

LONDON NOTICE No. 2681

ISSUE DATE: 26 August 2005
EFFECTIVE DATE: 5 September 2005

UNIVERSAL STOCK FUTURES CONTRACT (EXCHANGE CONTRACT NO. 56)

INTRODUCTION OF THE BAYER AG UNIVERSAL STOCK FUTURES CONTRACT

Executive Summary

This Notice provides details of the introduction of the Bayer AG Universal Stock Futures Contract on 5 September 2005.

1. Contract Details

- 1.1 On and from Monday 5 September 2005, a Universal Stock Futures Contract based on Bayer AG Ordinary shares (TRS code BYA) shall be made available for trading. The summary contract specification is as follows:

Summary Contract Specification

Unit of trading:	100 shares
Delivery months:	Nearest two of March, June, September and December, plus the nearest two serial months such that the nearest three calendar months are always available for trading
Last Trading Day:	Third Friday of the delivery month
Settlement Day:	Market day immediately following the Last Trading Day
Quotation:	€per share
Minimum price fluctuation:	€0.01
Tick value:	€1.00
LIFFE CONNECT® trading hours:	08:00 – 17:30 hours (London time) Last Trading Day 08:00 – 16:30 hours (London time)
Contract settlement:	Cash settlement based on EDSP
Reference Price:	Official closing price on Deutsche Börse

- 1.2 The initial delivery months to be made available for trading shall be the September 2005, October 2005, November 2005 and December 2005 delivery months.

Web site: www.euronext.com/derivatives

The Euronext Derivatives Markets ("Euronext.liffe") include 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.

1.3 The necessary additions to the Contract Details of Exchange Contract No. 56 are set out in the Attachment to this Notice and will be made available on the Euronext website (www.euronext.com) in due course.

2. Wholesale Trading

2.1 The Bayer AG Universal Stock Futures Contract shall be eligible to be traded using the Exchange's Block Trade Facility, subject to a minimum volume threshold of 1,500 lots. A complete list of Block Trade minimum volume thresholds for Universal Stock Futures Contracts can be found on the Euronext website (www.euronext.com), and will be updated in due course.

2.2 Universal Stock Futures Contracts are also eligible for trading as basis trade and asset allocation Exchange Contracts (pairs trades).

3. Market Making Arrangements

3.1 Members wishing to apply for Designated Market Maker ("DMM") status in respect of the Bayer AG Universal Stock Futures Contract should complete LIFFE Form 146, which is available from Justin Matijasevich (+44 (0)20 7379 2719) at Euronext.liffe. Applications must be submitted in confidence to Justin Matijasevich as sealed tenders no later than by close of business on Thursday 1 September 2005.

3.2 Members are invited to apply for DMM status in the Bayer AG Universal Stock Futures Contract by specifying:

- (a) the maximum bid-offer spread the prospective DMM is willing to make;
- (b) the minimum order size; and
- (c) the maximum bid-offer spread the prospective DMM is willing to make in response to Requests for Quotes ("RFQs") in the calendar spreads between the first and second calendar delivery months and between the first and second quarterly delivery months.

Members should refer to London Circular No. 05/10, issued on 19 May 2005, for further information about the DMM Scheme and the application process.

3.3 Members are reminded that, as detailed in London Circular No. 05/10, the current DMM Scheme in respect of Universal Stock Futures Contracts will be in place until the close of business on Friday 30 June 2006.

3.4 Members should note that incomplete applications will not be valid or accepted. Similarly, applications submitted after the application deadline will be rejected.

3.5 Members are reminded that the appointment of a DMM will be subject to a binding contract ("the Agreement") between the successful applicant(s) and the Exchange. A completed application form does not constitute such an Agreement. Furthermore, a successful applicant's DMM status, and therefore the period for which he may receive financial benefits, may not be deemed to have commenced until such Agreement is completed, signed and returned to the Exchange.

3.6 DMMs in the Bayer AG Universal Stock Futures Contract who intend to use Automated Price Injection Models ("APIMs") shall be granted a daily message allocation of 3,000.

Further information on the use of APIMs and the daily message allocation for DMMs is available in London Circular No. 05/10.

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

Justin Matijasevich

+44 (0) 20 7379 2719

justin.matijasevich@liffe.com

**ADDITION TO THE LIST OF CONTRACT DETAILS IN RESPECT OF
EXCHANGE CONTRACT NO. 56**

Effective Date: 5 September 2005

UNIVERSAL STOCK FUTURES CONTRACT

Relevant Stock Exchange: **Deutsche Börse**

Company	Bayer AG
Shares	NPV
ISIN Code	DE0005752000
TRS Code	BYA
Relevant Stock Exchange	Deutsche Börse
Underlying Currency	€
Relevant Currency	€
Minimum Price Fluctuation	€0.01
Lot size (number of shares)	100
Last Trading Day (“LTD”)	Third Friday of the delivery month
Last Trading Day: time trading ceases	16:30 hours (London time)
Reference Day	LTD
Relevant Reference Price	Official Closing Price
Conversion Rate	n/a
Settlement Day	Market day immediately following LTD