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D-CYPHA SFE AUSTRALIAN ELECTRICITY FUTURES PRODUCTS

Participants are reminded that the d-cypha SFE Australian Electricity Futures products will be available for trading from 10.00am on Tuesday, 3rd September 2002.

Vendor Codes and Margin Levels for the d-cypha SFE Australian Electricity Futures products have been finalised and are attached to this Bulletin. For full details on the d-cypha SFE Australian Electricity Futures By-Laws (still subject to regulatory non-disallowance) and contract specifications please refer to www.sfe.com.au and www.d-cyphaTrade.com.au, respectively.

The remainder of this Bulletin includes further information on the SFE Electricity Specialist Training Course, Exchange Fees and various concession and rebate schemes for the d-cypha SFE Australian Electricity Futures products.

SFE Electricity Specialist Training Course

The SFE Electricity Specialist Course is designed specifically for representatives of SFE Full Participants and Clearing Participants that will be providing market access and clearing services for the d-cypha SFE Australian Electricity Futures products.

The Sydney Futures Exchange (SFE) will only permit SFE Participants to provide market access where their representatives have successfully completed the Course.

The Course may also be of interest to participants in the Australian wholesale electricity market with trading and risk management personnel that will be responsible for the trading, clearing and risk management of d-cypha SFE Australian Electricity Futures products.

Due to the level of demand for the inaugural Course on the 6th and 7th August 2002, SFE will run subsequent courses on request throughout August 2002. For further information or to book training please contact Cathy Sutin at d-cyphaTrade on 02 8259 8382.

Exchange Fees

The transaction fees for the d-cypha SFE Australian Electricity Futures products are as follows:

- a) Base Load Electricity Futures \$33.50 (+GST) per contract side
- b) Peak Period Electricity Futures \$16.70 (+GST) per contract side

There will be a \$100.00 (+GST) registration fee per Clearing Participant counter-party to Exchange for Physical (EFP) and Block Trades.

Rebates and Concessions

SFE will offer several concession and rebate schemes for the d-cypha SFE Australian Electricity Futures products. These schemes will be effective from 3 September 2002 to 31 August 2003. All concession and rebate schemes will be administered on a quarterly basis.

Off Peak Concessions:

Where a transaction is undertaken to obtain 'off-peak' exposure, a concession equivalent to the exchange fees for Base Load Electricity Futures contracts is available such that the exchange fee for trading an 'implied' Off Peak futures contract is \$16.70 per contract side (ex GST).

Eligibility for this concession requires the simultaneous (or near) execution of 'same state' Base Load and Peak Period Electricity Futures contracts with the same expiry date. For example, the following trades would qualify for Off-Peak concessions:

- the simultaneous purchase of a Q1 2003 QLD Base Load Electricity futures contract and sale of a Q1 2003 QLD Peak Period Electricity futures contract; and,
- the simultaneous purchase of Cal 2003 NSW Base Load Electricity Futures products and sale of Cal 2003 NSW Peak Period Electricity Futures products.

Large Client Volume Rebates

Two large client volume schemes are available. Please note that only the Peak Period futures component of 'off peak' trades are eligible for large client volume rebates, i.e. Base Load volumes eligible for off-peak concessions are not eligible for large client volume rebates.

Option 1 – Incremental volume rebate scheme

No. of contract sides traded over a three month period	Rebate* (Per side) Base Load Electricity Futures	Rebate* (Per side) Peak Period Electricity Futures
0 – 250	\$0.00 i.e. a net exchange fee of \$33.50 +GST	\$0.00 i.e. a net exchange fee of \$16.70 +GST
251 – 750	\$3.50 i.e. a net exchange fee of \$30.00 +GST	\$1.70 i.e. a net exchange fee of \$15.00 +GST
751 +	\$5.00 i.e. a net exchange fee of \$28.50 +GST	\$2.70 i.e. a net exchange fee of \$14.00 +GST

* The Exchange fee rebate will be incremental, e.g. no rebate for the first 250 contract sides per defined three month period, a \$3.50 rebate for contract sides per defined three month period > 250 and < 750, and a \$5.00 rebate for contract sides per defined three month period > 751 etc

The volume eligible for rebates will be in accordance with the actual contract sides traded for each product type. For example:

- for a combined total of 400 contract sides traded in a defined three month period (see below), 200 of which are Peak Period and 200 of which are Base Load, there will be no rebate available;
- for a combined total of 1,100 contract sides traded in a defined three month period, 500 of which are Peak Period and 600 of which are Base Load, 250 Peak Period contract sides will be granted a \$1.70 rebate and 350 Base Load contract sides will be granted a \$3.50 rebate.
- for a combined total of 1,800 contract sides traded in a defined three month period, 900 of which are Peak Period and 900 of which are Base Load, 500 Peak Period contract sides will be granted a \$1.70 rebate and 150 a \$2.70 rebate, 500 Base Load contract sides will be granted a \$3.50 rebate and 150 a \$5.00 rebate.

