

LONDON NOTICE No. 2959

ISSUE DATE: 14 November 2007
EFFECTIVE DATE: 5 December 2007

UNIVERSAL STOCK FUTURES CONTRACT PHYSICAL DELIVERY AND CASH SETTLED CONTRACTS (EXCHANGE CONTRACT NO. 66F)

INTRODUCTION OF ADDITIONAL UNIVERSAL STOCK FUTURES CONTRACTS WITHIN BCLEAR

UPDATE TO EXCHANGE CONTRACTS NO. 56 AND NO. 66F

Executive Summary

This Notice informs Members of the Exchange's intention to introduce flexible Universal Stock Futures Contracts based on Czech, Hungarian and Polish securities within Bclear with effect from 5 December 2007. It also updates Exchange Contracts No. 56 and No. 66F with a Statement in relation to EDSP Price Formation.

1. Introduction

- 1.1 This Notice informs Members of the Exchange's intention to introduce flexible Universal Stock Futures Contracts ("flexible USFs") based on Czech, Hungarian and Polish securities within Bclear and provides Members with the following information.
- (a) additions to the List of Contract Details;
 - (b) minimum volume requirements;
 - (c) business days and hours;
 - (d) fees;
 - (e) statement in relation to EDSP Price Formation; and
 - (f) the regulatory position in the United States.

2. Additions to the List of Contract Details

- 2.1 On and from Wednesday 5 December 2007 flexible USFs based on Czech, Hungarian and Polish securities will be made available for trading under the terms of Exchange Contract No. 66F on the company shares set out in Attachment 1 of this Notice.

Web site: www.euronext.com/derivatives

The **Euronext Derivatives Markets ("Liffe")** comprise the markets for derivatives operated by Euronext Amsterdam, Euronext Brussels, Euronext Lisbon, Euronext Paris and LIFFE Administration and Management, referred to respectively as the Amsterdam, Brussels, Lisbon, Paris and London markets. Euronext is part of the NYSE Euronext group.

- 2.2 An updated List of Contract Details in respect of Exchange Contract No. 66F will be made available on the Liffe website (www.nyseuronext.com/liffe) and in the London Market Handbook (www.euronext.com/londonhandbook) in due course.

3. Minimum volume requirements

- 3.1 There is no minimum volume requirement for flexible USFs on Czech, Hungarian and Polish securities submitted through Bclear.

4. Business days and hours

- 4.1 Transactions will be capable of being reported via Bclear on those market days on which the relevant underlying markets are open for business. A list of market days for 2007 on which transactions in flexible USFs based on Czech, Hungarian and Polish securities will **not** be capable of being reported via Bclear forms Attachment 2 to this Notice.
- 4.2 Members may report transactions to the Exchange via Bclear between 08:00 and 17:30 hours (London time), unless otherwise specified. In respect of a contract on its Last Trading Day, reporting hours will end at the time trading ceases in such contract, as set out in the relevant Contract Specification and in Attachment 1.
- 4.3 The reporting arrangements explained in Section 12 of Book II of the Rules and section 4 of this Notice will, of necessity, determine the days and hours during which the relevant transactions may be undertaken.

5. Fees

- 5.1 Fees will be charged on a per lot, per side basis, subject to a fee cap per transaction. For trades with multiple legs, each leg is charged separately, up to the fee cap (i.e. for these purposes, each leg is treated as a separate transaction).
- 5.2 Details of all fees, including LCH.Clearnet Ltd fees (specifically, clearing and cash settlement fees), applicable to flexible USFs on Czech, Hungarian and Polish securities confirmed through Bclear can be found in Attachment 3 to this Notice.

6. Statement in relation to EDSP Price Formation

- 6.1 The Exchange draws the following statement to the attention of potential users of its cash settled Universal Stock Futures Contracts (“cash settled USFs”). Members should ensure that their clients are made aware of the statement.

“Statement in relation to EDSP Price Formation

Potential users of the cash settled USFs made available on The London International Financial Futures and Options Exchange should familiarise themselves with the relevant contract terms of those contracts.

Price formation leading to the EDSP for the cash settled USFs is subject to similar influences to those in the case of many other cash-settled contracts. Trading activity on the relevant stock market(s) during the EDSP period is likely to be affected by the activity of particular market participants who are seeking to obtain price convergence at the EDSP between offsetting stock and derivatives positions. Such participants might typically seek to achieve this by unwinding their stock positions during the EDSP period at the price which will, in turn, be used to determine the final EDSP. A consequence of this concentrated activity might be that the final EDSP differs from

the share price immediately prior to the commencement of the EDSP period and, if relevant, from the share price immediately following that period.

Potential users should, therefore, consider the risks of holding positions into the expiry of the cash settled USFs. In particular, they should consider their exposure to potentially unfavourable price movements in the expiry and whether to take steps to neutralise such exposure; for example, taking into account that there may be relatively limited liquidity provision, whether to "roll" or close positions prior to expiry."

- 6.2 Members are informed that the Statement in relation to EDSP Price Formation will be added to the Terms of Exchange Contracts No. 56 and No. 66F with immediate effect, updated versions of which will be made available on the Liffe website in due course.

