

CIRCULAR TO:

ALL PARTICIPANTS

NO. 190/00

REDUCTIONS TO THE PREVIOUSLY OUTLINED EXCHANGE FEES

SFE's Demutualisation Information Memorandum detailed the fees and charges policy proposed to apply from 1 January 2001. These were to take effect following the expiry of temporary concessions granted to various membership classes. Significant market consultation has occurred since the release of that policy.

Reductions to the previously announced fees policy were approved by the SFE Board at its meeting on 17 October. The reductions will apply for the 12 month period from 1 January 2001 to 31 December 2001. A longer-term fee policy will be considered by the SFE Board over the next 6 months, with the aim of introducing a more rational, transparent and administratively efficient process than that applying currently.

The fee reductions are as follows :

- a) **Local Participants transacting volume of under 20,000 sides per month** – exchange fee will be \$0.75 per side compared to the previously announced \$0.90 per side.
- b) **Local Participants transacting volume of between 20,000 and 100,000 sides per month** – exchange fee will be \$0.55 per side once 20,000 side per month threshold is met, compared to the previously announced \$0.65 per side. This lower fee will apply to all monthly volume transacted in those months when the volume threshold is met.
- c) **Large volume clients** – any market participant that transacts over 960,000 sides per year will be eligible for the large volume discount rate of \$0.65 per side for all transactions. This will be based on an annual rather than monthly threshold and will be available to all market participants rather than Full Participants only as previously disclosed.
- d) All the above fees are exclusive of GST.

All other previously disclosed fees and charges to apply from 1 January 2001 are unchanged.

Please contact Brett Young, Chief Financial Officer on 9256 0511 or byoung@sfe.com.au or Jennifer Fletcher on 9256 0564 or jfletcher@sfe.com.au for any participant related issues.



ROBERT G. ELSTONE
MANAGING DIRECTOR & CEO

24 OCTOBER 2000