



SFE NOTICE NO.

158/06

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Electricity Futures and Options - Pre-Paid Exchange Fee Scheme 2007

A 2 tier Pre-Paid Exchange Fee Scheme for electricity futures and option contracts will operate from 1 January 2007 to 31 December 2007 (The Year). Market Participants have an opportunity to enter the Pre-Paid exchange fee scheme at any point before 15 January 2007. After that date the scheme will be closed to new subscriptions.

Scheme	Minimum Entry Cost (GST Excluded)	Tier Discounts * (i.e. Discount to the published Exchange Fee)
Tier 1	\$80,000	18%
Tier 2	\$50,000	10%

* Discounts apply to the Headline Exchange Fee and Off Peak Concession on Electricity Futures and Option only.

The terms of the Pre-Paid Exchange Fee Scheme are as follows:

- The Tier entry cost is a minimum. For each Tier a customer can 'invest' more than the minimum cost and still receive the Tier Discount. The maximum for any Tier will effectively be the preceding Tier above it except in the case of Tier 1, which is uncapped.
- A Scheme participant will pay the Full Headline Exchange Fee once they have used their Pre-Paid Exchange Fees.
- Subject to (d) below, Market Participants may only enter the Scheme once, i.e. each Market Participant is only entitled to one subscription to the Scheme. No initial entry subscriptions will be accepted after 15 January 2007.
- A subscriber to Tier 1 of the Scheme may apply up to a maximum of three (3) "top-up" subscriptions during the course of The Year, provided that their initial Tier 1 entry subscription was for an amount greater than or equal to \$120,000. The subscriber shall continue to receive the full Tier 1 discount of 18% on all top-up subscriptions. A top-up subscription may not be for less than \$20,000, and must be received in advance.
- Unused subscriptions (entry costs and top-up subscriptions) are non-refundable. However balances equating to no more than 50% of the users initial subscription, may be carried over at year-end, ONLY if the Scheme participant enters a pre-pay scheme for the following year. Any unused subscription balance that is carried over will be subject to that new Scheme's rules and discount structures. If SFE does not offer a new scheme unused subscription balances may only be used to pre-pay the published Headline Exchange Fee on Electricity Futures and Options at the Tier Discount.

Administration of Prepaid Exchange Fee Scheme and Concessions

The Pre-Paid Exchange Fee Scheme is only available to individual clients that meet the scheme criteria and are not available to brokers amalgamating individual client trades. For this purpose only, the definition of an individual client encompasses a single client trading through a broker and the principal (House) trading activity of an organisation that provides brokerage services.

The Pre-Paid Exchange Fee Scheme will be administered as follows:

- Pre-Paid Exchange Fee Scheme Registration Forms must be endorsed by a SFE Clearing Participant. SFE Clearing Participants may reserve the right to decline providing their clients with access to the Pre-Paid Exchange Fee Scheme outlined in this Bulletin.



2. SFE Clearing Participants will be required to lodge with the SFE a prescribed form (attached) no later than 10.00am on the 1st Business Day of every month on behalf of each client that has transacted under a Pre-Paid Exchange Fee Scheme and Off-peak Concession.
3. The timely lodgement of the forms is the responsibility of SFE Clearing Participants and their clients. Late lodgements (not permitted after 10 business days) will result in SFE Clearing Participants being charged the Headline Exchange Fee and issued with a rebate 10 business days after the form is lodged.
4. SFE will in turn adjust the monthly billing statement of SFE Clearing Participants so that SFE Clearing Participants can in turn bill their clients accordingly.
5. It will be the responsibility of SFE Clearing Participants to bill their clients in accordance with the processes required for the Pre-Paid Exchange Fee Scheme or Off-peak Concession. SFE will accept no liability for the failure of the Clearing Participant to accurately report the trading volume of the market participant. Where any inaccuracy occurs, which in turn leads to an erroneous payment, then it is a matter between the Market Participant and Clearing Participant. No claims will lie against SFE or SFE Clearing.
6. Clients wishing to subscribe to the Pre-Paid Exchange Fee Scheme should make payments payable to their clearer, who in turn will forward the payment to SFE. SFE will record the Pre-Paid amount against the clearer and client and offset usage based on the monthly advises received from the clearer.

On behalf of their customers, SFE Clearing Participants are requested to fax their application and monthly forms to:

Stephen Hammon
Fax: 02 9227 0553
Finance Department
Australian Securities Exchange Limited
20 Bridge Street
Sydney NSW 2000

A handwritten signature in black ink, appearing to read 'Ken Chapman', with a long, sweeping underline.

Ken Chapman
General Manager – New Markets
ASX Limited
20 Bridge Street
Sydney NSW 2000
Australia