

SFE Bulletin No: 65/01

From: SFE Corporation Limited ABN 74 000 299 392

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**BROKEN HILL PROPRIETARY COMPANY LTD DLC MERGER WITH BILLITON PLC –
ACTION IN RESPECT OF BHP INDIVIDUAL SHARE FUTURES CONTRACTS**

1.0 Introduction

- 1.1 Broken Hill Proprietary Company Limited (BHP) and Billiton Plc recently announced that their proposed DLC merger has satisfied the conditions contained in the Implementation Agreement. As a consequence, **the Effective Day for adjustments to existing BHP ‘BR’ series in respect of the bonus issue will be 29 June 2001.**
- 1.2 Further to the information provided in Bulletin 51/01 issued 30 May 2001, the purpose of this Bulletin is to describe adjustments to be made in respect of existing BHP Individual Share Futures contracts (commodity code ‘BR’) and, if necessary, the introduction of new BHP Individual Share Futures contracts (commodity code ‘BI’).
- 1.3 In the event that there is zero open interest in all BHP ‘BR’ series (excluding expiring June 2001 series) at the close of the day session on 28 June 2001 (SYCOM® Trade Date 28 June 2001), no action will be taken to adjust/de-list existing ‘BR’ series or introduce new ‘BI’ series. In this instance, the remainder of this Bulletin will not apply.

2.0 Potential Changes

- 2.1 In the event that there is open interest in some BHP ‘BR’ series (excluding expiring June 2001 series) at the close of the day session on 28 June 2001 (SYCOM® Trade Date 28 June 2001), then these series will be suspended from trading pending adjustment for the bonus issue. The remaining BHP ‘BR’ series with zero open interest will be de-listed and subsequently replaced with new BHP ‘BI’ series of the relevant expiry. Under these circumstances, BHP ‘BR’ and ‘BI’ contract specifications relating to contract unit and contract tick value will be:
- 2.1.1 BHP ‘BR’ series: **2,066 BHP shares and \$20.66 per lot**, respectively.
- 2.1.2 BHP ‘BI’ series: **1,000 BHP shares and \$10.00 per lot**, respectively.

S F E B U L L E T I N C O N T I N U E D

3.0 Implementation

- 3.1 All adjusted BHP 'BR' series and introduced BHP 'BI' series will be made available for trading at the open of the day session on the Effective Day (SYCOM® Trade Date 29 June 2001).
- 3.2 On and from the Effective Day, no additional BHP 'BR' series will be introduced.
- 3.3 Subsequently, BHP 'BR' series that expire in the usual manner will be replaced by new BHP 'BI' series with a standard contract unit and contract tick value as detailed in 2.1.2.

4.0 Settlement & Delivery

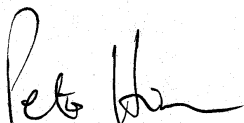
- 4.1 Participants are advised that due to the timing of the bonus issue, settlement of existing June 2001 BHP 'BR' series (scheduled to expire on 28 June 2001), will be satisfied by the delivery of **1,000 cum-entitlement BHP shares per lot**.

5.0 Setting up the 'BI' Instrument for Trading Purposes

- 5.1 Participants should refer to Appendix One for further information relating to establishing new contracts.

6. Further Information

- 6.1 Participants seeking further information in relation to this Bulletin should contact:
 - 6.1.1 Martyn Wild at SFE (02 9256 0178) for issues relating to changes to contract specifications;
 - 6.1.2 David Raper at SFE Trading Operations (02 9256 0554) for SYCOM® issues; or
 - 6.1.3 Kyrra Grunnsund at SFE Clearing (02 9256 0430) for settlement and clearing issues.



Peter Hiom
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A P P E N D I X O N E

SETTING UP THE "BI" INSTRUMENT FOR TRADING PURPOSES

- Log on as generic Firm ID and Password.
- Step 1: Go to [**Account Administration Activities**] then [**Maintenance**]
- Highlight account that will require "BI".
- Select [**Edit**]
- Scroll down to [**BI Instrument**]
- Click in "Volume per Order" column and enter volume.
- Tab to the next column and enter position limit.
- Tab to the "Loss" column and enter amount. This will bring up default values in the next column.
- Now select [**Apply Changes**] then [**exit**].
- Select the next account you wish to trade the "BI" instrument and repeat the above steps for any additional accounts.
- Select [file] then [exit]
- Step 2: Go to [**Trading Activities**] → [**SYCOM®**] → [**Password**] → [**Tools**] → [**Options**] → [**limits**] → [**Add**].
- Highlight "BI".
- Tick; 'future', 'option', 'spread'.
- Select "OK" in the [**Add Limit**] window.
- Then [**Apply**]