



SFE Bulletin No: 61/03

From: SFE Corporation Limited ABN 74 000 299 392

Date of Issue: 31 Oct 2003

Effective Date: 1 January 2004

SFE EXCHANGE FEES AND CHARGES - 2004

As a result of its annual review process, SFE Corporation announced today that its fees and charges with respect to the activities of the Sydney Futures Exchange (SFE) and SFE Clearing Corporation effective 1 January 2004 would remain broadly unchanged. The only major change relates to the large volume rebate scheme. Accordingly,

- Headline SFE exchange fees remain unchanged at \$0.90 (exclusive of GST) per transaction. This fee has remained unchanged since it was reduced from \$1.00 in 1999.
- Headline SFE clearing fees remain unchanged.
- SFE local rebate scheme remains unchanged.

The most significant change for 2004 relates to the SFE large volume rebate scheme:

There is no change to the philosophy of the scheme for 2004. Based on year to date volume growth average SFE exchange fees have reduced to \$1.48 per contract (6 months to June 2003) from \$1.55 per contract (12 months to December 2002). To further incentivise growth in trading volume the volume target has been raised by 9% to 42 million contracts. To achieve the same rebate in 2004 that SFE expects to pay in 2003, volumes would have to increase by 8% (2003 year to date volumes have increased by 19%).

The details of the scheme are as follows:

- In 2004 once eligible SFE exchange volumes have exceeded 38.5 million contracts a total annual rebate will be made available for distribution to eligible customers. Between 38.5 million and 42 million eligible contracts customers will be rebated approximately 80% of this revenue, and over and above 42 million contracts their share will be 50%. (Eligible exchange volumes are defined as SFE annual aggregate volumes excluding market maker volumes and New Zealand dollar denominated contracts. Eligible volumes include local volumes). For details of the principles, administration and eligibility of the large volume rebate refer to SFE Bulletin 124/01 dated 17 December 2001.

Other rebate schemes may be made available to encourage volume growth. In particular it is intended to introduce a proprietary trader rebate. To the extent that such rebates accrue to customers who were eligible for the 2003 large volume rebate they will be funded out of the 2004 large volume rebate pool.

A full schedule of fees and charges can be found on SFE's website at www.sfe.com.au.


Fees and charges for SFE Austraclear for 2004 will be advised in a separate bulletin.

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A handwritten signature in black ink, appearing to read 'Martin Davey', with a large, stylized flourish at the end.

MARTIN DAVEY
CHIEF FINANCIAL OFFICER