



FGL Procedures

Process Document

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Final

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PART 1: PURPOSE OF THE RULES, DEFINITIONS, INTERPRETATION AND GENERAL PROVISIONS

1.2. PURPOSE, DEFINITIONS AND INTERPRETATION

1.2.2. Definitions

Accounting Standards

The following accounting standards are specified as being of an equivalent regulatory standard to the Australian Accounting Standards:

Accounting Standards of the United Kingdom

Approved Security

The following are specified as Approved Securities:

- (a) a letter of credit or guarantee in favour of the Trading Participant or Clearing Entity from an [Australian Authorised Deposit-taking Institution](#) (not being the Client);
- (b) shares which are:

listed on an Australian securities exchange; and

shares in one or more companies in the top 200 companies in Australia by market capitalisation listed on a licensed Australian securities exchange, when the securities are tendered,

valued at not more than 75% of their market value;

- (c) shares which are:

listed on a foreign securities exchange as approved by the Exchange from time to time following a request from a Trading Participant or Clearing Entity; and

shares in one or more companies in the top 100 companies by market capitalisation listed on the foreign securities exchange when the securities are tendered,

valued at not more than 65% of their market value;

- (d) Australian Government securities, valued at no more than:

- (i) if residual maturity is one year or less – 95% of market value; and

- (ii) if residual maturity exceeds one year – 90% of market value;

where Australian Government security means a security issued by the Australian Federal Government or any Australian State Government;

- (e) Offshore Government securities, valued at no more than:

- (i) if residual maturity is one year or less – 90% of market value; and

- (ii) if residual maturity exceeds one year – 75% of market value;

where *Offshore Government security* means a security which:

- (iii) is issued by the government of the relevant Offshore Jurisdiction; and
- (iv) has:
 - (A) a Standard & Poor's long-term credit rating for sovereigns of AAA or better; and
 - (B) a Standard & Poor's short-term credit rating for sovereigns of AA or better
- (f) bills of exchange accepted or endorsed by an Australian ADI or Offshore Bank (not being the Client), valued at not more than 95% of the market value of the bills of exchange;
- (g) negotiable certificates of deposit issued by an Australian ADI or Offshore Bank (not being the Client), valued at not more than 90% of the market value of the negotiable certificates of deposit; and
- (h) such other security or credit facility on such terms as may be approved by the Exchange in its discretion;

where

"Australian ADI" has the meaning given in the Corporations Act; and

"Offshore Bank" means a regulated deposit-taking financial institution which:

- (a) conducts banking business in an Offshore Jurisdiction in which the Trading Participant or Clearing Entity conducts its business; and
- (b) is fully authorised under the laws effective in that Offshore Jurisdiction (including by any central bank or financial services regulator) to conduct banking business (including the taking of deposits and the making of advances) in that Offshore Jurisdiction.

Arbitration Rules

The Exchange has determined that for the purposes of this definition the arbitration rules of the United Nations Commission on International Trade Law (UNCITRAL) as adopted on 28 April 1976, or as subsequently amended, will be used.

Clearing Entity Agreement

See [Annexure A](#) for the location of a pro-forma Clearing Entity Agreement.

The pro-forma Clearing Entity Agreement is a sample only.

A Clearing Entity may use another format provided:

- (a) it contains the minimum terms set out in Rule 3.6.1(b); and
- (b) does not incorporate additional terms which are inconsistent with those minimum terms.

In the Money: Buffer Amount

The Buffer Amount for each FGL Option Contract is detailed in the relevant Contract Specification or Clearing Rules.

Primary Contact

The following procedural information is provided as additional information for the purposes of the definition of Primary Contact and Rule 1.4.6:

- (a) A Trading Participant may authorise a number of Primary Contacts to liaise with the Exchange on the Trading Participant's behalf.
- (b) The Exchange recommends that a Trading Participant nominates a minimum of two (2) Primary Contacts who are available during the Exchange Trading hours.
- (c) Each Trading Participant is responsible for advising the Exchange of any change to the names or contact details for its Primary Contacts.
- (d) To amend Primary Contact details contact the FGL Market Control Manager. See GN47 – Communicating with FEX.
- (e) All Derivative Staff Members may contact the Exchange with any other queries, questions or concerns.

Sweep Price

The Sweep Price setting for any FGL Product is defined as the maximum number of price ticks away from the current market price that an incoming order may interact with in the orderbook, thereby preventing excessive (disorderly) price movements from occurring. The Exchange determines and publishes a Sweep Price setting for each FGL Product.

1.2.3. Interpretation

Rule 1.2.3(h), Rule 3.3.8(c), and Rule 6.4.8(c)

The manner of calculating interest for the purposes of Rule 1.2.3(h), Rule 3.3.8(c) and Rule 6.4.8(c) is:

- (a) The interest rate payable is the Reserve Bank of Australia Cash Rate Target plus six per cent (6%) per annum. Follow this link for the [RBA Cash Rate Target](#).
- (b) Interest:
 - (i) shall be calculated and accrue daily;
 - (ii) shall apply from the date when the relevant amount fell due (irrespective of any grace period) to the date of its final payment in full; and
 - (iii) shall be calculated on the basis of the actual number of calendar days elapsed and a year of 365 days

Unless specified otherwise in the relevant Operating Rule, interest will be payable on demand by the Exchange.

1.4. CONFIDENTIALITY

1.4.3. Confidential Open Position Information

Rule 1.4.3(d)(v)

The time specified for the purposes of Rule 1.4.3(d)(v) is: **3 Business Days**

Rule 1.4.3(f)

The time specified for the purposes of Rule 1.4.3(f) is: **3 Business Days**

1.4.6 Exchange Obligation regarding contact with Trading Participants

See definition of Primary Contact above.

PART 2: ADMISSION RULES

2.3. REQUIREMENTS FOR ADMISSION AS A TRADING PARTICIPANT

2.3.3. AFS Licence

Rule 2.3.3(b)

Licence authorisations considered appropriate by the Exchange: authorisation to

- (a) Provide financial product advice in respect to the following classes of financial product:
 - Energy and Commodity Derivatives; and
 - Environmental Derivatives
- (b) deal in a financial product by:
 - (i) issuing, applying for, acquiring, varying or disposing of a financial product in respect of the following classes of financial products:
 - (A) derivatives;
 - (ii) applying for, acquiring, varying or disposing of a financial product on behalf of another person in respect of the following classes of products:
 - (A) derivatives.

2.3.11. Additional Requirements

No additional requirements have been specified for the purposes of Rule 2.3.11.

2.4 PROCEDURES FOR ADMISSION OF TRADING PARTICIPANTS

2.4.1. Application Form

Rule 2.4.1(a)

See [Annexure B](#) for the application form.

Rule 2.4.1(b)

The declaration is included in the application form.

See [Annexure B](#) for the application form.

