

## **LONDON NOTICE No. 3155**

ISSUE DATE: 22 May 2009  
EFFECTIVE DATE: 22 May 2009

### **FTSE 100 DIVIDEND INDEX FUTURES CONTRACT – TRANSACTION FEE DISCOUNTS**

#### **Executive Summary**

This Notice informs Members of transaction fee discounts to be applied in relation to the FTSE 100 Dividend Index Futures Contract.

1. London Notice No. 3149, issued on 8 May 2009, informed Members of the launch of the FTSE 100 Dividend Index Futures Contract (“the Contract”).
2. This Notice advises Members that the Exchange will apply volume-based transaction fee discounts (“the discounts”) to business transacted in the Contract, on both LIFFE CONNECT<sup>®</sup> and via Bclear, **until the end of August 2009**.
3. All Members with the appropriate trading rights are eligible for the discounts and, subject to section 5 below, the discounts will be applied in the form of a rebate, credited to the account of each relevant Clearing Member monthly in arrears.
4. London Info-Flash No. LO09/14, issued on 8 May 2009, announced details of the Primary Market Maker (“PMM”) Scheme in the Contract. Members are advised that business executed in a market making capacity by PMMs will **not** qualify for the discounts described in this Notice.
5. Members should note the following in respect of the operation of the discounts:
  - (a) Members need not apply for discounts. The discounts will be automatically applied in respect of:
    - (i) all business in the Contract executed on LIFFE CONNECT<sup>®</sup>, except market making business executed by PMMs;
    - (ii) all business in the Contract reported via Bclear which falls below the fee cap;
  - (b) the discounts will be calculated against a Member’s total market assigned volume in the Contract during each of May, June, July and August 2009, in accordance with the

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volume bands set out in section (d) below. **For the avoidance of doubt, market assigned volume transacted during May 2009, and since the Contract's launch, will be included in the volume calculations and rebate payments for June 2009.** Members should note that the volume bands will be applied on a marginal basis, e.g. where a Member's total market assigned volume in July 2009 is 50,000 lots, he would receive no discount in respect of the first 20,000 lots, a 20% discount in respect of the next 20,000 lots and a 40% discount in respect of the remaining 10,000 lots.

- (c) the discounts will be effected by way of rebates calculated from a base transaction fee of 25p per side, per lot regardless of the actual transaction fee which would apply. In other words, in respect of an unpublished transaction on Bclear where the volume of an individual transaction is below the fee cap, the rebate will be calculated as if the normal transaction fee were 25p, rather than 30p.
- (d) The following monthly volume bands and percentage fee rebates will be applied:

Monthly Total Market Assigned Volume in the Contract	% Transaction Fee Rebate
<20,000	0
20,001 – 40,000	20
40,001 – 60,000	40
60,001 – 80,000	60
>80,000	80

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

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