

CIRCULAR TO: **FULL MEMBERS**
SYCOM® TRADERS

No. 156/00

RE: DISCLOSURE OF SYCOM® TRADER PASSWORDS

The Business Conduct Committee ("the Committee") have recently considered a number of cases relating to the disclosure of SYCOM® Trader passwords. The Committee considers the disclosure of passwords and the failure to lock the Member Firm Workstation ("MFWS") keyboard, thus allowing another trader unauthorised access to SYCOM®, serious offences.

The Committee would like to remind Members of their responsibility in relation to the disclosure of passwords by a SYCOM® Trader and the locking of MFWS keyboards when the MFWS is unattended. The Exchange's Rules are as follows:

Trading Rule TR.4.9 states:

A SYCOM® Trader shall not disclose his or her password for access to SYCOM® to any other person, other than an Exchange Official or the SYCOM® Trader's designated Trading Manager. Where password disclosure has been made to a designated SYCOM® Manager, the designated Trading Manager shall not disclose password information to any other person.

Trading Rule TR.8.16 states:

SYCOM® Traders and other persons who abuse their trading rights, who conduct themselves in a manner which interferes or is likely to interfere with trading activity or who commit major violations of the Trading Rules, including SYCOM® Trading Procedures or whose conduct may bring the Exchange or its Members into disrepute shall be guilty of a major offence and liable to be sanctioned under this TR.8.16.

Major offences include but are not limited to:

- (a) release of passwords by a SYCOM® Trader to any other person, except as provided for in TR.4.9;
- (b) allowing any unauthorised party access to SYCOM® or a SYCOM® Trader allowing any other person access to SYCOM® by logging on under his or her password; and

- (j) failure to lock the MFWS keyboard when the MFWS is unattended; impose penalties pursuant to these Trading Rules determines in accordance with the procedures in the Exchange's Anti-Discrimination Policy in Schedule B to be in serious breach of that Policy.

Under Trading Rule TR.8.6, the Screen Dealing Committee may with respect to a major offence as set out in TR.8.16 either impose a fine of up to one thousand dollars (\$1,000) on a SYCOM® Trader or a Member or report the matter to the Market Practices Committee or Business Conduct Committee, or where it considers the matter sufficiently serious, report the matter directly to the Board.

The Committee wishes to advise Members that in future any instances of the above offences by Members will incur an automatic financial penalty.

Should you have any questions in relation to the contents of this Circular, please contact me on 9256 0580.

MICHELLE WAGNER
MANAGER - COMPLIANCE

8 AUGUST 2000