Option 2 – Up-Front Payment Scheme

This option involves the payment of an annual registration fee of \$12,000 (ex GST).

Rebate per contract side - Base Load Contracts	\$6.70 ie a net exchange fee of \$26.80 +GST
Rebate per contract side - Peak Period Contracts	\$3.40 ie a net exchange fee of \$13.30 +GST

For this scheme rebates will be distributed in accordance with the actual contracts traded. For example - for a combined total of 3,600 contract sides traded in a defined three month period, 1,600 of which are Peak Period and 2,000 of which are Base Load, 1,600 Peak Period contract sides will be granted a \$3.40 rebate and 2,000 Base Load contract sides will be granted a \$6.70 rebate.

Administration of Concession and Rebate Schemes

Off Peak concessions and large client volume rebate schemes are only available to individual clients that meet the scheme criteria and not to brokers amalgamating individual client trades. For this purpose only, the definition of an individual client encompasses a client trading through a broker and the principal trading activity of an organisation that provides brokerage services.

Rebates and concessions will be settled on total volume traded by individual customers during three month periods defined as follows:

- 3 Sept 02 – 29 Nov 02
- 2 Dec 02 – 28 Feb 03
- 3 Mar 03 – 30 May 03
- 1 Jun 03 – 29 Aug 03

Clients must submit supporting documentation for trading volumes in the proceeding three months within 10 business days of the last business day of each defined period.

At a minimum, supporting documentation must include trade details (ie contract notes, monthly trading reports). SFE reserves the right to audit its Full Participants with respect to rebate claims.

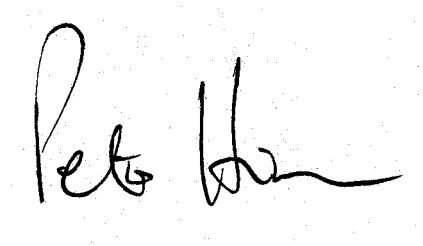
Rebates will be sent to Clearing Participants for distribution to successful applicants together with tax invoices within 20 business days of the last business day of each defined period.

Please submit all rebate claims, consistent with the template attached to this Bulletin, together with supporting documentation to:

Stephen Hammon
Finance Department
SFE Corporation
30 – 32 Grosvenor Street
Sydney 2000

For further questions please contact:

- .. **Operation of the rebates schemes** - Ramy Aziz, SFE, 61 2 9256 0657
- .. **d-cypha SFE Australian Electricity Futures products** – Cathy Sutin, d-cyphaTrade, 61 2 8259 8382.

A handwritten signature in black ink, appearing to read 'Peter Hiom', is centered on the page. The signature is fluid and cursive, with a large initial 'P' and 'H'.

Peter Hiom
General Manager, Strategy & Business Development

SFE takes no responsibility for any errors or omissions contained in this bulletin and will not be liable for any reason including without limitation negligence, for losses, consequential or otherwise, arising from or in connection with decisions made in reliance upon this information. This information does not substitute for the Business Rules and in the case of inconsistency the Business Rules prevail. Before acting on any matter contained in this bulletin readers should discuss the matter with their own professional advisers.

