



SFE NOTICE NO.

157/08

Date of Issue:

23 October 2008

Effective Date:

Ex-entitlement date (indicatively)

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## GPT Group Entitlement Offer – Corporate Action Implications for ASX GPT CFDs

### 1.0 Introduction

GPT Group (ASX Code: **GPT**) has announced on 23 October 2008, a pro-rata non-renounceable entitlement offer of **1 new security for 1 old security at a subscription price \$0.60 (indicative)**. The new securities are not entitled to participate in the September quarter distribution. GPT is expected to announce the September quarter distribution on 28 October 2008.

The security is expected to resume trading on an ex-entitlement basis on Monday 27 October 2008 (indicative - depending on the actual number of days of trading halt taken for the institutional tranche).

The purpose of this SFE Notice is to describe the cash adjustments to be made to open positions in ASX GPT CFDs (commodity code **GPK6**).

The Effective Date for cash adjustments for open positions in **GPK6** held at the close of business on the day prior to the resumption of ex-entitlement trading, on account of the **entitlement offer** will be 28 October 2008 (indicatively) although the underlying securities is resuming tradig on 27 October 2008 (indicatively)..

### 2.0 Cash Adjustment for the Entitlement Offer

The following will occur for positions in GPK6 on account of the entitlement offer. The market implied value of the entitlement (or right) will be based on the **CSPA** (closing price) ex-entitlement of the underlying securities on 28 October 2008 (indicatively).

#### Cash Adjustment per Account

Implied value of an individual right or entitlement  $V$  is determined by the Exchange as

$$V = S - (d + C)$$

Where:

- $S$  = CSPA (closing price) ex-entitlement on 28 October 2008 (indicatively)
- $d$  = Dividend (or distribution) difference, if any, between new and old securities =  $\$d$
- $C$  = Entitlement (or subscription) price to take up the new securities =  $\$z$

Hence

$$V = S - (d + z)$$

So that the cash adjustment CA amount for each open CFDs per account, on account of the issue ratio of 1 for 1

$$CA = (S - \$(d + z)) \times 1/1, \text{ rounded to nearest 1 cent}$$



Long position holders (at close of business on the day prior to the effective date) will be credited the cash adjustment. Short position holders will be debited.

It should be noted that only trades to open a position prior to the trading halt that are cum-entitlement, will therefore be subject to the above cash adjustment for positions held. As the market value of the entitlement is used by ASX, this amount will only be determined after the close of trading on the first ex-entitlement date of the underlying share using the CSPA after GPT has announced the September quarter distribution amount on 28 October 2008.

Any new positions traded to open on the effective date itself are trading on an ex-entitlement basis, and are excluded from the cash adjustment.

The cash adjustment will be settled by SFECC on the day following the effective date.

### **3.0 Further SFE Notice**

Participants are advised that a further SFE Notice setting out the amount of cash adjustment will be issued as soon as is practicable, after the close of business on the effective date.

### **4.0 Further information**

Participants seeking further information in relation to this Notice should contact:

Peter Ho, Product Manager Equity Markets on 612 9227 0668 or [peter.ho@asx.com.au](mailto:peter.ho@asx.com.au).

Operational enquiries – Service Desk on 612 9256 0677 or [service.desk@asx.com.au](mailto:service.desk@asx.com.au)

A handwritten signature in black ink that reads 'David Raper'.

David Raper

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