2.4.3. Supporting Evidence

Supporting evidence specified for the purposes of Rule 2.4.3:

- (a) supporting evidence specified in the application form at [Annexure B](#);
- (b) any supporting evidence requested by the Exchange in respect of a particular applicant.;

- (c) any other supporting evidence the applicant wishes to lodge, as approved by the Exchange in respect of a particular applicant.

2.4.4. Requisitions and Enquiries

Rule 2.4.4(a)

The information required in relation to the control and ownership of the applicant for the purposes of Rule 2.4.4(a) is specified in the application form at [Annexure B](#).

2.4.5. Consideration of Application

Rule 2.4.5(e)

The notice of proposed rejection must be issued to the applicant at least **10 Business Days** before the date of the proposed rejection.

2.4.9 Lapse of Approval

Specified time for lapse of approval for the purposes of Rule 2.4.9: **40 Business Days**

2.4.10 Procedures Following Rejection of Application

Specified time to appeal the decision for the purposes of Rule 2.4.10(c): **40 Business Days**

2.6 SUSPENSION AND TERMINATION OF TRADING PARTICIPANT ADMISSION

2.6.10 Grounds for Termination of Trading Participants

No greater time has been specified for the purposes of Rule 2.6.10.

2.7 REQUIREMENTS FOR ADMISSION AS A CLEARING ENTITY

2.7.4 Additional Requirements

No additional requirements have been specified for the purposes of Rule 2.7.4.

2.8 PROCEDURES FOR ADMISSION OF CLEARING ENTITIES

2.8.1 Application Form

Rule 2.8.1(a)

See [Annexure H](#) for the application form.

Rule 2.8.1(b)

The declaration is included in the Clearing Entity application form.

See [Annexure H](#) for the Clearing Entity application form.

2.8.3 Consideration of Application

The notice of proposed rejection must be issued to the applicant at least **10 Business Days** before the date of the proposed rejection.

2.8.6 Lapse of Approval

Specified time for lapse of approval for the purposes of Rule 2.8.6: **40 Business Days**

2.8.7 Procedures Following Rejection of Application

Specified time to appeal the decision for the purposes of Rule 2.8.7(c): **40 Business Days**

2.10 SUSPENSION AND TERMINATION OF CLEARING ENTITY ADMISSION

2.10.10 Grounds for Termination of Clearing Entities

No greater time has been specified for the purposes of Rule 2.10.10.

PART 3: BUSINESS CONDUCT RULES

3.3 OBLIGATIONS TO THE EXCHANGE AND TO THE EXCHANGE MARKET

3.3.8 Fees and interest

Rule 3.3.8(a)

The following fees are specified for the purposes of Rule 3.3.8(a): The application and annual subscription Fees are:

Application Fee	\$ 20,000
Annual Participation Fee	\$ 7,500

Other applicable Fees are as published in the FGL Schedule of Fees and as subsequently determined and communicated by the Exchange from time to time.

Rule 3.3.8(c)

For the purposes of Rule 3.3.8(c) – interest will be calculated as specified in FGL Procedure 1.2.3(h).

3.4 PERIODIC REPORTING OBLIGATIONS

3.4.1 Periodical report of financial position

Rule 3.4.1(a)

- (a) The form is as required in the Market Integrity Rules, otherwise see Annexure C for a pro-forma Periodical Report of Financial Position.
- (b) For the purpose of Rule 3.4.1(a) a Periodical Report of Financial Position is required as frequently as stated in the Market Integrity Rules, otherwise each calendar month.
- (c) The time specified for the purpose of Rule 3.4.1(a) is as stated in the Market Integrity Rules, otherwise within one calendar month from the previous calendar month end, except for the month of June in each year, in which the time specified is within two calendar months.

Rule 3.4.1(b)

For the purpose of Rule 3.5.1(b) an annual audit certificate is required within three (3) months of a Participant's financial year end.

3.4.2 Beneficial Owner report

The format for the Beneficial Owner report is specified at Annexure J. The time for the Beneficial Owner report to be delivered is daily by 8am on the first Business Day after Trade Date. Beneficial Owner reports are to be sent to dbor@fex.com.au

3.4.3 Annual statement provided to ASIC or Offshore Regulators

The time specified for the purpose of Rule 3.4.3 is 5 Business Days after lodgement of the annual statement with ASIC or any Offshore Regulator.

3.5 OBLIGATIONS REGARDING RECORDS

3.5.2 Form and retention of records

No other period has been specified for the purpose of Rule 3.5.2(c).

3.8 NOTIFICATION OBLIGATIONS

3.8.3 Notification of change in Licence or exemption or relief

- (a) The time specified for the purposes of Rule 3.8.3 with respect to the notification period in relation to any variation to the terms or conditions of a Participating Entity's AFS Licence is **5 Business Days**.
- (b) The time specified for the purposes of Rule 3.8.3 with respect to the notification period in relation to any variation to the terms or conditions of a Participating Entity's exemption or relief is **5 Business Days**.

3.8.4 Notification of breaches and investigations

Rule 3.8.4(a)

The time specified for the purposes of Rule 3.8.4(a) with respect to notifications of breaches and investigations is **5 Business Days**.

Rule 3.8.4(b)

The time specified for the purposes of Rule 3.8.4(b) with respect to notifications of breaches and investigations is the same time as the notification is made to ASIC, the Offshore Regulator and/or the Clearing House.

3.8.14 Notification of Intention to Deal for Clients

The time specified for the purposes of Rule 3.8.14 is at least **20 Business Days**.

PART 4: MARKET CONDUCT RULES

4.2 TRADING ON THE EXCHANGE MARKET

4.2.8 Order Router Facility

Rule 4.2.8(f)

The following procedural requirements are specified for the purposes of Rule 4.2.8(f):

- (a) FGL conformance tests will cover basic functionality such as connectivity, Order management, Trade management and risk management as a minimum. The Order Routing Facility must pass all elements of this functional testing.
- (b) Passing a FGL conformance test does not imply certification or approval of the Order Router Facility technology by the Exchange.
- (c) The Exchange may charge a fee for facilitating a conformance test.

4.2.10 Position limits

Rule 4.2.10(a)

For the purposes of Rule 4.2.10(a), the following maximum number of Open Contracts are specified:

- (i) 50% of all Open Contracts in a FGL Product or in an Individual FGL Product
- (ii) 50% of all Open Contracts in a FGL Product or in an Individual FGL Product
- (iii) 50% of all Open Contracts in a FGL Product or in an Individual FGL Product
- (iv) 50% of all Open Contracts in a FGL Product or in an Individual FGL Product

Rule 4.2.10(c)

For the purposes of Rule 4.2.10(c), there are no further requirements specified.

