

## **MEDIA RELEASE**

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### **STOCKBROKERS SUPPORT MARKET INTEGRITY MOVES – PROVIDED THEY DON'T SLOW THE PACE OF TRANSACTIONS**

The Stockbrokers Association of Australia today said that ASIC proposals for best practice on handling market sensitive information could only enhance the standing of the Australian market – providing it did not slow down the passage and pace of transactions.

“Any moves to encourage market integrity are to be applauded, as long as the cost is not onerous and the companies, banks and institutions involved don’t have to refer to the regulator on a constant basis.

“You have to remember that the Australian market place has raised more capital than just about anywhere else in the world over the last six months with the regulatory systems in place and it is important we don’t put a brake in the operations.

“Many of the banks and stockbrokers belong to global operations and operate under the same rules that apply internationally but ASIC’s aim of bringing our best practice guidelines into line with overseas jurisdictions, particularly the UK, is welcome.

“Again, breaches including insider trading and leakage of information are covered by existing provisions of the Corporation’s Act but aspects of the guidelines should act to focus those involved in a transaction on the “need to know” criteria.

“Many organizations already keep insider lists, but inclusion in guidelines will focus parties on restricting those with knowledge of information involved in a sounding and can actually lead to greater efficiencies.

“ Whether formal scripts should be adopted detailing conversations that individual bankers are permitted to have with institutions approached for sounding may be more difficult in their application”, said Mr Horsfield.

**For further information:**

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