7. U.S. Regulatory Position

- 7.1 Members should note that U.S. persons are not permitted to engage in transactions in USFs.

8. Additional Information

- 8.1 Additional information can be found on the Liffe website at the following address: www.nyseuronext.com/bclear/contracts.

For further information in relation to this Notice, Members should contact:

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ADDITIONS TO THE LIST OF CONTRACT DETAILS IN RESPECT OF EXCHANGE CONTRACT NO 66F
UNIVERSAL STOCK FUTURES CONTRACT
(CASH SETTLED AND PHYSICAL DELIVERY CONTRACTS)

KEY:
All times are London times.

RELEVANT STOCK EXCHANGE: PRAGUE STOCK EXCHANGE

Company	ISIN Code	TRS Code		Underlying Currency	Relevant Currency	Minimum Price Fluctuation	Minimum EDSP Price Increment	Lot Size (number of shares)	Time trading ceases on Last Trading Day ("LTD")	Reference Day	Relevant Reference Price	Settlement Day	
		Cash Settlement	Physical Delivery									Cash Settlement	Physical Delivery
Central European Media	BMG200452024	CTD	n/a	CZK	CZK	0.001	0.001	100	15.00	LTD	VWAP of trades on the Prague Stock Exchnage during the last 10 minutes of trading (14:50 - 15:00 London time)*	Market day immediately following LTD	n/a
CEZ AS	CZ0005112300	EZD	n/a	CZK	CZK	0.001	0.001	100	15.00	LTD	VWAP of trades on the Prague Stock Exchnage during the last 10 minutes of trading (14:50 - 15:00 London time)*	Market day immediately following LTD	n/a
Erste Bank der Oesterreichischen Sparkas	AT0000652011	TBD	n/a	CZK	CZK	0.001	0.001	100	15.00	LTD	VWAP of trades on the Prague Stock Exchnage during the last 10 minutes of trading (14:50 - 15:00 London time)*	Market day immediately following LTD	n/a
Komerční Banka AS	CZ0008019106	KMD	n/a	CZK	CZK	0.001	0.001	100	15.00	LTD	VWAP of trades on the Prague Stock Exchnage during the last 10 minutes of trading (14:50 - 15:00 London time)*	Market day immediately following LTD	n/a
Telefonica O2 Czech Rep	CZ0009093209	TED	n/a	CZK	CZK	0.001	0.001	100	15.00	LTD	VWAP of trades on the Prague Stock Exchnage during the last 10 minutes of trading (14:50 - 15:00 London time)*	Market day immediately following LTD	n/a
Unipetrol	CZ0009091500	UPD	n/a	CZK	CZK	0.001	0.001	100	15.00	LTD	VWAP of trades on the Prague Stock Exchnage during the last 10 minutes of trading (14:50 - 15:00 London time)*	Market day immediately following LTD	n/a
Zentiva NV	NL0000405173	ETD	n/a	CZK	CZK	0.001	0.001	100	15.00	LTD	VWAP of trades on the Prague Stock Exchnage during the last 10 minutes of trading (14:50 - 15:00 London time)*	Market day immediately following LTD	n/a

*In the event that there are no trades executed on the Prague Stock Exchange during the VWAP period, LIFFE will use either the last traded price or the previous day's closing price (whichever is the more recent) in order to establish the Relevant Reference Price

RELEVANT STOCK EXCHANGE: BUDAPEST STOCK EXCHANGE

Company	ISIN Code	TRS Code		Underlying Currency	Relevant Currency	Minimum Price Fluctuation	Minimum EDSP Price Increment	Lot Size (number of shares)	Time trading ceases on Last Trading Day ("LTD")	Reference Day	Relevant Reference Price	Settlement Day ¹	
		Cash Settlement	Physical Delivery									Cash Settlement	Physical Delivery
Egis PLC	HU0000053947	EID	n/a	HUF	HUF	0.001	0.001	100	15.35	LTD	Official Closing Price	Market day immediately following LTD	n/a
FHB Mortgage Bank PLC	HU0000078175	FHD	n/a	HUF	HUF	0.001	0.001	100	15.35	LTD	Official Closing Price	Market day immediately following LTD	n/a
Magyar Telekom	HU0000073507	MGD	n/a	HUF	HUF	0.001	0.001	100	15.35	LTD	Official Closing Price	Market day immediately following LTD	n/a
MOL Hungarian Oil & Gas	HU0000068952	MLD	n/a	HUF	HUF	0.001	0.001	100	15.35	LTD	Official Closing Price	Market day immediately following LTD	n/a
OTP Bank Nyrt	HU0000061726	OOD	n/a	HUF	HUF	0.001	0.001	100	15.35	LTD	Official Closing Price	Market day immediately following LTD	n/a
Richter Gedeon Nyrt	HU0000067624	RCD	n/a	HUF	HUF	0.001	0.001	100	15.35	LTD	Official Closing Price	Market day immediately following LTD	n/a