4.2.11 Power to limit access

The following limitations, parameters and restrictions are specified for the purposes of Rule 4.2.11(c):

- a) The maximum number of Orders that may be transmitted by each Trading Participant is [100 Orders per second]
- b) The maximum quantity for each Order that may be entered by a Trading Participant is 10,000
- c) If requested by a Trading Participant for risk management purposes, the Exchange is able to set limits for the Trading Participant, or for a specific connection ID for the Trading Participant, to:
 - (i) limit access to a subset of FGL Products;
 - (ii) impose more restrictive price limits than the Exchange has implemented for Order entry of a FGL Product, separately for Futures Contracts and Option Contracts;

- (iii) impose more restrictive quantity limits than the Exchange has implemented for Order entry for a FGL Product, separately for Futures Contracts and Option Contracts; and/or
- (iv) impose a more restrictive price limit by specifying a soft price limit set by the Exchange becomes a hard limit.

To request that the Exchange sets any of these limits, please contact the FGL Market Control department

- d) The maximum frequency for polling the Trading System for data [to be provided]

4.2.12 Power to cancel an Order

Rule 4.2.12(a)(iii)

The following are specified for the purposes of Rule 4.2.12(a)(iii):

- (a) Procedure for a Trading Participant to request cancellation of an Order

The request to cancel an Order may be made by telephone to the FGL Market Control department.

- (b) Details to be provided in a request to cancel an Order include:

- (i) the reason why the Trading Participant is unable to cancel the Order;
- (ii) if the request to cancel is for a specific Order, the request must include

- (A) the Trading System Order number;
- (B) the Trading Participant connection ID;
- (C) the Individual FGL Product;
- (D) the Order price; and
- (E) the Order quantity.

- (iii) if the request to cancel is for all Orders or for a group of Orders the request must include:

- (A) the Trading Participant connection ID; and
- (B) sufficient detail for the Exchange to confirm the Orders to be cancelled.

- (c) The Exchange will cancel Trading Participant Orders when requested on a 'best endeavour' basis and cannot guarantee that an Order will be cancelled prior to it trading partially or in full. If a Trade occurs prior to a requested Order cancellation being processed, the Trading Participant may request cancellation of the Trade as an Error Trade in accordance with Operating Rule 4.8.

If the Exchange determines to cancel an Order in accordance with Rule 4.2.12(a)(i) or 4.2.12(a)(ii), it will notify the Trading Participant responsible for the Order as soon as practicable after cancellation of the Order and provide the FGL Trading System Order number and the reason for the cancellation.

4.4 STRATEGY TRADING

4.4.2 Defined Strategy Trades

Rule 4.4.2(a)(i)

The types of Defined Strategies which may be listed on the Exchange Market specified for the purposes of Rule 4.4.2(a)(i) are:

- (a) intra-spread- a strategy to simultaneously buy one Individual FGL Product (month) and sell another Individual FGL Product (month) in the same FGL Product;
- (b) strip- a strategy to simultaneously buy or sell a series (strip) of Individual FGL Products (months) in the same FGL Product;
- (c) inter-spread - a strategy to simultaneously buy one Individual FGL Product and sell another Individual FGL Product in a different FGL Product .

Rule 4.4.2(a)(ii)

The Individual FGL Products available for each leg of a Defined Strategy are specified in the Contract Specifications section of the FGL Operating Rules.

4.4.3 Tailored Strategy Trades

Rule 4.4.3(b)(i)

The following procedures are specified for the purposes of Rule 4.4.3(b)(i):

A Trading Participant must request a market for a new Tailored Strategy as follows:

Prior to the entry of a Tailored Strategy Order, the Trading Participant must enter a 'Request for Quote' (RFQ) into the Trading System outlining the Individual FGL Product for each leg comprising the Tailored Strategy Order and the ratios to be used.

See GN29 - Tailored Strategies for more information - including examples.

Rule 4.4.3(b)(ii)(A)

The following is specified as the period a Trading Participant must wait after issuing a Request for Quote, before submitting an Order for a new Tailored Strategy for the purposes of Rule 4.4.3(b)(ii)(A): **30 seconds**.

See GN29 - Tailored Strategies for more information - including examples.

Rule 4.4.3(b)(ii)(B)

The following is specified as the period during within which a Trading Participant must enter an Order for a new Tailored Strategy after issuing a Request for Quote for the purposes of Rule 4.4.3(b)(ii)(B): **5 minutes and 30 seconds**.

See GN29 - Tailored Strategies for more information - including examples.

Rule 4.4.3(b)(iii)

The minimum and maximum number of legs for a Tailored Strategy Order specified for the purposes of Rule 4.4.3(b)(iii) are:

- (a) minimum number of 2 legs; and
- (b) maximum number of 8 legs.

Rule 4.4.3(b)(v)

The maximum size of the lowest common denominator for each leg in the Tailored Strategy Order is **50 lots**

See GN29 – Tailored Strategies for more information – including examples.

Rule 4.4.3(b)(vi)

No additional requirements are specified for the purposes of Rule 4.4.3(b)(vi)

Rule 4.4.3(c)

Each leg's price must meet the following criteria:

- (i) If the underlying product has not traded for the current trade date and there are no valid bids and/or offers, the individual leg price must fall within the Sweep Price parameters from the Reference Price.
- (ii) If the underlying product has traded for the current trade date and there are no valid bids and/or offers, the individual leg price must fall within the Sweep Price parameters from the last traded price.
- (iii) If the underlying product has valid bids and/or offers, the individual leg price must fall within the Sweep Price parameters from the relevant bid or offer.

4.5 BLOCK TRADES

4.5.2 Individual FGL Products available for a Block Trade

Rule 4.5.2(a)

The Individual FGL Products in which Block Trades may be arranged are specified in the following table:

Contract Name	Minimum Volume Threshold for Block Trading	Pre-expiry no Block Trading Period
FEX ESPO Asia Crude Futures	100 lots	3 days
FEX ESPO Asia Crude Options	100 lots	3 days
FEX API5 Newcastle Coal (AUD) Futures	100 lots	3 days
FEX API5 Newcastle Coal (AUD) Options	100 lots	3 days
FEX Base Load Power Quarterly Futures	25 lots	NIL: Block trades may be done any time to expiry
FEX Peak Load Power Quarterly Futures	25 lots	NIL: Block trades may be done any time to expiry

FEX \$300 Strike Cap Power Quarterly Futures	25 lots	NIL: Block trades may be done any time to expiry
FEX \$300 Strike 5MS Cap Power Quarterly Futures	25 lots	NIL: Block trades may be done any time to expiry
FEX Base Load Power 4qtr Strip Option	25 lots	NIL: Block trades may be done any time to expiry
FEX Base Load Power Quarterly Option	25 lots	NIL: Block trades may be done any time to expiry
FEX JCC Asia Crude Futures	100 lots	3 days
FEX JCC Asia Crude Options	100 lots	3 days
FEX ICX 62 Iron Ore (AUD) Futures	100 lots	3 days
FEX ICX 62 Iron Ore (AUD) Options	100 lots	3 days

For FEX Power futures and options products, multi-legged Block Trades may also be registered through the Block Trade Facility providing that:

- (a) Each leg of the multi-legged Block Trade must be registered as a Block Trade; and
- (b) Each leg of the multi-legged Block Trade must be for a defined FEX Power product; and
- (c) Every leg of the multi-legged Block Trade must be registered at or about the same time; and
- (d) Every leg of the multi-legged Block Trade must include a common identifier in the Notes field sufficient to support unique identification of a multi-legged Block Trade; and
- (e) the volume of each leg meets the Minimum Volume Threshold for Block Trading, unless the Exchange determines that a leg that is less than the designated Minimum Volume Threshold constitutes a reasonable hedge when considering the complete multi-legged Block Trade.

