No: 014

AUSTRALIAN SECURITIES EXCHANGE

ACH Notice

Date: 29 June 2007

Key topics

1. Fimat Australia Pty Ltd

Reading List

Client Advisers
Compliance Managers
ASTC Participants
Operations Managers (back office)
Share Registries
ACH Participants

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PARTICIPANT NOTICE

Disciplinary Matters

The ACH Disciplinary Tribunal ("the Tribunal") has determined the following:

Fimat Australia Pty Ltd ("Fimat") has been fined $5,000 (plus GST) for contravening ACH Clearing Rule 12.17.1 due to a net clearing obligation of $856.00 not being paid to ACH on 2 October 2006 by the time and in the manner specified in the ACH Clearing Rules and Procedures.

Without admitting or denying ACH's allegations, Fimat did not contest the contravention before the Tribunal.

In determining penalty, the Tribunal, inter alia, took into account the following matters:

(a) The circumstances and facts of the matter;

(b) Fimat had available funds and attempted to transmit payment of $856.00 to ACH via EXIGO at 9:11am on 2 October 2006. EXIGO rejected Fimat's attempted payment because Fimat had not met EXIGO's technical account segregation requirements;

(c) The fact that 2 October 2006 was a public holiday in New South Wales adversely affected the adequacy and timeliness of the assistance provided to Fimat by its appointed bank in rectifying the payment issues with EXIGO;

(d) Fimat's disciplinary history, having had no previous disciplinary actions recorded against it as an ASX Market Participant or an ACH Clearing Participant;

(e) Fimat fully co-operated with ACH in resolving the issues concerning the payment of its net clearing obligations with respect to ASX futures transactions on 2 October 2006; and

(f) Fimat co-operated and assisted in the resolution of the matter and elected not to contest the matter.

The circumstances of the matter are as follows:

On 29 September 2006, a client of Fimat, traded ASX sorghum wheat futures. On this day, ACH notified Fimat of its net clearing obligation of $856.00 with respect to its ASX futures transaction payable by 10:30am on 2 October 2006.

At 9:11am on 2 October 2006, Fimat authorised the transaction in EXIGO (Austraclear). However, due to the requirement of EXIGO to have segregated ledgers for settling futures and options transactions, which Fimat was not aware of and had not arranged with its appointed bank to have that in place, Fimat failed to pay its net clearing obligation due by the time and in the manner specified in the ACH Clearing Procedures. The fact that 2 October 2006 was a public holiday in New South Wales adversely affected the adequacy and timeliness of the assistance provided to Fimat by its appointed bank in rectifying the payment issues with EXIGO.

Fimat obtained EXIGO clearance for the payment of the net clearing obligation to ACH at 5:11pm on 2 October 2006.

The Tribunal noted that a contravention of ACH Clearing Rule 12.17.1 is a matter of serious concern as the stability of the ACH Clearing system is of fundamental importance to the Clearing Facility provided by the ACH. A failure to pay the net clearing obligation at the time and on the date on which it is due and payable has the potential to adversely affect the position of the ACH as the central counterparty and the integrity of the Clearing Facility provided by ACH.