

CIRCULAR TO: **ASSOCIATE MEMBERS**
 LOCAL MEMBERS

No: 54/00

2000 ELECTION OF ASSOCIATE/LOCAL MEMBER DIRECTOR

**PLEASE PASS THIS CIRCULAR TO THE APPROPRIATE PERSON
IN YOUR ORGANISATION WITHOUT DELAY**

The 2000 Annual General Meeting of Associate Members and Local Members of the Exchange will be held on Thursday, 27 April 2000. At that time, the most senior Director elected by Associate and Local Members, retires by rotation in accordance with Article 9.5(b) on that date, and may offer himself for re-election. This year the director to retire is Mr Bill Irving, Local Member representative, and he offers himself for re-election. Mr Chris Pedersen of Twenty-First Australia Inc., Introducing Broker Associate Member, is the continuing director.

Other nominations for this position are sought from Associate and Local Members. Persons who are eligible for election are Directors, Partners or Employees of Associate Members/Local Members and Market Representatives of Local Members which are corporations or firms. Each candidate must be nominated and seconded by other Associate Members or Local Members. Lessees and Permit Holders are not entitled to nominate candidates or to stand for election.

A nomination form is attached. The nomination form must be signed by the Associate Member or Local Member concerned and by the nominator and seconder. The nomination form shall contain an acknowledgment by the candidate that:

- 1 the candidate is not connected with a Floor Member; and
- 2 that the candidate will be resident in Australia during the term of the candidate's office if elected.

These nominations and advices with original signatures must reach the Secretary of the Exchange not later than close of business on Wednesday, 5 April 2000.

Ballot papers will then be forwarded to Associate Members and Local Members and must be returned to the Exchange by 5.00 pm on Wednesday, 26 April 2000.

Overseas-based Associate and Local Members should advise the Secretary by if they wish ballot papers to be sent to them by fax or email as set out in the attachment.

In accordance with the Articles of Association the result of the ballot will be declared at the Annual General Meeting.

Potential candidates should bear in mind that the structure and composition of the Board of a demutualised SFE would change from the current arrangements. The terms of office of any directors appointed at the 2000 Annual General Meeting could therefore be for a matter of months only rather than the two years which is it at present.

It is proposed to recommend in the Information Memorandum relating to Demutualisation, which is expected to be sent to Members in May, that:

- the first Board after demutualisation would comprise the Chief Executive, the existing two independent directors and six other directors appointed by the outgoing Board;
- the six appointees may comprise some or all members of the out-going Board; they would all retire at the Annual General Meeting in 2001 and the vacancies so created would be filled by persons elected by the shareholders;
- the independent directors would retire at the Annual General Meeting in 2002 and the vacancies so created would be filled by persons elected by the shareholders;

retiring directors would be entitled to offer themselves for re-election.

BARBARA JONES
COMPANY SECRETARY

13 MARCH 2000

2000 ELECTION OF DIRECTOR
NOMINATION OF ASSOCIATE/LOCAL MEMBER CANDIDATE DIRECTOR
In Accordance with Article 9.8

<u>CANDIDATE</u>	_____
	(Please Print Full Name)

1	<u>STATEMENT BY CANDIDATE</u> - ARTICLE 9.8(d)
	I confirm that I am not connected with a Floor Member (see Note 1) and will be resident in Australia if elected.

	(Signature) (Date)

2	<u>AGREEMENT BY EMPLOYER AS TO NOMINATION</u> - ARTICLE 9.8(a)
	We confirm that the Candidate mentioned above is <i>Director/ Employee</i> * of

	(Name of Associate or Local Member)
	and agree to <i>his/her</i> * nomination.

	(Signature) (Name - please print)

	(Signature) (Name - please print)
	(To be signed by two Directors)

3	<u>NOMINATOR</u> - see Note 2

	(Name of Associate or Local Member) (Date)

	(Signature) (Name - please print)

	(Signature) (Name - please print)
	(To be signed by two Directors)



4 **SECONDER** - see Note 2

(Name of Associate or Local Member) (Date)

(Signature)

(Name - please print)

(Signature)
(To be signed by **two Directors**)

(Name - please print)

**Delete as appropriate*

Note 1 A person may be connected with a Floor Member pursuant to the normal meaning of “connected”, and is deemed to be connected if the person is a Director or Employee of the Floor Member, or holds directly or indirectly 20% or more of the issued voting shares in the Floor Member.

Note 2 Candidates must be nominated and seconded by Associate Members or Local Members other than the Member or the Member of which the candidate is a Director, Partner, employee or Market Representative.

ATTACHMENT

NOTICE TO ASSOCIATE AND LOCAL MEMBERS RESIDENT OVERSEAS

Please note that, as indicated in Circular No: 54/00, ballot papers may be provided to Associate and Local Members who are resident overseas by fax or email.

To save time and to ensure that you receive a ballot paper if you wish to vote, we will fax or email the ballot papers to you. You should then, to maintain confidentiality, return them to the Exchange in a sealed envelope in the mail or by courier. **PLEASE NOTE THAT YOU CANNOT VOTE BY FAXING BACK A COMPLETED BALLOT PAPER.**

If you wish the ballot papers to be faxed or emailed to you, please complete the section below and **fax this whole page back to the Exchange.**

To The Secretary
 Sydney Futures Exchange Limited

Fax 61 2 9256 0669
Email bjones@sfe.com.au

We _____

(Name of Company)

Associate / Local Member (delete where inapplicable)

Fax Number _____

 or

Email address _____

request the Sydney Futures Exchange Limited fax or email to us at the above fax number or email address ballot papers to enable us to vote for candidates standing for 2000 election to the Board.

Signature

Name

Date