Rule 4.5.2(b)

The number of days prior to expiry of an Individual FGL Products in which Block Trades may be arranged is specified in the table above.

4.5.5 Restrictions on conducting a Block Trade

Rule 4.5.5(b)(ii)

No later time has been specified for the purposes of Rule 4.5.5(b)(ii).

4.5.6 Submission of a Block Trade request

Rule 4.5.6(a)

The following is specified for the purposes of Rule 4.5.6(a):

For all FGL products:

- (a) A Block Trade must be entered into the Trading System as soon as practicable and in any case within **5 minutes** following arrangement.
- (b) For a Block Trade to be cleared as a Trade on the current Trade Date it must be entered and confirmed in the Trading System **within 10 minutes from the close** of the day session.
- (c) A Block Trade request must be entered into the Trading System by the seller of the Block Trade.
- (d) Where the Block Trade request is for a FEX Power Product, a Block Trade must initially be notified through the Message Facility to the Exchange. If the Block Trade is then authorised in principle by the Exchange, the Exchange will notify the market and the seller may proceed with a standard lodgement of the Block Trade through the Trading System.
- (e) The following information must be entered into the Trading System:
 - (i) Buyer Trading Participant;
 - (ii) Individual FGL Product;
 - (iii) quantity;
 - (iv) price.

Rule 4.5.6(b)

The time within which the buyer of the Block Trade must approve or reject the request specified for the purposes of Rule 4.5.6(b) is: as soon as practicable and in any case **within 5 minutes** following notification of the Block Trade request.

4.6 EXCHANGE FOR PHYSICAL (EFP)

4.6.1 Availability of an EFP facility

Rule 4.6.1(b)

A Trading Participant must act in accordance with Rule 4.6.5.

4.6.2 Individual FGL Products available for an EFP

Rule 4.6.2(a)

The Individual FGL Products in which EFP's may be arranged are specified in the relevant Contract Specification.

Rule 4.6.2(b)

There is no limit on the size of the Individual FGL Products that may be exchanged for a physical position.

4.6.5 Submission of an EFP request

Rule 4.6.5(a)

The following times are specified for the purposes of Rule 4.6.5(a):

- (a) An EFP request must be entered into the Trading System within **5 minutes** after arrangement.
- (b) For an EFP to be cleared for the current Trade date it must be entered and confirmed in the Trading System **within 10 minutes from the close** of the day session.

The requirements for the entry of an EFP specified for the purposes of 4.6.5(a) are:

- (a) When the EFP request is entered into the Trading System, both parties to the EFP must intend to complete the physical Trade and must not intend to cancel the physical Trade.
- (b) Where the EFP consists of more than one Individual FGL Product being exchanged for a physical, a separate EFP request must be entered into the Trading System for each Individual FGL Product. The corresponding physical trade may be settled as one Trade.
- (c) Process for entering the EFP request:
 - (i) The Trading Participant selling the Individual FGL Product leg of the EFP must enter the EFP request into the Trading System.
 - (ii) The following information must be entered for the Individual FGL Product leg:
 - (A) Buyer Trading Participant;
 - (B) Individual FGL Product;
 - (C) quantity;
 - (D) price.
 - (iii) The following information must be entered for the physical leg:
 - description of physical
 - quantity or face value of physical
 - price or yield (as applicable) at which the physical is traded;
 - start or settlement date of physical;
 - maturity date of physical (if applicable);
 - coupon rate of physical (if applicable);
 - coupon frequency of physical (if applicable).
- (d) The physical leg of an EFP must take place at the same time as the Individual FGL Product.

Note: Deliberate passing of erroneous information (including in relation to EFPs) is a breach of the FGL Operating Rules (OR 3.3.6).

Rule 4.6.5(b)

The following is specified for the purposes of Rule 4.6.5(b):

The buyer of the Individual FGL Product leg of the EFP must confirm or reject the EFP **within 5 minutes** after the notification of the EFP request.

4.7 DAILY SETTLEMENT PRICE

4.7.2 Indicative Daily Settlement Price for Futures Contract

Rule 4.7.2

The following matters are specified for the purposes of Operating Rule 4.7.2(c)(iv):

For FEX Power Futures

For a Bid or Offer to be valid for use in the Indicative Daily Settlement Price calculation it must have been entered more than one (1) minute prior to the close of trading session, remain active at the close and have a minimum volume of five (5) lots.

4.7.3 Indicative Daily Settlement Price for Option Contracts

Rule 4.7.3

The following matters are specified for the purposes of Operating Rule 4.7.3(b)(iv):

FEX Power Option Products

- (i) the Exchange will undertake a weekly survey of implied volatilities for ATM strikes for all FEX Power Option Contracts;
- (ii) Removing the outliers, the Exchange will calculate the mean volatilities and assign the calculated volatility to the relevant option series for daily settlements at the close of the Trading Day.

The following matters are specified for the purposes of Operating Rule 4.7.3(b)(iv):

For Orders in an Individual FGL Product to be included in the calculation of the Daily Settlement Price for an Option Contract, they must be:

- Entered into the Trading System at least ten (10) minutes prior to the close of Trading for the Individual FGL Product; and
- Have a total minimum quantity as described in the following table available ten (10) minutes prior to the close of Trading for the Individual FGL Product; and
- Have a total minimum quantity as described in the following table available at the close of Trading for the Individual FGL Product;

For Tailored Strategy Orders to be included in the calculation of the Daily Settlement Price for an Option Contract, they must be for:

- A strategy including the Underlying (Futures Contract) and the at-the-money Option Contract for the Individual FGL Product that have:
 - o Been entered into the Trading System at least ten (10) minutes prior to the close of Trading for the Individual FGL Product; and

- o A minimum total quantity as described in the following table available ten (10) minutes prior to the close of Trading for the Individual FGL Product; and
- o A minimum total quantity as described in the following table available at the close of Trading for the Individual FGL Product; or
- An at-the-money Option Contract straddle strategy for the Individual FGL Product that have:
 - o Been entered into the Trading System at least ten (10) minutes prior to the close of Trading for the Individual FGL Product; and
 - o A minimum total quantity as described in the following table ten (10) minutes prior to the close of Trading for the Individual FGL Product; and
 - o A minimum total quantity as described in the following table at the close of Trading for the Individual FGL Product.

