or Trading Permission	2.2.6
• Allocation of unique identifiers	New, 3.3.1
• Ongoing requirements for Market Participant	2.2
• Resignation of Market Participant	2.2.9
2. Products	
• Derivative Market Products	6
o CFTC requirements	2.2.30
3. Trading rules	
• General Obligations	2.2.6 and 5.5.1
• Orderly Trading	1.4; 1.10; 1.11
o Fair and Orderly Market	1.4; 1.10; 1.11;
o Technical Failure	1.4 and 1.10
o Communications with a Trading Platform	1.10
o Efficient and proper functioning of Trading Platform	1.10
o State of Emergency	1.4
• Trade errors, cancellations and dealing disputes	1.11 and 1.13
• Reporting	2.2.24
• Derivatives Market Contracts	S6
o Position Limits	2.2.13
• Dealing on the Trading Platform	
4. Execution, quote display and reporting services	
• General Rules for Trading Platform	
o Order entry	3.1
o Priority of Orders	
o Session States	1.8
o Terms of Contract	Section 4 (part of) and 6
o Entry into Transactions	
o Removal or Retention of Orders at End of Day	No equivalent in rules even though this happens in practice
• Central Order Book	
o Pre-negotiated orders	3.4
o Strategy orders	3.3
o Custom Market orders	3.3
• Reporting Of Off-Market Trades	
o Exchange for Physical Transactions	3.5
o Block Trade orders	3.4

5. Monitoring conduct and enforcing compliance	
• Information and monitoring	
○ Self reporting	2.2.10
○ Provision of Information	2.2.11; 5.5.3
○ [Provision of Accountant's Report to Exchange]	2.2.18; 5.5.3
○ Provision of Audit Report to Exchange	2.2.18; 5.5.3
○ Additional information, certification and audit for Operational Requirements	2.2.18; 5.5.3
• Sanctions	
○ Penalties on Market Participant for breach of rules	5.6 & DARB
○ Exchange actions for breaches of Trading Permission Requirements	1.7
○ Exchange actions for breaches of Operational Requirements	1.7; 2.2.7
○ Exchange actions for breaches of trading restrictions and limits for Derivative Market Contracts	1.7; 2.2.20
○ Suspension, termination and other actions against Market Participant for event of default	2.2.7
• Appeals	5.8 & DARB
• Effect of termination on obligations of Regulated Person	5.5.2
6. General rules	
• Operation of Rules and Procedures	
○ Application and effect of these Rules	1.2
○ Procedures	Definitions
○ Waiver	2.2.28
• Exercise of Exchange powers	
○ Exercise and delegation of functions and powers	1.3
○ Multiple actions	New
○ Reference to Exchange exercising discretion where it considers "appropriate"	DARB
○ Defects, irregularities and deficiencies	New
• Exchange actions required under ASIC Market Integrity Rules	New
• Fees and other charges	2.2.14
• Duties and taxes	New
• Foreign Market Participants and other Market Participants with Overseas Activity	from procedures
• Authorised Signatories	New
• Compensation Arrangements	
○ Payment of compensation arrangement levies	2.2.14
• Records and information	
○ Requirements for records and information	2.2.11
○ Disclosure of information	1.6
• Responsibility for individuals involved in business	5.5.1
• Indemnities and disclaimers	1.5
• Miscellaneous	
○ Notice, notification and service of documents	DARB 1.13
○ Governing law and submission to jurisdiction	1.1
7. Definitions and interpretation	
• General principles of interpretation	7.2
• Inconsistency with ASIC Market Integrity Rules	New
• Words and expressions defined in the Corporations Act	7.2.7

• Headings and Introductory Review	7.2.4; DARB 1.5
• Conduct, Acts and Omissions	DARB 1.6.1
• Regard to be had to purpose or object of rule	DARB 1.6.4
• Examples and notes	7.2; DARB 1.7
• Change of name	1.2.6; DARB 1.6.1
• Effect of amendment to rules and procedures	1.2
• Rule in force at time of contravention	DARB 1.10
• Definitions	7.1
8. Transitional Arrangements	New

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