

CIRCULAR TO: **ALL FULL MEMBERS**

No. 92/00

ORDER RECORDING IN A SCREEN TRADED MARKET

Members will recall that the Exchange issued Circular No. 318/99, Order Recording in a Screen Traded Market, detailing various methods Members may use to satisfy the Exchange's Rules and relevant sections of the Corporations Law with regard to order recording.

It was stated in this Circular that the following methods were available to Members to satisfy the Exchange's Rules with regard to order recording:

1. **Maintain the printer log for every Member Firm Workstation (MFWS) utilised by the Member.**
2. **Maintain manual order records**
3. **Print and maintain the Trading Activity Review Reports at the end of each session and maintain manual order records for each order that is amended**

It has come to the attention of the Exchange that the third option noted above does not satisfy the Exchange's Business Rules and relevant sections of the Corporations Law with regard to order recording. That is, by using this method a Member will not fulfill all order recording requirements. The Trading Activity Review Report overrides the order entry time with the trade time once an order is executed. Hence, order receipt time is not recorded as a permanent record.

The Exchange is reviewing a technical solution to electronically save printer logs on computer disk. However, Software is currently available for sale by the developer, Dr Barry Flower, Joint Managing Director of Crux Financial Engineering Pty Limited, Phone 9004 0620. Alternatively, Members may wish to develop their own facility for Exchange approval.

The Exchange is currently in the process of implementing a new audit log to capture all details of orders placed without the requirement to maintain the printer log for every MFWS. Members will be advised once this is functional.

Should you have any queries in relation to this matter, please do not hesitate to contact the Compliance Department.

OLIVER BAINBRIDGE
COMPLIANCE OFFICER

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