Option Contracts	Minimum Volume Threshold for Settlement Price Consideration
FEX ESPO Asia Crude Options	100 lots
FEX API5 Newcastle Coal (AUD) Options	100 lots
FEX Base Load Power 4qtr Strip Options	50 lots
FEX Base Load Power Quarterly Options	50 lots
Option Tailored Strategy in an Individual FGL Product	Combined Option leg volume equivalent to Individual Options Contract minimum volumes
Option Straddle Strategy in an Individual FGL Product	Combined Option leg volume equivalent to Individual Options Contract minimum volumes
FEX JCC Asia Crude Options	100 lots
FEX ICX 62 Iron Ore (AUD) Options	100 lots

4.7.5 Objections to Indicative Daily Settlement Price

The time specified for the purposes of Rule 4.7.5(a) is: **5 minutes**.

4.8 ERROR TRADES

4.8.2 Procedures for considering and cancelling an Error Trade

Rule 4.8.2(a)

The following are specified for the purposes of Rule 4.8.2(a):

Process for Requesting Cancellation of an Error Trade

- (a) The request to cancel an Error Trade may be made by telephone to the FGL Market Control department or by completing and lodging Annexure G.
- (b) Details to be provided are:
 - (i) the Trading System Order number;
 - (ii) the error that was made;
 - (iii) the Trading System Trade number;
 - (iv) the Individual FGL Product;
 - (v) the Trade price; and
 - (vi) the Trade quantity.

4.10 PRE-NEGOTIATED ORDERS

For the purposes of Rule 4.10 only the following Contracts may be pre-negotiated:

Contract	Minimum prescribed time between message and entry of orders: Outright market	Minimum prescribed time between message and entry of orders: Tailored Strategy	After prescribed time - time allowed for order execution:	Minimum volume threshold
FEX Base Load Power Quarterly Futures	30 seconds	30 seconds	90 seconds	5 lots
FEX Peak Load Power Quarterly Futures	30 seconds	30 seconds	90 seconds	5 lots
FEX \$300 Strike Cap Power Quarterly Futures	30 seconds	30 seconds	90 seconds	5 lots
FEX \$300 Strike 5MS Cap Power Quarterly Futures	30 seconds	30 seconds	90 seconds	5 lots
FEX Base Load Power 4qtr Strip Options	30 seconds	30 seconds	90 seconds	5 lots
FEX Base Load Power Quarterly Options	30 seconds	30 seconds	90 seconds	5 lots

Pre-negotiation of the above Contracts may be carried out during any trading session up until expiry.

Trading Procedures

- 1) Where a Trading Participant receives instruction from a Client that an Order can be executed as pre-negotiated business, the Trading Participant may:
 - a) withhold transmission of the Order in order to solicit Orders from Clients and other Trading Participants; and
 - b) disclose details of Clients' Order; and
 - c) aggregate Orders received from Clients in satisfaction or part satisfaction of the originating Client Order.
- 2) Once counterparties have been solicited - the Trading Participant(s) must enter the Orders on the Trading Platform for execution.
- 3) Prior to entering the pre-negotiated Orders on the Trading Platform for execution in the relevant Individual FGL Product or strategy, the Trading Participant holding the originating Client Order must make an enquiry via the Trading Platform Message Facility for a market in that Individual FGL Product or strategy.
- 4) Pre-negotiated Orders shall only be entered into the Trading Platform after the prescribed time or such other time, as determined by the Exchange, has elapsed after the entry of the enquiry into the Trading Platform Message Facility and before the expiry of the time allowed for Order execution.
- 5) The following information must be included when submitting an enquiry:
 - a) Product type
 - (i) Individual FGL Product; or
 - (ii) Defined strategy - provided at least one leg of the strategy meets the minimum volume threshold; or
 - (iii) Tailored strategy- provided at least one leg of the strategy meets the minimum volume threshold; and
 - b) ratios of futures/options (if applicable); and
 - c) any other information relevant to the pricing of the trade.
- 6) Where a Trading Participant holds opposing Orders at a particular price, and a market is made following a Request for Quote or Message that touches or overlaps that particular price, then a Trading Participant must trade with the market even if it means missing out on a cross trade.
- 7) Client Authorisation

See ASIC Market Integrity Rules (Futures Market) 2017

PART 5: EXCHANGE MARKET OVERSIGHT RULES

5.2 GENERAL PROVISIONS

5.2.6 General power to suspend or halt the Exchange Market, and related powers

No additional details are specified for the purposes of Rule 5.2.6.

PART 6: CLEARING

6.3 OBLIGATIONS OF CLEARING ENTITIES TO THE EXCHANGE

6.3.5 Open interest reports

The formats for the Open Interest report, and other Trading or Position Reports, are as defined by the Clearing House for such electronic reports.

All Reports are required to be delivered to the Clearing House according to the requirements under the CME Clearing Rules.

6.4 CONDUCT OBLIGATIONS TO THE EXCHANGE AND TO THE EXCHANGE MARKET

6.4.8 Fees and Interest

Rule 6.4.8(a)

The following fees are specified for the purposes of Rule 6.4.8(a): The application and annual subscription Fees are:

Application Fee	\$ 20,000
Annual Participation Fee	\$ 10,000

Other applicable Fees are as published in the FGL Schedule of Fees and as subsequently determined and communicated by the Exchange from time to time.

Rule 6.4.8(c)

For the purposes of Rule 6.4.8(c) - interest will be calculated as specified in FGL Procedure 1.2.3(h).

PART 7: DISCIPLINARY PROCEDURES AND DISPUTE RESOLUTION

7.3 DISCIPLINARY PROCEEDINGS: GENERAL RULES AND POWERS

7.3.6 Appeal

Notice of appeal must be given to the Exchange, within **20 Business Days** of the date of the decision to which it relates.

7.4 COMMENCEMENT OF DISCIPLINARY PROCEEDINGS

7.4.2 Notice

See Annexure D for pro-forma Commencement of Disciplinary Proceedings Notice.

7.5 POWERS OF CCC IN DISCIPLINARY PROCEEDINGS

Rule 7.5.1(e)

The maximum amount with respect to the following types of Respondent applies:

- (a) where the Respondent is a natural person - **\$50,000**;
- (b) where the Respondent is a Corporation or Firm - **\$500,000**.

Rule 7.5.1(n)

The maximum period the CCC can order that a Derivatives Staff Member not be employed, or otherwise appointed, in a specified capacity is **3 months**.

7.5.4 Payment of fines and costs

The period specified for a fine or costs becoming a debt due for the purposes of Rule 7.5.4(a) is **28 Business Days** after the date of the notice of the decision to the Respondent.

