

Guidance Note

Released:

07 June 2019
Version: 3

Key concepts

Records of instructions and orders

Related Information

FGL Operating Rule
3.7.6

Recommended Audience

Compliance Managers

Legal Counsels

Chief Executives and
Managing Directors

Previous Issues:

Nil

GN 11 - Mobile Phone Usage

Introduction

Whilst the recording of phone conversations that are made on land lines is common within the finance industry, the proliferation of mobile telephony has blurred the line between home and work usage and has created a known issue in the automated retention of all relevant work-related phone conversations without breaching privacy. Trading Participants need to have processes in place to manage this issue in order to remain compliant with FGL Operating Rule 3.7.6.

Guidance

No Mandated Process

FGL does not intend mandating a particular process that Trading Participants must use to address this issue. FGL has adopted the position that each Trading Participant must be able to demonstrate that it has a viable process in place for tracking and capturing all incoming instructions and tracing these instructions through orders entered into the Trading System and electronic confirmations delivered to clients.

Trading Participants are able to adopt various policy positions for their organisation; ranging from all instructions must be received via land lines, through provision of mobile phones specifically for work that are electronically recorded, to manual identification of specific mobile phone calls being linked to particular client instructions. However, where electronic recording of conversations has not occurred, FGL Compliance Department will expect an audit trail of the existence of client confirmation of instructions via other means (SMS, email, recorded positive acknowledgement of order confirmations by client).

FGL has issued this Guidance Note to give general assistance to Trading Participants and Clearing Entities in their compliance with the Operating Rules. FGL is not bound by this Guidance Note in any particular case. This Guidance Note is not legal advice and Trading Participants and Clearing Entities should seek their own professional advice on their obligations under the Operating Rules in their particular circumstances. FGL may replace this Guidance Note at any time. Current Guidance Notes are available at www.fex.com.au/Guidance or by contacting FGL on enquiries@fex.com.au or on +61 2 8024 5200

Defined terms in this Guidance Note have the meaning given in the Operating Rules.