RELEVANT STOCK EXCHANGE: WARSAW STOCK EXCHANGE

Company	ISIN Code	TRS Code		Underlying Currency	Relevant Currency	Minimum Price Fluctuation	Minimum EDSP Price Increment	Lot Size (number of shares)	Time trading ceases on Last Trading Day ("LTD")	Reference Day	Relevant Reference Price	Settlement Day ¹	
		Cash Settlement	Physical Delivery									Cash Settlement	Physical Delivery
Agora SA	PLAGORA000067	RAD	n/a	PLN	PLN	0.0001	0.0001	100	15.20	LTD	Official Closing Price	Market day immediately following LTD	n/a
Bank BPH	PLBPH00000019	BHD	n/a	PLN	PLN	0.0001	0.0001	100	15.20	LTD	Official Closing Price	Market day immediately following LTD	n/a
Bank Pekao SA	PLPEKAO000016	PED	n/a	PLN	PLN	0.0001	0.0001	100	15.20	LTD	Official Closing Price	Market day immediately following LTD	n/a
Bank Zachodni WBK SA	PLBZ000000044	BND	n/a	PLN	PLN	0.0001	0.0001	100	15.20	LTD	Official Closing Price	Market day immediately following LTD	n/a
Bioton SA	PLBIOTN000029	IOD	n/a	PLN	PLN	0.0001	0.0001	100	15.20	LTD	Official Closing Price	Market day immediately following LTD	n/a
BRE Bank SA	PLBRE00000012	BCD	n/a	PLN	PLN	0.0001	0.0001	100	15.20	LTD	Official Closing Price	Market day immediately following LTD	n/a
Cersanit-Krasnystaw SA	PLCRSNT000011	CKD	n/a	PLN	PLN	0.0001	0.0001	100	15.20	LTD	Official Closing Price	Market day immediately following LTD	n/a
Globe Trade Centre SA	PLGTC00000037	GTD	n/a	PLN	PLN	0.0001	0.0001	100	15.20	LTD	Official Closing Price	Market day immediately following LTD	n/a
Grupa Lotos SA	PLLOTOS000025	LTD	n/a	PLN	PLN	0.0001	0.0001	100	15.20	LTD	Official Closing Price	Market day immediately following LTD	n/a
KGHM Polska Miedz SA	PLKGHM000017	KHD	n/a	PLN	PLN	0.0001	0.0001	100	15.20	LTD	Official Closing Price	Market day immediately following LTD	n/a
PBG SA	PLPBG00000029	PJD	n/a	PLN	PLN	0.0001	0.0001	100	15.20	LTD	Official Closing Price	Market day immediately following LTD	n/a
PKO Bank Polski SA	PLPKO00000016	PKD	n/a	PLN	PLN	0.0001	0.0001	100	15.20	LTD	Official Closing Price	Market day immediately following LTD	n/a
Polimex Mostostal SA	PLMSTSD000019	PWD	n/a	PLN	PLN	0.0001	0.0001	100	15.20	LTD	Official Closing Price	Market day immediately following LTD	n/a
Polish Oil & Gas Co	PLPGNIG000014	LWD	n/a	PLN	PLN	0.0001	0.0001	100	15.20	LTD	Official Closing Price	Market day immediately following LTD	n/a
Polski Koncern Naftowy	PLPKN00000018	PND	n/a	PLN	PLN	0.0001	0.0001	100	15.20	LTD	Official Closing Price	Market day immediately following LTD	n/a
Prokom Software SA	PLPROKM000013	POD	n/a	PLN	PLN	0.0001	0.0001	100	15.20	LTD	Official Closing Price	Market day immediately following LTD	n/a
Telekomunikacja Polska SA	PLTLKPL000017	TPD	n/a	PLN	PLN	0.0001	0.0001	100	15.20	LTD	Official Closing Price	Market day immediately following LTD	n/a
TVN SA	PLTVN00000017	TVD	n/a	PLN	PLN	0.0001	0.0001	100	15.20	LTD	Official Closing Price	Market day immediately following LTD	n/a

Trading of Universal Stock Futures Contracts based on Czech, Hungarian and Polish Securities in 2007

Universal Stock Futures Contracts based on Czech, Hungarian and Polish Securities will **not** be available for trading on the following days:

Relevant Stock Exchange	Dates unavailable for trading
Prague Stock Exchange	24 December 2007 25 December 2007 26 December 2007 31 December 2007
Budapest Stock Exchange	24 December 2007 25 December 2007 26 December 2007 31 December 2007
Warsaw Stock Exchange	24 December 2007 25 December 2007 26 December 2007

Fees Applicable to Universal Stock Futures Contracts based on Czech, Hungarian and Polish securities confirmed via Bclear¹

Universal Stock Futures Contracts based on Czech, Hungarian and Polish securities

Exchange fee		Clearing fee	Cash Settlement fee		Cap					
					Proprietary Business			Client Business		
					Exchange fee	Clearing fee	Cash Settlement fee	Exchange fee	Clearing fee	Cash Settlement fee
€0.35		€0.05	€0.30		€320	€80	€400	€640	€160	€800

¹ Fees will be charged on a per lot, per side basis, subject to a fee cap per transaction. For trades with multiple legs, each leg is charged separately, up to the fee cap (i.e. for these purposes, each leg is treated as a separate transaction).