7.6 CONDUCT OF COMPLIANCE AND CONDUCT COMMITTEE PROCEEDINGS

7.6.1 Determination on the Papers

The time in which to request an oral hearing specified for the purposes of Rule 7.6.1(b) is **within 10 Business Days** of notice to commence disciplinary proceedings being given under Rule 7.4.2.

7.6.12 Reasons for decision

The CCC shall notify the Respondent and the Exchange in writing of its decision and the reasons within **40 Business Days** of making its decision.

7.7 CONSOLIDATION OF PROCEEDINGS – REGULATED PERSONS

7.7.2 Right to object

The time specified for the purposes of Rule 7.7.2(a) is **within 10 Business Days** (or such other longer period as may be approved by the Exchange in its discretion).

PART 8: APPEALS TRIBUNAL

8.2 APPEALS TRIBUNAL AND APPEALS PROCEDURE

8.2.4 Commencement of Appeal

See Annexure E for pro-forma Notice of Appeal.

8.2.5 Payment of Fee

The appeal Fee specified for the purposes of Rule 8.2.5 is: **\$2,000**

8.5 COMMENCEMENT OF APPEALS PROCEEDINGS

8.5.1 The Exchange to notify Appeals Tribunal

Rule 8.5.1(c)

The following procedures are specified for the purposes of Rule 8.5.1(c):

The Chairperson shall convene a meeting **within 10 Business Days** after appointment as Chairperson of an Appeals Tribunal.

8.6 CONDUCT OF APPEALS TRIBUNAL PROCEEDINGS

8.6.2 Determination on the Papers

The following timeframe is specified for the purposes of Rule 8.6.2(a)(ii):

A request for an oral appeal hearing must be submitted to the Exchange **within 10 Business Days** of the filing of the appeal notice.

8.6.9 Attendance at Proceeding

Rule 8.6.9(a)

No information is currently specified for the purposes of Rule 8.6.9(a).

Rule 8.6.9(b)

The following timeframe is specified for the purposes of Rule 8.6.9(b):

Written notice must be given to the Participating Entity or Derivatives Staff Member **no less than 10 Business Days** before the appeal hearing date or such other longer period of notice as is reasonable in the circumstances to allow them to appear.

8.6.11 Reasons for decision

The time specified for the purposes of Rule 8.6.11(a) is: **40 Business Days**

PART 9: CLASSES AND CONTRACTUAL TERMS OF FINANCIAL PRODUCTS DEALT WITH ON THE EXCHANGE MARKET

9.5 FORMATION OF, AND PARTIES TO, EACH MARKET CONTRACT AND OPEN CONTRACT

9.5.1 Acceptance of a buy Order or sell Order

No other time has been specified for the purposes of Rule 9.5.1(a)(ii).

9.6.1 Determinations by the Exchange

The details of current Exchange Determinations for the list of general Contract terms is documented and published by FGL prior to market launch for each relevant product.

Price limits

The following price limits are specified:

Price limits for each Individual FGL Product

Price limits for each Individual FGL Product (if any) are specified in the Contract Specifications for the relevant FGL Product.

Daily Price Movement Limit

- (a) A Daily Price Movement Limit is specified for each Individual FGL Product in the relevant Contract Specification.

[Insert link to Contract Specifications]
- (b) The Daily Price Movement Limit provides the maximum amount above and the maximum amount below the Reference Price that Trades may occur in an Individual FGL Product.
- (c) The Exchange may halt Trading in an Individual FGL Product if a Trade will occur at a price above the Reference Price plus the Daily Price Movement Limit or below the Reference Price minus the Daily Price Movement Limit.
- (d) At the start of a Trading Day, the Reference Price for each Individual FGL Product will be set to the Daily Settlement Price for the Individual FGL Product for the previous Trading Day.
- (e) If an Individual FGL Product which is a Futures Contract is halted, all Individual FGL Products (Futures Contracts and Options Contracts), Defined Strategies and Tailored Strategies for that FGL Product will be halted.
- (f) If an Individual FGL Product which is an Option Contract is halted, only that Individual FGL Product and any Tailored Strategies for that Individual FGL Product will be halted.
- (g) The Reference Price may be changed by the Exchange at any time, at its discretion. The Exchange will notify Trading Participants of any change made to a Reference Price.
- (h) The Exchange will determine, at its discretion, when and how to resume Trading in a halted Individual FGL Product. The Exchange will notify Trading Participants of the timing and manner in which Trading will be resumed.

See GN38 - Price Limits

See GN43 - System Failure and Market Halts

Matching Algorithms

Trade execution in the FGL Market occurs using a price/time priority matching algorithm. The algorithm used for each Individual FGL Product is specified in the relevant Contract Specification.

Price / time algorithm

- (a) Orders are matched based on a best price priority followed by an earliest time priority.
- (b) Rules of Order amendment where the price/time algorithm is used are:
 - (i) A change to an Order price up or down moves the Order to lowest in time priority at the new price.
 - (ii) A change to an Order to increase the quantity moves the Order to the lowest in time priority at that price.
 - (iii) A change to an Order to decrease the quantity retains the existing time priority at that price.

Examples

See **GN22 – Matching Algorithm Examples** for examples of the application of the matching algorithm.

Annexure A Pro Forma Clearing Entity Agreement

This document can be found at www.fex.com.au/documents

Annexure B Trading Participant Application Form

This document can be found at www.fex.com.au/documents

Annexure C Pro Forma Periodical Report of Financial Position

This document can also be found at www.fex.com.au/documents

THIS PERIODICAL REPORT OF FINANCIAL POSITION IS TO BE COMPLETED BY:

- (i) Trading Participants; and
- (ii) Clearing Entities (unless an equivalent report has been lodged with CME).

This Periodical Report of Financial Position must be lodged with FGL by the **fifteenth** business day following the last day of each month.

PERIODICAL REPORT OF FINANCIAL POSITION

Name of FGL Participant: _____

Report for Month Ending: _____

DIRECTORS CERTIFICATION

The Periodical Report of Financial Position prepared as at (date) _____ has been prepared from accounting records maintained by us and which are available for inspection.

We, the undersigned, certify that;

- (i) the Periodical Report of Financial Position is complete, true and accurate in all respects;
- (ii) _____ (name of Participant) is solvent and satisfies the appropriate NTA Level; and
- (iii) _____ (name of Participant) has the capacity to remain solvent and to continue to satisfy the appropriate NTA Level.

