



AFM PRE CONFERENCE WORKSHOP REGULATORY STRUCTURE

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Integrity of the Market



Integrity of the Market

- Participants must have confidence in price discovery mechanism
- Transactions must settle timeously
- Eliminate price manipulation
- Participants must trust the system



Clear and Concise
Governing Legislation

Integrity of the Market



Clear and Concise Governing Legislation

- Legislators must set clear parameters
- Define scope and powers
- Not too prescriptive – Frustrates business

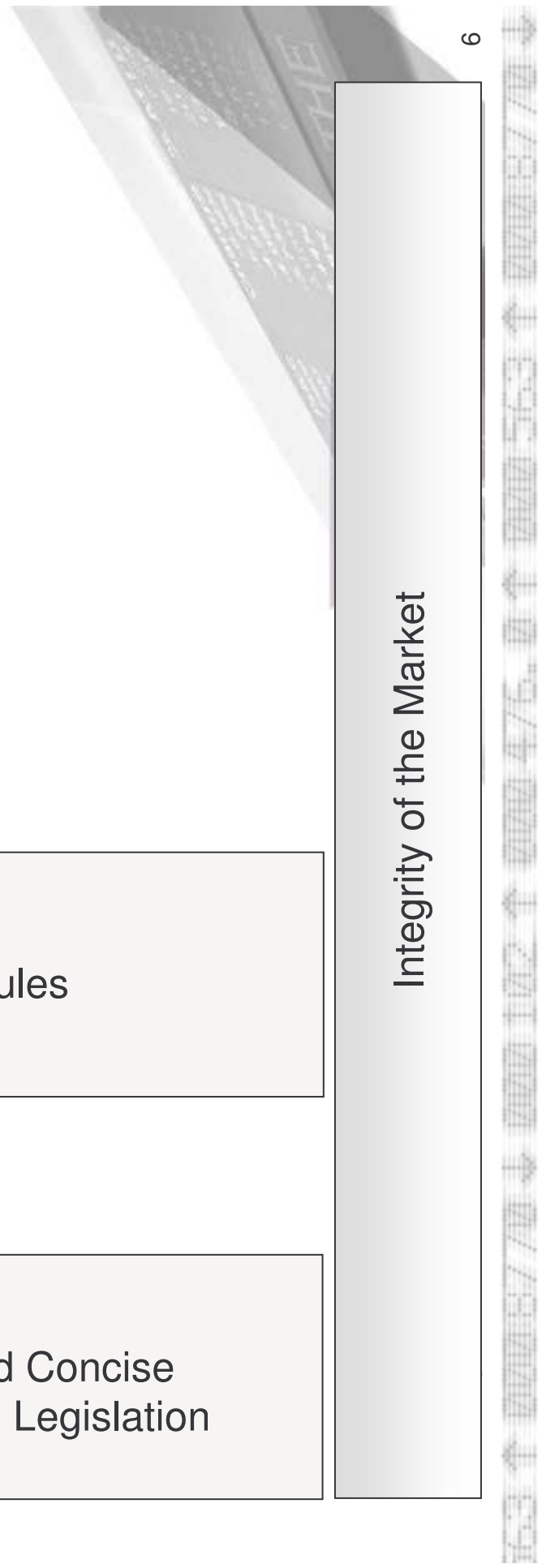




Clear and Concise
Governing Legislation

Rules

Integrity of the Market





Rules

- Keep it simple
- Regulate Authorisations, Trading, Clearing and Settlement, Disciplinary Procedures, Management and Control
- Allow for a degree of flexibility
- Involve market participants to ensure practical and appropriate regulations



Clear and Concise
Governing Legislation

Rules

Governance

Integrity of the Market





Governance

- Trust the business
- Exchange must walk the talk
- Listed versus non-listed – manage conflict
- Balance between regulation and good client relations



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Governing Legislation

Rules

Governance

Surveillance

Integrity of the Market



Surveillance

- Monitor compliance with Rules
- Ensure fair and orderly market that settles
- Facilitate disciplinary process when required



Productive and
Transparent Relationship
with Regulator

Clear and Concise
Governing Legislation

Rules

Governance

Surveillance

Integrity of the Market



Productive and Transparent Relationships with Regulator

- Engage regulator on a consultative basis rather than confrontational basis
- Always tell the regulator everything
- Work together in the best interests of the financial market



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Questions?

