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RULE ENHANCEMENTS TO SFE SPI 200™ OPTIONS & INDIVIDUAL SHARE FUTURES MARKETS

As part of a series of initiatives to develop the markets for SFE SPI 200™ options and Individual Share Futures, SFE seeks to encourage screen-based price discovery and execution as the primary method of trading these products.

To support these objectives, SFE will:

1. Increase the minimum tick of SPI 200™ Options to 0.5 index points
2. Remove SFE SPI 200™ Options and Individual Share Futures as prescribed contracts under By-Law TR.20 (Market Facilitation Rules For Large Orders)

SFE SPI 200™ Tick Size Change

SFE will increase the minimum tick of SFE SPI 200™ Options to 0.5 index points effective trade date 1 July 2002 (5:10pm, 28 June 2002). Market consultation has indicated that increasing the tick size will increase the relevance of the dollar value of each tick (\$2.50 to \$12.50), remove the granularity which increases the time before buyers and sellers meet and encourage active on-screen price making.

Participants are advised that the minimum tick for SFE SPI 200™ Options will remain as 0.1 index points in the SFE Clearing system, thereby ensuring all orders previously traded will be correctly cleared and settled.

Removal of SFE SPI 200™ Options and Individual Share Futures as Prescribed Contracts under the Market Facilitation Rules for Large Orders

To support the objective of developing SFE SPI 200™ Options and Individual Share Futures markets, SFE has introduced Official Market Makers and will discontinue the application of By-Law TR.20 (Market Facilitation Rules For Large Orders) as it relates to SFE SPI 200™ Options and Individual Share Futures.

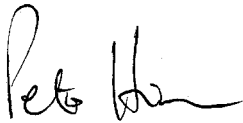
As a result, beginning 9:50am on Monday, 3 June 2002 (SYCOM® trade date 3 June 2002), Individual Share Futures will cease to be prescribed contracts under By-Law TR.20.1 and therefore cannot be traded via this

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mechanism. Similarly, effective at 5:10pm on Friday, 28 June, 2002 (SYCOM® trade date 1 July 2002), SFE SPI 200™ Options will cease to be prescribed contracts under Trading Rule TR.20.1. However, on an on-going basis SFE will continue to monitor the requirement for a large order execution facility for both SFE SPI 200™ Options and Individual Share Futures contracts.

Further Information

For further information in relation to this Bulletin contact Martyn Wild – Manager, Equity Products, SFE Business Development on 9256 0178.



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