(Signature)

(Signature)

DIRECTOR - NAME

DIRECTOR - NAME

DATE _____

RECONCILIATION OF CLIENT FUNDS AS AT _____

	<u>Current Month</u>	<u>Prior Month</u>
	\$	\$
<u>CLIENT MONIES (Liability)</u>		
Total Futures Client Monies
Less Associated/Related Company Monies
Director/Employee Monies
	_____	_____
Total Third Party Client Monies (1)	_____	_____
<u>DEPOSITS (Assets)</u>		
Clients' Segregated Account at Bank
Deposits with Clearing Entity Client Account
Deposits with CME Client Account
Deposits with other Clearing Houses
Funds invested in accordance with Section 981 of the Corporations Act
	_____	_____
Total Deposits (2)	_____	_____
	_____	_____
DIFFERENCE [(1) less (2)]	_____	_____

EXPLANATION OF DIFFERENCE

EXPLANATION OF MATERIAL MOVEMENT

Where movement is greater than 20% from prior month an explanation must be provided

BALANCE SHEET AS AT _____

			<u>Current Month</u>	<u>Prior Month</u>
			\$	\$
	Current Assets	1	.....	.....
Less	Current Liabilities	2	_____	_____
	Net Current Assets		.....	.....
	Non-Current Assets	3	_____	_____
		
Less	Non-Current Liabilities	4	_____	_____
	NET ASSETS		<u>.....</u>	<u>.....</u>
	Share Capital	5	.....	.....
	Reserves	6	.....	.....
	Approved Subordinated Loans	7	_____	_____
	SHAREHOLDERS EQUITY		<u>.....</u>	<u>.....</u>
Less	Intangible Assets.	3(f)	.....	.....
	NET TANGIBLE ASSETS		_____	_____
	Contingent Liabilities	8	.....	.....
	Lease Commitments	9	.....	.....
	Capital Commitments	10	.....	.....
	Foreign Exchange Exposure	11	.....	.....

THE ACCOMPANYING NOTES FORM PART OF THESE ACCOUNTS AND MUST BE COMPLETED.

**NOTES TO AND FORMING PART OF THE
BALANCE SHEET AS AT _____**

	<u>Current Month</u>	<u>Prior Month</u>
	\$	\$
1. CURRENT ASSETS		
(a) CASH AT BANK AND ON HAND		
Cash at Bank (general accounts)
Clients' Segregated Account at Bank
Trust Account at Bank
Cash on Hand

(b) DEBTORS		
Futures Clients
Less provision for doubtful debts	(.....)	(.....)
Other Clients
Less provision for doubtful debts	(.....)	(.....)
Dealers
Less provision for doubtful debts	(.....)	(.....)
Other Debtors
Less provision for doubtful debts	(.....)	(.....)

(c).DEPOSITS		
Deposits with CME - Client Account
Deposits with CME - House Account
Deposits with Clearing Entity
Deposits with FGL Participant

	<u>Current Month</u>	<u>Prior Month</u>
	\$	\$
(c) DEPOSITS (Cont.)		
Deposits with Overseas Brokers - Client
Deposits with Overseas Brokers - House
Deposits with authorised institutions (Futures client monies)
Deposits with a Stock Exchange
Other (provide details)
_____
_____
	_____	_____
	_____	_____
(d) ASSOCIATED/RELATED COMPANY RECEIVABLES		
Deposits
Loans
Debtors
Other
	_____	_____
	_____	_____
(e) OTHER CURRENT ASSETS		
Listed Securities:		
- MKT \$ _____
- COST \$ _____
Bills of Exchange
Government & Semi Government Securities
Prepayments
Loans to Directors
Other (provide details)
_____
_____
	_____	_____
	_____	_____
TOTAL CURRENT ASSETS	_____	_____

	<u>Current Month</u>	<u>Prior Month</u>
	\$	\$
2. CURRENT LIABILITIES		
(a) CREDITORS		
Clients - Futures
Clients - Other
Dealers
Lease Liability
Sundry Creditors
Other (provide details)
_____	_____	_____
_____	_____	_____
(b) LOANS AND DEPOSITS		
Bank Overdrafts
Bank Loans
Other (provide details)
_____	_____	_____
_____	_____	_____
(c) ASSOCIATED/RELATED COMPANY PAYABLES		
Loans
Creditors
Other
_____	_____	_____
_____	_____	_____
(d) OTHER CURRENT LIABILITIES		
Provision for income tax
Provision for dividend
Sundry provisions
Sundry Accruals
Other
_____	_____	_____
_____	_____	_____
TOTAL CURRENT LIABILITIES	_____	_____

	<u>Current Month</u>	<u>Prior Month</u>
	\$	\$
3. NON-CURRENT ASSETS		
(a) FIXED ASSETS		
Land and Buildings - at cost
Less accumulated depreciation	(.....)	(.....)
Leasehold Improvements-at cost
Less accumulated depreciation	(.....)	(.....)
Plant, Vehicles, Fixtures and Fittings - at cost	(.....)	(.....)
Less accumulated depreciation
Other (provide details)
_____
_____
	_____	_____
	_____	_____
(b) INVESTMENTS		
Government and Semi Government Securities
Listed Securities:		
- MKT \$ _____
- COST \$ _____
Other (provide details)
_____
_____
	_____	_____
	_____	_____
(c) LOANS AND DEPOSITS		
Due between 1-2 years
Due after 2 years
	_____	_____
	_____	_____

	<u>Current Month</u> \$	<u>Prior Month</u> \$
(d) ASSOCIATED/RELATED COMPANY RECEIVABLES		
Deposits
Loans
Debtors
Other (provide details)
_____
_____
	_____	_____
	_____	_____
(e) OTHER NON-CURRENT ASSETS		
Prepayments
Loans to Directors
Other (provide details)
_____
_____
	_____	_____
	_____	_____
(f) INTANGIBLE ASSETS		
Formation Costs
Goodwill
Future Income Tax Benefit
Memberships (provide details)
_____
_____
Unlisted securities -		
Shares in Subsidiaries
Shares in Associated Companies
Other (provide details)
_____
_____
CME contribution to Financial Backing
Other (provide details)
_____
_____
	_____	_____
	_____	_____
TOTAL NON-CURRENT ASSETS	_____	_____

	<u>Current Month</u>	<u>Prior Month</u>
	\$	\$
4. NON-CURRENT LIABILITIES		
(a) LOANS AND DEPOSITS		
Bank Loans
Other Loans
Subordinated Loans (not approved)
	=====	=====
	=====	=====
 (b) ASSOCIATED/RELATED COMPANY PAYABLES		
Loans
Creditors
Other (provide details)
_____
_____
	=====	=====
	=====	=====
 (c) OTHER NON-CURRENT LIABILITIES		
Provision for income tax
Provision for long service leave
Deferred taxation liability
Provision for dividend
Lease liability
Other creditors
Other accruals and sundry provisions
Other (provide details)
_____
_____
	=====	=====
	=====	=====
 TOTAL NON-CURRENT LIABILITIES	=====	=====
	=====	=====

