

- 15.2 No EFP transaction may be effected where the parties to each side of the physical transaction are the same, or are acting on behalf of the same person, or where both sides of the transaction are taken by the same Trading Permit Holder on its own account or in respect of the same client.
- 15.3 An EFP transaction may only be effected at a price which is reasonable having regard to the prices in the market for the Underlying Security of the relevant class of Contract immediately prior to the effecting of the transaction.
- 15.4 Upon receipt of a request by a Trading Permit Holder in accordance with this Rule 15 to register an EFP transaction the Company will present the Contract to the Clearing House for registration on behalf of the Trading Permit Holder involved in accordance with the Clearing House Regulations.
- 15.5 A Trading Permit Holder shall not effect an EFP transaction for a client for whom the Trading Permit Holder operates a discretionary account if the end result of the transaction will be the creation of a new open position.

16. PROHIBITIONS

- 16.1 For the purposes of this Rule 16 a director of the Company, or of Sydney Futures Exchange Limited, or of the Clearing House, who is not a managing or executive director, is not deemed to be an employee of that company.
- 16.2 No employee of the Company, or of Sydney Futures Exchange Limited, or of the Clearing House, may have a direct or indirect beneficial interest in any Contract traded on the Exchange or on any of the markets operated by Sydney Futures Exchange Limited.
- 16.3 No employee of the Company, or of Sydney Futures Exchange Limited, or of the Clearing House, may have a direct or indirect beneficial interest, whether as shareholder, partner, or other equity participant, in a Dealer, other than an interest not greater than 0.1% of the equity capital or funds of the Dealer or, where the Dealer is a subsidiary of another entity, of that other entity.
- 16.4 No director or employee of, or partner in, a Trading Permit Holder, who is a Trading System Operator, may have a direct or indirect beneficial interest in any Contract traded on the Exchange. Without limiting the meaning of the term "beneficial interest", a Trading System Operator shall, for the purposes of this Rule 16.4, be deemed to have a beneficial interest in any Contract which is traded for the account of any entity (other than the Trading Permit Holder or in which the Trading System Operator is a director, employee or partner) over which the Trading System Operator has control.

SECTION 4—ADMISSION AND CHANGES IN CONTROL

17. ADMISSION OF DEALERS

17.1 An applicant for admission as a Dealer shall:

- (a) lodge with the Company a written application for admission, either as a Public Broker, or as an Introducing Broker, or as a Principal Trader, in the prescribed form and provide all information requested therein;
- (b) acknowledge in writing that it is aware of and accepts these Rules and agrees to be bound by them, as amended from time to time;

- (c) pay to the Company the prescribed application fee, which is not refundable; and
- (d) provide such other information as the Company from time to time requests to enable it to consider the application.

17.2 An applicant for admission must satisfy the Company that it is a fit and proper person to carry on business of the kind and scale in respect of which it seeks admission and in particular that:

- (a) its business integrity, financial probity and character are suitable for the class of Dealer in respect of which it seeks admission;
- (b) it may reasonably be expected to comply with these Rules, and with the spirit of these Rules as set out in Rule 5.3;
- (c) where the applicant is a company, its directors, those in control of its management, and those who have control or substantial control, of the applicant are of good character and high business integrity;
- (d) it has the means of securing that individuals in its employment or under its control who, in the course of their employment or occupation, give investment advice to customers, or deal in or with Contracts for clients, are fit and proper persons to do so by virtue of their character, training and experience; and
- (e) it meets any other requirements for the time being specified by the Company for the purposes of these Rules.

17.3 The Company will inquire into, and satisfy itself as to, whether or not an applicant is likely to be able to carry out its responsibilities as a Dealer. The Company may take into account any information or matter from any source, including, without limitation, information relating to the applicant or any business carried on, or to be carried on, by the applicant in conjunction with its Business.

17.4 After a review of all the information made available to it the Company will decide whether an applicant is qualified to be a Dealer. The Company may defer making a decision for such period as it considers necessary to carry out further investigation or allow for the provision of additional information.

17.5 The Company may approve an applicant for admission subject to such conditions as it considers appropriate.

17.6 The Company will advise the applicant whether or not an application is approved and, if approved, the conditions, if any, attached to the approval.

17.7 If the application is approved, and the conditions, if any, attached to the approval which are to be complied with prior to the applicant being admitted as a Dealer have been complied with the Company will issue the applicant with a certificate which shall entitle the applicant to act as a Dealer of the relevant class and may be used by the applicant for the purpose of application for a Trading Permit pursuant to Rule 9.

17.8 Where an application is declined by the Company, or is approved subject to any conditions, the applicant may, by notice in writing to the Company, appeal against the decision in the manner prescribed in Rule 51.