

**SFE Bulletin No:** 123/01

**From:** SFE Corporation Limited ABN 74 000 299 392

**Date of Issue:** 12 Dec 2001

**Effective Date:** 1 Jan 2002

#### **TRANSITIONAL ARRANGEMENTS FOR 2002 LOCAL PARTICIPANT REBATE SCHEME**


Further to the SFE fee policy statement dated 21 November 2001 relating to SFE Fees and Charges for 2002, a **one-off transitional arrangement** for Local Participants will be made available in 2002. At the end of 2002, any Local Participant that has traded more than 180,000 sides over the year will be considered for a further year-end rebate. This rebate will be calculated by comparing the notional fees that would have been paid under the 2001 scheme, and the actual fees paid under the 2002 scheme (including the large volume rebate if applicable).

In the event that a Local Participant trading more than 180,000 sides in the year pays higher fees (net of rebates) under the 2002 scheme than would have been the case with the 2001 scheme (net of rebates), SFE will rebate 50% of the difference. For example:

Annual Volume for 2002:	360,000
Notional net fees that would have been paid under 2001 scheme:	\$198,000 (assuming 30,000 sides per month)
Actual net fees paid under the 2002 scheme:	\$225,000 (assuming 30,000 sides per month)
Increase in net fees:	\$27,000
<b>One-off transitional rebate at 50%:</b>	<b>\$13,500</b>

This arrangement has been implemented in recognition of the transitional impact on Local Participants of the new rebate scheme and will not be repeated in 2003. Should you have any queries regarding the transitional rebate please contact Jennifer Fletcher on 9256-0564 or [jfletcher@sfe.com.au](mailto:jfletcher@sfe.com.au).

Further opportunities for infrastructure cost reduction are also available to customers (i.e. Local Participants, Full Participants and clients of Full Participants) who are prepared to commit to a formal Market Maker scheme to boost liquidity in low volume futures and futures options contracts. Obligations under the scheme include providing continuous two-way prices and responding to requests for quotes. Should you wish to discuss becoming a formal Market Maker please contact Kristye Van de Geer on 9256-0489 or [kvandege@sfe.com.au](mailto:kvandege@sfe.com.au).



Peter Hiom

## **General Manager, Strategy & Business Development**

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