

CIRCULAR TO:

**NZ Clearing Members
SFE Clearing Members
NZ Agents
Trading Permit Holders
Local Members
BOA Providers**

NO: 24/00**Independent Newspapers Corporate Action**

Independent Newspapers have announced a corporate action, effective 20 March 2000. For every share currently in issue, two additional shares will be created; a two for one sub-division. Current open positions will be adjusted to reflect the sub-division (details below) and all months thereafter with no open interest will be de-listed on 17 March 2000. A new Independent Newspapers contract will be listed in the first available month with no open interest. At the time of this circular March, June, and September 2000 have open interest, therefore December 2000 would be the first month where the new contract is listed. This will take place on 20 March 2000

Current Position/ Adjustments

1. Current strike prices need to be divided by 3 to give the new strike price; answers will be rounded to two decimal places. Where the answer is one third of a whole number, the strike will be rounded down; where the answer is two thirds of a whole number the answer will be rounded up.

The following example will assist in calculating adjusted strikes:

IN March, June, September	Current Strike	New Strike
	8.00	2.67
	8.10	2.70
	8.20	2.73
	8.30	2.77
	8.40	2.80
	8.50	2.83
	8.60	2.87
	8.70	2.90
	8.80	2.93
	8.90	2.97
	9.00	3.00

2. The number of shares per option will be increased from 1,000 to 3,000.

New Contract

As mentioned previously a new Independent Newspapers contract will be listed in the first tradeable month where no open interest exists in the current contract. The number of shares per option will revert back to 1,000 and the new contract code will be NL. The incremental strike price interval will change to 25 cents. All other specifications will remain the same as the old contract.

If you require anymore information or have any questions, please contact Nick Cluney on 9256-0636 or Diane Fletcher on 9256-0543

Nick Cluney
Manager, Clearing Services

14 March 2000