

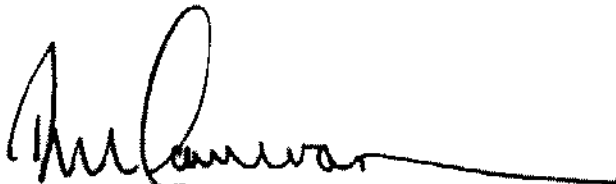


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Australian Market Licence (Reuters Transaction Services Limited) 2004

I, ROSS CAMERON, Parliamentary Secretary to the Treasurer, grant this Licence under subsection 795B (2) of the *Corporations Act 2001*.

Dated 28 July 2004



Parliamentary Secretary to the Treasurer

1 Name of Licence

This Licence is the *Australian Market Licence (Reuters Transaction Services Limited) 2004*.

2 Commencement

This Licence commences when it is granted.

3 Definitions

In this Licence:

Act means the *Corporations Act 2001*.

Australian participant means a person in this jurisdiction who is a participant in the market.

foreign bank means a body corporate that:

- (a) is a foreign corporation within the meaning of paragraph 51 (xx) of the Constitution; and
- (b) is authorised to carry on banking business (within the meaning of subsection 5 (1) of the *Banking Act 1959*) in a foreign country.

Section 4

foreign exchange contract means a financial product specified in paragraph 764A (1) (k) of the Act.

market means the financial market that Reuters Transaction Services Limited is authorised to operate in this jurisdiction under this Licence.

Note 1 A number of expressions used in this Licence are defined in section 9 of the Act, including *ASIC*, *Australian ADI*, *related body corporate* and *this jurisdiction*.

Note 2 Expressions used in this Licence and in Chapter 7 of the Act, including *derivative*, *financial market*, *financial product* and *participant*, have the same meaning as in Chapter 7 of the Act. For the definitions of these expressions, see section 761A of the Act.

4 Grant of licence

This Licence is granted to Reuters Transaction Services Limited to operate the financial market currently known as Reuters Treasury Broking Services.

5 Classes of financial products

The classes of financial products that can be dealt with on the market are:

- (a) foreign exchange contracts; and
- (b) derivatives that:
 - (i) are foreign exchange or interest rate derivatives; and
 - (ii) are entered into under the current International Swaps and Derivatives Association, Inc. Master Agreement or another commonly used master agreement for foreign exchange or interest rate derivatives.

Note The International Swaps and Derivatives Association, Inc. Master Agreement as at the date of this Licence is known as the 2002 ISDA Master Agreement.

6 Clearing and settlement arrangements

- (1) Reuters Transaction Services Limited must, following the execution of, or during the negotiation of, a transaction on the market, notify each party to the transaction of the identity of the other party to the transaction.
- (2) Reuters Transaction Services Limited must have operating rules for the market that provide for transactions effected through the market to be settled by the parties to the transaction.

7 Australian participants

- (1) Reuters Transaction Services Limited must ensure that only the following are to be Australian participants:
 - (a) the Reserve Bank of Australia;
 - (b) an Australian ADI;
 - (c) a subsidiary of a foreign bank.

- (2) An Australian participant must trade:
- (a) on its own behalf; or
 - (b) on behalf of a related body corporate.

8 Disclosure to Australian participants

Reuters Transaction Services Limited must disclose to an Australian participant, before access to the market is provided to the participant, that:

- (a) the principal place of business of Reuters Transaction Services Limited is located in the United Kingdom; and
- (b) the market is regulated primarily under the regulatory regime of the United Kingdom.

9 Reporting

- (1) Reuters Transaction Services Limited must give the following information to ASIC within 30 days after the end of each reporting period:
- (a) for each kind of contract that can be traded on the market — the total trade volume originating from Australian participants for the reporting period;
 - (b) the proportion of worldwide trading volume on the market that was conducted by Australian participants for the reporting period;
 - (c) the current name and business address in this jurisdiction of each Australian participant.
- (2) In this section:
- reporting period* means a period of 6 months ending on 31 March or 30 September in each year, during which the market is operated in this jurisdiction.

10 Submission to jurisdiction

Reuters Transaction Services Limited must submit to the non-exclusive jurisdiction of the Australian courts in actions brought by ASIC in relation to the market.