

**SFE Bulletin No:** **02/02**

**From:** SFE Corporation Limited ABN 74 000 299 392

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**DISCIPLINARY ACTION IMPOSED BY THE MARKET PRACTICES COMMITTEE**

Participants are advised, pursuant to General By-Law G.11.65, of disciplinary action taken by the Market Practices Committee (MPC) since the last bulletin, issued on 5 October 2001 and prior to 31 December 2001.

**PARTICIPANT 1**

An enquiry found that a Full Participant failed to comply with:

- 1. Trading Rule TR.17.1(c)(vii)**  
(Crossing via two separate workstations)
- 2. Trading Rule TR.11.5(i)**  
(Failure to enter a client identifier)

The enquiry identified that the Participant crossed via two (2) separate workstations on four (4) occasions and the MPC was of the opinion that this action left little opportunity for the orders to be hit by other market participants.

In accordance with General By-Law G.11.36(b), the MPC imposed a fine of \$5,000 upon the Participant for the identified breaches.

**PARTICIPANT 2**

An enquiry found that a Full Participant failed to comply with:

- 1. General By-Law G.3.14(b)**  
(Failure to deal in a proper and efficient manner on the basis of revealing an expression of interest not known to the rest of the market)

The enquiry identified that the Participant revealed an expression of interest that was not known to the rest of the market.

In accordance with General By-Law G.11.36(b), the MPC imposed a fine of \$2,500 upon the Participant for the identified breach.

### **PARTICIPANT 3**

An enquiry found that a Full Participant failed to comply with:

1. **Trading Rule TR.10.2(ii)**  
(Failure to take an expression of interest to the market)
2. **General By-Law G.3.14(b)**  
(Failure to deal in a proper and efficient manner on the basis of revealing an expression of interest that was not known by the rest of the market)
3. **General By-Law G.3.14(b)**  
(Failure to deal in a proper and efficient manner on the basis of advising another trader that an order was going to be entered into the market)

The enquiry identified that the Participant failed to take an expression of interest to the market, revealed an expression of interest that was not known to the rest of the market and advised another trader that an order was going to be entered into the market

In accordance with General By-Law G.11.36(b), the MPC imposed a fine of \$3,000 upon the Participant for the identified breaches.

### **PARTICIPANT 4**

An enquiry found that a Full Participant failed to comply with:

1. **General By-Law G.27(a)(i)**  
(Failure to maintain mandatory voice records)
2. **General By-Law G.3.14(f) by virtue of a failure to comply with Section 1266(7) of the Corporations Act 2001 and General By-Law G.3.16(n)**  
(Failure to accurately record order details)

The enquiry identified that the Participant failed to maintain mandatory voice records and failed to accurately record the time of receipt of an order.

In accordance with General By-Law G.11.36(b), the MPC imposed a fine of \$12,500 upon the Participant for the identified breaches.

In addition, in accordance with General By-Law G.11.36(f), the MPC imposed a fine of \$1,000 upon the Participant's employee for the identified breach number 2.

Should you have any queries, please contact Mark Floyd on 9256 0477 or [mfloyd@sfe.com.au](mailto:mfloyd@sfe.com.au)



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