EXPOSURE DRAFT - PROPOSED SCH BUSINESS RULE AMENDMENTS

ASX has released an Exposure Draft of proposed SCH Business Rule amendments. The document and an invitation to comment on the same is located on the ASX website [www.asx.com.au](http://www.asx.com.au) under the icon “What’s new”.

The Exposure Document is divided into two parts and is designed to:

**Part 1:**
- Reduce the period a Broker can hold securities in a Settlement Holding.
- Allow ASTC to make public management letters relating to CHESS Users.
- Require NBPs admitted as an Exchange to provide information regarding the status of Issuers whose securities are CHESS Approved.
- Improve Rule book comprehension and better reflect Listing Rule amendments.

**Part 2:**
- Ensure registry operations are reviewed by an independent company auditor every 12 months and ensure a report is provided to ASTC in relation to that review.
- Record Issuer breaches in the disciplinary register and to make Issuers subject to disciplinary action by way of fine consistent with other CHESS Users.
- Require Issuers and their registry agents to enter written agreements addressing certain minimum terms.
- Address the settlement of shares of an Issuer subject to external administration.

ASX welcomes submissions on the proposed amendments, which should be received by no later than 30 September 2002.