



SFE Bulletin No: 15/05

From: SFE Corporation Limited ABN 74 000 299 392

Date of Issue: 24 February 2004

Effective Date: 24 March 2005

**TELSTRA CORPORATION LIMITED SPECIAL DIVIDEND – ACTION IN RESPECT OF
 TELSTRA CORPORATION LIMITED CASH SETTLED AND DELIVERABLE INDIVIDUAL
 SHARE FUTURES CONTRACTS**

1.0 Introduction

- 1.1 On 10 February 2005, Telstra Corporation Limited (TLS) announced their intention to pay a special dividend, amounting to 6 cents per share fully franked. The ex-dividend date for the special dividend is Thursday, 24 March 2005.
- 1.2 As a consequence of the special dividend, the Exchange will adjust all existing Telstra Corporation Limited cash settled Individual Share Futures contracts (commodity code TE) with open interest and all existing Telstra Corporation Limited deliverable Individual Share Futures contracts (commodity code TA). **The Effective Date for these adjustments will be Thursday, 24 March 2005.**

2.0 Contract Adjustments

- 2.1 To accurately reflect the payments made to holders of Telstra Corporation Limited shares, the Exchange will adopt a similar approach to the adjustment of TLS ISFs. This will occur as per the following formula:

$$\begin{aligned} \text{Debit/Credit per ISF open position} &= \text{Special Dividend} \times \text{number of Underlying Shares per} \\ &\quad \text{TLS ISF} \\ &= \$0.06 \times 1,000 \text{ shares} \\ &= \$60.00 \end{aligned}$$

All holders of TLS ISF positions (commodity codes TE and TA) at the close of business on Wednesday 23 March 2005 will therefore be affected in the following way;

- 2.1.1 Long position holders will be **credited** with the value of the special dividend consistent with the formula above;

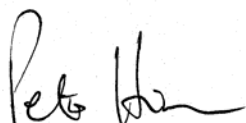
2.1.2 Short position holders will be **debited** with the value of the special dividend consistent with the formula above;

3.0 Further Information

3.1 Participants seeking further information in relation to this Bulletin should contact:

3.1.1 Effie Tsiaousis in SFE Business Development (02 9256 0596) for issues relating to changes to contract specifications;

3.1.2 SFE Business Operations Helpdesk (02 9256 0677) for Trading & Clearing queries



Peter Hiom
General Manager, Strategy and 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.