



Corporations (Tullett Prebon (Singapore) Limited) Exemption Notice 2007

Corporations Act 2001

I, CHRISTOPHER JOHN PEARCE, Parliamentary Secretary to the Treasurer, issue this Notice under section 791C of the *Corporations Act 2001*.

Dated 6TH SEPTEMBER 2007

Parliamentary Secretary to the Treasurer

1 Name of Notice

This Notice is the *Corporations (Tullett Prebon (Singapore) Limited) Exemption Notice 2007*.

2 Commencement

This Notice commences on the day it is published in the *Gazette*.

3 Definitions

In this Notice:

Act means the *Corporations Act 2001*.

Australian participant means a person in Australia who is a participant.

foreign participant means a participant who is not an Australian participant.

Platform means the financial market that is operated by TPSing in respect of foreign exchange contracts that are foreign exchange options.

Section 4

TPSing means Tullett Prebon (Singapore) Limited.

Note Other terms defined or used in the Act have the same meaning in this Notice (see *Acts Interpretation Act 1901*, section 46). These include:

- **ASIC** (section 9 of the Act)
- **clearing and settlement facility** (section 768A of the Act)
- **declaration of contravention** (section 1317E of the Act)
- **financial market** (section 761A of the Act)
- **foreign exchange contract** (section 761A of the Act)
- **participant** (section 761A of the Act)
- **professional investor** (section 9 of the Act).

4 Exemption

For section 791C of the Act, and subject to the conditions mentioned in sections 5 to 16 of this Notice, the financial market known as Platform and operated by TPSing is exempt from the operation of Part 7.2 of the Act.

5 Condition — operation of the Platform

- (1) TPSing must operate the Platform in all essential details in the way set out in the application for this exemption by TPSing dated 11 September 2006, and received by ASIC on 13 September 2006.
- (2) TPSing, or an associate of TPSing, must not operate a clearing and settlement facility for the Platform.

6 Condition — participants who may trade on the Platform

TPSing must not admit a participant to, or allow a participant to enter into a trade on, the Platform unless the participant is:

- (a) if the participant is an Australian participant — a professional investor that is trading on its own behalf; or
- (b) if the participant is a foreign participant — a professional or institutional investor in the jurisdiction in which the participant trades that is trading on its own behalf.

7 Condition — TPSing to maintain approval by the Monetary Authority of Singapore and report certain changes

TPSing must:

- (a) maintain the approval by the Monetary Authority of Singapore for TPSing to conduct money broking business in Singapore; and
- (b) notify ASIC, as soon as practicable and in writing, of the details of:
 - (i) the termination of, or any significant change to:
 - (A) the approval by the Monetary Authority of Singapore for TPSing to conduct money broking business in Singapore; or
 - (B) TPSing's regulatory status in Singapore; and

- (ii) any enforcement or disciplinary action taken against TPSing by the Monetary Authority of Singapore or any other overseas regulatory authority.

8 Condition — TPSing to establish and maintain arrangements to manage a conflict of interest

TPSing must establish and maintain adequate arrangements, to the satisfaction of ASIC, for the management of any conflict of interest that may arise in relation to activities undertaken by TPSing in the operation of the Platform.

9 Condition — TPSing to report certain events involving an Australian participant

- (1) If TPSing takes any disciplinary action against an Australian participant of the Platform, TPSing must, as soon as practicable, advise ASIC in writing of:
 - (a) the participant's name; and
 - (b) the reason for, and nature of, the action taken.
- (2) If TPSing has information that would cause a person to believe or suspect, on reasonable grounds, that an Australian participant has committed, is committing or is about to commit, a significant contravention of the Act or the Platform's operating rules TPSing must, as soon as practicable, advise ASIC in writing of:
 - (a) the Australian participant's name; and
 - (b) details of the contravention or impending contravention; and
 - (c) TPSing's reason for that reasonable belief or suspicion.

10 Condition — TPSing to report certain events involving TPSing, or a director or secretary of TPSing

- (1) TPSing must, within 14 days, advise ASIC in writing if TPSing becomes aware that TPSing, or a director or secretary of TPSing:
 - (a) is the subject of a declaration of contravention in relation to a provision of the Act; or
 - (b) has been convicted of an offence under the Act; or
 - (c) has been disqualified from managing a corporation; or
 - (d) has been banned or disqualified from providing financial services.
- (2) TPSing must, within 7 days, advise ASIC in writing, of TPSing ceasing to operate the Platform in Australia.

11 Condition — TPSing to submit annual report

- (1) Within three months of the end of its financial year, TPSing must submit an annual report to ASIC that sets out the extent to which TPSing has complied with the conditions of this Notice.
- (2) A report mentioned in subsection (1) must include the following information:
 - (a) a description of the activities that TPSing has undertaken in the financial year in relation to the operation of the Platform;
 - (b) the number, duration, cause and resolution of material system outages that prevented Australian participants from using the Platform;
 - (c) the names and number of Australian participants authorised to access the Platform at the beginning and end of the financial year, respectively;
 - (d) details of the volume of trading on the Platform by Australian participants;
 - (e) the number and nature of significant complaints made to TPSing by Australian participants of the Platform, and the action taken by TPSing in response to each complaint;
 - (f) details of any significant conflicts of interest identified by TPSing in relation to its operation of the Platform, and how these were resolved;
 - (g) details of any significant change to the Singaporean regulatory requirements that affect TPSing's operation of the Platform.

12 Condition — Minister may require TPSing to submit to an audit

- (1) The Minister may, by notice in writing, require TPSing to obtain an audit report on the annual report mentioned in section 11 and on any information or statements accompanying the report.
- (2) The Minister may nominate:
 - (a) ASIC; or
 - (b) a specified person or body that is suitably qualified; to undertake an audit mentioned in subsection (1).

13 Condition — TPSing to give assistance to ASIC

TPSing must, if it receives a reasonable request to do so, give assistance to:

- (a) ASIC; or
- (b) a person authorised by ASIC;

in relation to the performance of ASIC's functions regarding the operation of the Platform.

14 Condition — TPSing consents to the disclosure of information or documents

TPSing consents to the disclosure of any information or document relating to TPSing:

- (a) by the Monetary Authority of Singapore to ASIC; or
- (b) by ASIC to the Monetary Authority of Singapore.

15 Condition — TPSing must enter into a written agreement with ASIC

TPSing must enter into a written arrangement with ASIC for cooperation with ASIC in matters to which this Notice relates.

16 Condition — jurisdiction of Australian Courts

It is a condition of this exemption that TPSing submit to the jurisdiction of an Australian Court in an action brought by ASIC in relation to the Platform.