	<u>Current Month</u>	<u>Prior Month</u>
	\$	\$
5. SHARE CAPITAL		
ISSUED CAPITAL		
.....shares of \$.....each (voting)
.....shares of \$.....each (non-voting)
Other (provide details)		
_____
_____
TOTAL SHARE CAPITAL	_____	_____
 6. RESERVES		
Accumulated profit/(loss) at the beginning of the month
Profit/(loss) for the month
Accumulated profit/(loss) at the end of the month	_____	_____
Other Revenue Reserves
Capital Reserves
Other (provide details)		
_____
_____
TOTAL RESERVES	_____	_____
 7. APPROVED SUBORDINATED LOANS		
Approved Subordinated Loans (provide details)		
_____
_____
TOTAL APPROVED SUBORDINATED LOANS	_____	_____
 TOTAL SHAREHOLDERS EQUITY	_____	_____

	<u>Current Month</u> \$	<u>Prior Month</u> \$
8. CONTINGENT LIABILITIES		
Guarantees (provide details)
_____
Other (provide details)
_____
_____
TOTAL CONTINGENT LIABILITIES	_____	_____
	_____	_____
9. LEASE COMMITMENTS		
Operating Leases
_____
_____
TOTAL LEASE COMMITMENTS	_____	_____
	\$	\$
10. CAPITAL EXPENDITURE COMMITMENTS		
Provide details;
_____
_____
TOTAL CAPITAL EXPENDITURE COMMITMENTS	_____	_____
	_____	_____
11. FOREIGN EXCHANGE EXPOSURE		
Calculate the gain or lost that would be realised at the prevailing rates of exchange.		
Net Gain/(Loss)	_____	_____
	_____	_____

APPENDIX 1
DEBTORS ANALYSIS

AMOUNTS OWED BY	CURRENT	30 DAYS	60 DAYS OUTSTANDING	90 DAYS+	TOTAL
Futures Clients
Other Clients
Dealers
Other Debtors
	_____	_____	_____	_____	_____
Less provision for doubtful debts	_____	_____	_____	_____	_____
	_____	_____	_____	_____	_____*

*Total to agree to total net debtors per note 1(b) to the Balance Sheet.

APPENDIX 2

DIRECTORS

The following persons held office as Directors as at the date of this Report:

FULL NAME

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SECRETARY

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CHIEF EXECUTIVE OFFICER

.....
.....

APPENDIX 3
SHAREHOLDERS

The following persons/organisations held shares as at the date of this Report.

	<u>FULL NAME</u>	<u>No. of Shares Current Month</u>	<u>Prior Month</u>
<u>Voting</u>			
Class " "
Class " "
		—————	—————
		—————	—————
<u>NON VOTING</u>			
Class " "
		—————	—————
		—————	—————
TOTAL PAID-UP CAPITAL		<u> </u> *	<u> </u> *

*Total to agree with note 5 to the Balance Sheet.

APPENDIX 4

ASSOCIATED/RELATED COMPANY RECEIVABLES

CURRENT ASSETS (Note 1 (d))

	Current Month \$	Prior Month \$
Name of Associated/Related Company		
-----	-----	-----
-----	-----	-----
-----	-----	-----
-----	-----	-----
-----	-----	-----
-----	-----	-----
-----	-----	-----

NON - CURRENT ASSETS (Note 3 (d))

Name of Associated/Related Company		
-----	-----	-----
-----	-----	-----
-----	-----	-----
-----	-----	-----
-----	-----	-----
-----	-----	-----
-----	-----	-----

NOTE: Where Associated/Related Company Receivables are material to a Participant satisfying the NTA Level Compliance Staff will contact the Participant to obtain additional information to form an opinion whether the assets are realisable.

APPENDIX 5
STANDBY CREDIT FACILITIES

<u>TYPE</u>	<u>SOURCE</u>	<u>TERMS AND AVAILABILITY</u>	Current Month \$	Prior Month \$
Granted in favour of the Participant				
.....
.....
			_____	_____
			_____	_____
Granted by the Participant in favour of others				
.....
.....
			_____	_____
			_____	_____

Annexure D Pro Forma Commencement of Disciplinary Proceedings Notice

This document can also be found at www.fex.com.au/documents

Notice of Disciplinary Proceedings for Alleged or Suspected Breach of the Operating Rules of the Financial and Energy Exchange

Date.....

Name of Respondent:

Address of Respondent:

.....

.....

Name of employer (where Respondent is a Derivatives Staff Member):

.....

Name of representative(s) (where Respondent is a corporation)

.....

Operating Rule(s) alleged or suspected to have been breached:

Date of alleged or suspected breach.....

Brief Details of alleged or suspected breach:

.....

.....

Full details of alleged or suspected breach must be annexed to this Notice.

On receipt of this notice, the Compliance and Conduct Committee of the Financial and Energy Exchange will convene and, if the Compliance and Conduct Committee considers it appropriate, conduct disciplinary proceedings in accordance with Part 7 of the Operating Rules. Further communication from the Compliance and Conduct Committee will be provided to the Respondent in due course.

Signed on behalf of the Financial and Energy Exchange:

Cc: Compliance and Conduct Committee

Annexure - Full details of suspected or alleged breach.

[insert/attach full details of suspected or alleged breach]

Annexure E Pro Forma Notice of Appeal

This document can also be found at www.fex.com.au/documents

Notice of Appeal
under Part 8 of the Operating Rules of the Financial and Energy Exchange

Date.....

Name of appellant:

Address of appellant:

.....

.....

Name of employer
(where appellant is a Derivatives Staff Member):

.....

Name of representative(s) of corporation
(where Respondent is a corporation)

.....

Date of decision being appealed:.....

Applicable subsection of Rule 8.2.3:

Brief reasons for appeal:

.....

.....

.....

A copy of the decision being appealed **must** be attached to this Notice of Appeal.

On receipt of this notice, the Exchange will appoint an Appeals Tribunal from the Appeals Tribunal panel. The Chairperson of the Appeals Tribunal will convene and conduct an appeal in accordance with Part 8 of the Operating Rules. Further communication from the Appeals Tribunal will be provided to the appellant in due course.

Signed on behalf of the Appellant:

Annexure G Pro Forma Error Trade Report

This document can also be found at www.fex.com.au/documents

The below Pro-Forma error trade register can be used as a template for Trading Participants. This template is populated when providing information specific to Error Trades as and when requested by FGL.

FGL understand that participants may have this information stored and logged electronically. FGL is happy to receive the requested information in an agreed electronic format. However, FGL requires the information in the following table be validated and submitted for each Error Trade as a minimum requirement.

Client Details	Person who entered order	Trade Date	Trade Time	Deal Number	Buy / Sell	Product	Volume	Trading Account allocated	Financial result of the error trade	Subsequent action taken by Trading Participant / Explanation of error / Notes

Annexure H Clearing Entity Application Form

This document can be found at www.fex.com.au/documents

Annexure J Pro Forma Beneficial Owner Report

This document can be found at www.fex.com.au/documents