D-CYPHA SFE AUSTRALIAN ELECTRICITY FUTURES PRODUCTS

MARGIN SCHEDULE

Schedule of Initial Margins for Peak Period Electricity Contracts

		Peak Period Electricity Futures Contract Initial Margins (per Quarter)			
Contract Quarter	Quarter	NSW Peak Period	Victoria Peak Period	South Australia Peak Period	Queensland Peak Period
Dec 02	1	\$2000	\$2000	\$4000	\$2000
Mar 03	2	\$3000	\$5000	\$6000	\$4000
Jun 03	3	\$1500	\$3000	\$4500	\$3000
Sep 03	4	\$2000	\$3000	\$3000	\$2000
Dec 03	5	\$1800	\$1800	\$3600	\$1800
Mar 04	6	\$2700	\$4500	\$5400	\$3600
Jun 04	7	\$1350	\$2700	\$4050	\$2700
Sep 04	8	\$1800	\$2700	\$2700	\$1800
Dec 04	9	\$1600	\$1600	\$3200	\$1600
Mar 05	10	\$2400	\$4000	\$4800	\$3200
Jun 05	11	\$1200	\$2400	\$3600	\$2400
Sep 05	12	\$1600	\$2400	\$2400	\$1600
Dec 05	13	\$1400	\$1400	\$2800	\$1400
Mar 06	14	\$2100	\$3500	\$4200	\$2800
Jun 06	15	\$1050	\$2100	\$3150	\$2100
Inter-month Charge ¹		\$500	\$500	\$500	\$1000

Spot Month Isolation Rate² is \$400.

Inter Commodity Concessions ³	Concession	Ratio
PN:BN	75%	2:1
PV:BV	75%	2:1
PQ:BQ	75%	2:1
PS:BS	60%	2:1

Schedule of Initial Margins for Base Load Electricity Contracts

		Base Load Electricity Futures Contract Initial Margins (per Quarter)			
Contract Quarter	Quarter	NSW Base Load	Victoria Base Load	South Australia Base Load	Queensland Base Load
Dec 02	1	\$2000	\$2000	\$4000	\$3000
Mar 03	2	\$3000	\$5000	\$6000	\$4000
Jun 03	3	\$3000	\$3000	\$5000	\$3000
Sep 03	4	\$2000	\$3000	\$6000	\$3000
Dec 03	5	\$1800	\$1800	\$3600	\$2700
Mar 04	6	\$2700	\$4500	\$5400	\$3600
Jun 04	7	\$2700	\$2700	\$4500	\$2700
Sep 04	8	\$1800	\$2700	\$5400	\$2700
Dec 04	9	\$1600	\$1600	\$3200	\$2400
Mar 05	10	\$2400	\$4000	\$4800	\$3200
Jun 05	11	\$2400	\$2400	\$4000	\$2400
Sep 05	12	\$1600	\$2400	\$4800	\$2400
Dec 05	13	\$1400	\$1400	\$2800	\$2100
Mar 06	14	\$2100	\$3500	\$4200	\$2800
Jun 06	15	\$2100	\$2100	\$3500	\$2100
Inter-month Charge ¹		\$1000	\$1000	\$1000	\$1000

Spot Month Isolation Rate² is \$400.

Inter Commodity Concessions³	Concession	Ratio
PN:BN	75%	2:1
PV:BV	75%	2:1
PQ:BQ	75%	2:1
PS:BS	60%	2:1

Notes to the Margin Schedule for the d-cypha SFE Australian Electricity Futures Products

¹ Inter-month charges are used by the SFE Clearing Corporation Pty Ltd to take into account the potential for a less than perfect correlation between different delivery months.

² Spot month isolation rate is the dollar amount charged by SFE Clearing Corporation Pty Ltd to cover any discrepancy between the settlement price on the final day of trading in the contract and the final settlement price as notified by the National Electricity Market Management Company (NEMMCO).

³ Inter-commodity spreads calculate concessions to total initial margins payable due to offsetting positions in closely correlated commodities.

