



**Australian
Competition &
Consumer
Commission**

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21 February 2014

Ms Natalie Beirne
Company Secretary
Australian CFD Forum

By email c/o jlredfern@bigpond.com

Dear Ms Beirne

**Australian CFD Forum Limited & Ors – application for authorisation A91403 & A91404
– interested party submissions**

I refer to the above application for authorisation lodged with the Australian Competition and Consumer Commission (the ACCC) on 23 December 2013.

As you are aware, on 15 January 2014 the ACCC wrote to interested parties seeking submissions in relation to the application. The ACCC requested submissions be provided by 14 February 2014.

The ACCC has received submissions from the following interested parties:

- Intelligent Financial Markets
- Australian Financial Markets Association
- Forex Financial Services
- International Capital Markets
- Gleneagle Securities
- Axicorp Financial Services
- FP Markets

All publicly available submissions are also posted on the ACCC internet site at www.accc.gov.au/AuthorisationsRegister.

If you wish to comment on the submissions, please do so by **cob 7 March 2014**. In addition to any comment you wish to make in response to the submissions, it would be helpful if you could provide the following additional information and clarification:

1. The mandatory code of best practice standards that is the subject of authorisation applies to CFD issuers that apply both the market maker and direct market access models of issuing CFDs. Does the Australian CFD Forum consider that the Standards (in particular Standard 7) are equally applicable to both models of CFD issuance?
2. To the extent you are able, please provide further information on the Australian CFD industry including the following:
 - a. the number of CFD issuers
 - b. the number of CFD issuers that apply the market maker model, direct market access model or both models
 - c. the number of customers for each model
 - d. the amount invested under each model or any other measure that describes the relative magnitude of the two models.
3. There are several references to an audit or audit process in the Australian CFD Forum's submission. For example, see the second paragraph on page 22 or the second and seventh paragraphs on page 23. Could you please confirm whether these references are to section 5.2 of the Rules of Membership that require annual review and certification, or to other audit requirements?

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact Luke Griffin on 02 6243 1114.

Yours sincerely

A handwritten signature in blue ink that reads "DChanning". The signature is stylized with a large, sweeping flourish at the end.

Darrell Channing
Director
Adjudication Branch