d-cypha SFE Australian Electricity Futures Products

MARKET DATA VENDOR CODES

BASE-LOAD ELECTRICITY

	FUTURES				STRIPS			
	NSW	VIC	QLD	SA	NSW	VIC	QLD	SA
SFE Code	BN	BV	BQ	BS	HN	HV	HQ	HS
Aether Systems	-	-	-	-	-	-	-	-
Bloomberg	EWA <CMDTY>	EVA <CMDTY>	EZA <CMDTY>	EUA <CMDTY>	H1A <CMDTY>	H2A <CMDTY>	H3A <CMDTY>	H4A <CMDTY>
*SFE Code Index = CEM SFE<GO>	CT <G0>	CT <G0>	CT <G0>	CT <G0>	CT <G0>	CT <G0>	CT <G0>	CT <G0>
Bourse Data	BN	BV	BQ	BS	HN	HV	HQ	HS
COG	HBN	HBV	HBQ	HBS	HHN	HHV	HHQ	HHS
Derivatives.com.au	BNmmy	BVmmy	BQmmy	BSmmy	HNmmy	HVmmy	HQmmy	HSmmy
FT Interactive Data	BNmy	BVmy	BQmy	BSmy	HNmy	HVmy	HQmy	HSmy
FutureSource	BN	BV	BQ	BS	HN	HV	HQ	HS
Infoscan	-	-	-	-	-	-	-	-
IRESS Market Technology	BN	BV	BQ	BS	HN	HV	HQ	HS
MarketCast	BNmy	BVmy	BQmy	BSmy	HNmy	HVmy	HQmy	HSmy
MarketSource	-	-	-	-	-	-	-	-
Moneyline Telerate - Station Codes	au@BN	au@BV	au@BQ	au@BS	au@HN	au@HV	au@HQ	au@HS
Moneyline Telerate - Station Pages								
Orange	-	-	-	-	-	-	-	-
Resource Data	BN	BV	BQ	BS	HN	HV	HQ	HS
Reuters - Reuters 2000	0#YBN:	0#YBV:	0#YBQ:	0#YBS:	0#YHN-	0#YHV-	0#YHQ-	0#YHS-
S&P Comstock - Aspen Graphics	1mBNmy	1mBVmy	1mBQmy	1mBSmy	1mHNmy	1mHVmy	1mHQmy	1mHSmy
S&P Comstock - Net Comstock	1mBNmy	1mBVmy	1mBQmy	1mBSmy	1mHNmy	1mHVmy	1mHQmy	1mHSmy
Telekurs	-	-	-	-	-	-	-	-
Thomson Financial	BN	BV	BQ	BS	HN	HV	HQ	HS

PEAK-PERIOD ELECTRICITY

	FUTURES				STRIPS			
	NSW	VIC	QLD	SA	NSW	VIC	QLD	SA
SFE Code	PN	PV	PQ	PS	DN	DV	DQ	DS
Aether Systems	-	-	-	-	-	-	-	-
Bloomberg	AWA <CMDTY>	AOA <CMDTY>	ABA <CMDTY>	AUA <CMDTY>	N1A <CMDTY>	N2A <CMDTY>	N3A <CMDTY>	N4A <CMDTY>
*SFE Code Index = CEM	CT <G0>	CT <G0>	CT <G0>	CT <G0>	CT <G0>	CT <G0>	CT <G0>	CT <G0>
Bourse Data	PN	PV	PQ	PS	DN	DV	DQ	DS
CQG	HPN	HPV	HPQ	HPS	HDN	HDV	HDQ	HDS
Derivatives.com.au	PNmmy	PVmmy	PQmmy	PSmmy	DNmmy	DVmmy	Dqmmy	DSmmy
FT Interactive Data	PNmy	PVmy	PQmy	PSmy	DNmy	DVmy	DQmy	DSmy
FutureSource	PN	PV	PQ	PS	DN	DV	DQ	DS
Infoscan	-	-	-	-	-	-	-	-
IRESS Market Technology	PN	PV	PQ	PS	DN	DV	DQ	DS
MarketCast	PNmy	PVmy	PQmy	PSmy	DNmy	DVmy	DQmy	DSmy
MarketSource	-	-	-	-	-	-	-	-
Moneyline Telerate - Station	au@PN	au@PV	au@PQ	au@PS	au@DN	au@DV	au@DQ	au@DS
Moneyline Telerate - Station								
Orange	-	-	-	-	-	-	-	-
Resource Data	PN	PV	PQ	PS	DN	DV	DQ	DS
Reuters - Reuters 2000	0#YPN:	0#YPV:	0#YPQ:	0#YPS:	0#YDN-	0#YDV-	0#YDQ-	0#YDS-
S&P Comstock - Aspen Graphics	1mPNmy	1mPVmy	1mPQmy	1mPSmy	1mDNmy	1mDVmy	1mDQmy	1mDSmy
S&P Comstock - Net Comstock	1mPNmy	1mPVmy	1mPQmy	1mPSmy	1mDNmy	1mDVmy	1mDQmy	1mDSmy
Telekurs	-	-	-	-	-	-	-	-
Thomson Financial	PN	PV	PQ	PS	DN	DV	DQ	DS



d-cypha SFE Australian Electricity Futures Products- Rebate Form

Name of Client	
Clearing Participant	
Base Load Electricity Futures volume per contract sides	
Peak Period Electricity Futures volume per contract side	
'Off Peak' transactions (i.e. long Base Load and short Peak Period or vice versa) per contract side	

- Please note that only the Peak Period futures component of 'off peak' trades are eligible for large client volume rebates, i.e. Base Load volumes eligible for off-peak concessions are not eligible for large client volume rebates.
- Clients must submit supporting documentation for trading volumes. The rebate form must be returned within 10 business days of: Friday, 29th November 2002; Friday, 28th February 2003; 30 May 2003; and, 29 August 2003, respectively.
- Forms are to be returned to: Attention: Stephen Hammon
PO Box N680
Grosvenor Place
NSW 1220 Australia
Fax: 02 9256 0566

Exchange Fees

The transaction fees for the d-cypha SFE Australian Electricity Futures products are as follows:

- c) Base Load Electricity Futures \$33.50 (+GST) per contract side
- d) Peak Period Electricity Futures \$16.70 (+GST) per contract side

Rebates and Concessions

SFE will offer several concession and rebate schemes for the d-cypha SFE Australian Electricity Futures products. These schemes will be in effect from 3 September 2002 to 31 August 2003.

Off Peak Concessions:

Where a transaction is undertaken to obtain 'off-peak' exposure, a concession equivalent to the exchange fees for Base Load Electricity Futures contracts is available such that the exchange fee for trading an 'implied' Off Peak futures contract is \$16.70 per contract side (ex GST).

Eligibility for this concession requires the simultaneous (or near) execution of 'same state' Base Load and Peak Period Electricity Futures contracts with the same expiry date. For example, the following trades would qualify for Off-Peak concessions:

- the simultaneous purchase of a Q1 2003 QLD Base Load Electricity futures contract and sale of a Q1 2003 QLD Peak Period Electricity futures contract; and,

- the simultaneous purchase of Cal 03 NSW Base Load Electricity Futures products and sale of Cal 03 NSW Peak Period Electricity Futures products.

Large Client Volume Rebates

Two large client volume schemes are available. Please note that only the Peak Period futures component of 'off peak' trades are eligible for large client volume rebates.

Option 1 – Incremental volume rebate scheme

No. of contract sides traded over a three month period	Rebate* (Per side) Base Load Electricity Futures	Rebate* (Per side) Peak Period Electricity Futures
0 – 250	\$0.00 ie a net exchange fee of \$33.50 +GST	\$0.00 ie a net exchange fee of \$16.70 +GST
251 – 750	\$3.50 ie a net exchange fee of \$30.00 +GST	\$1.70 ie a net exchange fee of \$15.00 +GST
751 +	\$5.00 ie a net exchange fee of \$28.50 +GST	\$2.70 ie a net exchange fee of \$14.00 +GST

* The Exchange fee rebate will be incremental, eg no rebate for the first 250 contract sides per defined three month period, a \$3.50 rebate for contract sides per defined three month period > 250 and < 750, and a \$5.00 rebate for contract sides per defined three month period > 751 etc

The volume eligible for rebates will be in accordance with the actual contract sides traded. For example:

- for a combined total of 400 contract sides traded in a defined three month period (see below), 200 of which are Peak Period and 200 of which are Base Load, there will be no rebate available;
- for a combined total of 1,100 contract sides traded in a defined three month period, 500 of which are Peak Period and 600 of which are Base Load, 250 Peak Period contract sides will be granted a \$1.70 rebate and 350 Base Load contract sides will be granted a \$3.50 rebate.
- for a combined total of 1,800 contract sides traded in a defined three month period, 900 of which are Peak Period and 900 of which are Base Load, 500 Peak Period contract sides will be granted a \$1.70 rebate and 150 a \$2.70 rebate, 500 Base Load contract sides will be granted a \$3.50 rebate and 150 a \$5.00 rebate.

Option 2 – Up-Front Payment Scheme

This option involves the payment of an annual registration fee of \$12,000 (ex GST).

Rebate per contract side - Base Load Contracts	\$6.70 ie a net exchange fee of \$26.80 +GST
Rebate per contract side - Peak Period Contracts	\$3.40 ie a net exchange fee of \$13.30 +GST

For this scheme rebates will be distributed in accordance with the actual contracts traded. For example - for a combined total of 3,600 contract sides traded in a defined three month period, 1,600 of which are Peak Period and 2,000 of which are Base Load, 1,600 Peak Period contract sides will be granted a \$3.40 rebate and 2,000 Base Load contract sides will be granted a \$6.70 rebate.

Declaration By Participant
<i>I hereby declare that the above details are true and correct.</i>
Signature Date
Please Print Full Name Position