

LONDON NOTICE No. 2695

ISSUE DATE: 17 October 2005
EFFECTIVE DATE: 24 October 2005

LAUNCH OF NEW CLEARED SERVICE FOR WHOLESALE EQUITY DERIVATIVES ("BCLEAR")

CONTRACT DESIGNATIONS

Executive Summary

This Notice provides members with details of the types of transaction which may be reported to the Exchange via the new Bclear Service for trade confirmation, administration and clearing as an Exchange Contract.

1. Introduction

- 1.1 London Circular No. 05/27, issued on 19 September 2005, advised members of the introduction of Euronext.liffe's new cleared service for wholesale equity derivatives ("Bclear") on 24 October 2005.
- 1.2 Bclear will provide a means by which to report wholesale equity derivatives transactions for trade confirmation, administration and clearing as an Exchange Contract, offering the flexibility for users to specify contract maturity, exercise price and settlement method in relation to contracts based on over 300 European blue-chip stocks and indices.

2. Contract Designations

- 2.1 To be capable of being reported to the Exchange via Bclear, a transaction must conform to the specifications of an Exchange Contract which, for the purposes of the Rules, has been designated by the Exchange as an OTC Contract. The following Exchange Contracts are hereby designated as OTC Contracts for these purposes:
 - (a) the Option Contract on Equity Shares (Denominated in Sterling) (Exchange Contract No. 201) in relation to company shares that may be the subject of a lot in respect of Exchange Contract No. 201 ("Standard Individual Equity Option Contract");
 - (b) the flexible Option Contract on Equity Shares (American-Style and European-Style Exercise) (Physical Delivery and Cash Settled Contracts) (Exchange Contract No. 201F) in relation to company shares that may be the subject of a lot in respect of Exchange Contract No. 201F ("Flexible Individual Equity Option Contract");

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.

- (c) in respect of Stock Contingent Trades involving either the Standard or Flexible Individual Equity Option Contract, the Equity Shares Contract (Exchange Contract No. 211) (“Equity Shares Contract”);
- (d) the Option Contract on Equity Indices (European-Style Exercise) (Exchange Contract No. 351) in relation to indices that may be the subject of a lot in respect of Exchange Contract No. 351 (“Standard Index Option Contract”);
- (e) the Option Contract on the FTSE 100 Index (European-Style Exercise) (Exchange Contract No. 129E) (“Standard FTSE 100 Index Option Contract”);
- (f) the flexible Option Contract on Equity Indices (American-Style and European-Style Exercise) (Exchange Contract No. 351F) (incorporating the FLEX[®] Option Contract on the FTSE 100 Index (European-Style Exercise) (Exchange Contract No. 129F)) in relation to indices that may be the subject of a lot in respect of Exchange Contract No. 351F (“Flexible Index Option Contract”);
- (g) the Equity Index Contract (Exchange Contract No. 301) in relation to indices that may be the subject of a lot in respect of Exchange Contract No. 301 (“Index Futures Contract”); and
- (h) the FTSE 100 Index Contract (Exchange Contract No. 29) (“FTSE 100 Index Futures Contract”).

2.2 In order to reflect the scope and flexibility of transactions which will be capable of being submitted via Bclear, a number of the Exchange Contracts listed in paragraph 2.1 have been modified, i.e.:

- (a) the Flexible Individual Equity Option Contract, the modified Contract Specification for which may be found at Attachment 1 to this Notice;
- (b) the Equity Shares Contract, the modified Contract Specification for which may be found at Attachment 2;
- (c) the Flexible Index Option Contract (Attachment 3); and
- (d) the Index Futures Contract (Attachment 4).

2.3 In addition, the updated List of Contract Details in respect of the Flexible Individual Equity Option Contract and the updated List of Equity Shares in respect of the Equity Shares Contract are contained in the London Handbook which may be found on the Euronext website (www.euronext.com/londonhandbook).

2.4 Subject to paragraph 2.5 below, in the case of the Flexible Individual Equity Option Contract and the Flexible Index Option Contract the exercise price shall be required to be within a range of 1% to 1000% of the underlying share price or index value, as the case may be. For the avoidance of doubt, the underlying share price or index value will be deemed to be the low traded price/value of the day at the time when the option trade is reported, in relation to determining the minimum permissible exercise price. Similarly, the high traded price/value of the day at the time the option trade is reported shall be used to determine the maximum permissible exercise price.

- 2.5 In the case of physical delivery flexible call options based on UK shares with an initial time to expiry of three months or less, the exercise price shall be required to be within a range of 25% to 1000% of the underlying share price.
- 2.6 In relation to the Flexible Individual Equity Option Contract, the Expiry Day may be any market day up to **five years** from the date on which the contract is made.
- 2.7 In relation to the Flexible Index Option Contract, the Expiry Day may be any market day up to **five years and six months** from the date on which the contract is made.
- 2.8 Until further notice, the maximum expiry for the AEX Index, BEL 20 Index, CAC 40 Index and PSI 20 Index Futures Contracts will be restricted to the third Friday of the nearest half-yearly delivery month (June and December) out to five years and six months at most from the date on which the contract is made. The Exchange intends to extend the maximum expiry in these Index Futures Contracts at a future date and will inform members by Notice of such extension at that time.

3. Additional Information

- 3.1 The Rules and operating arrangements for Bclear will be published by separate Notice.

For further information in relation to this Notice, please contact:

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EXCHANGE CONTRACT NO. 351F
IN RESPECT OF OPTION CONTRACTS ON EQUITY INDICES
(AMERICAN-STYLE AND EUROPEAN-STYLE EXERCISE)

(A) CONTRACT TERMS
(Issue Date: 17 October 2005)¹

(B) CONTRACT DETAILS SPECIFIED BY THE BOARD
(Issue Date: 17 October 2005)¹

(C) ADMINISTRATIVE PROCEDURES
(Issue Date: 17 October 2005)¹

Expiry Days: 24 October 2005 onwards

FTSE 100 Index
FTSEurofirst 80 Index
FTSEurofirst 100 Index
AEX Index
BEL 20 Index
CAC 40 Index

¹ Please refer to London Notice No. 2695 issued on 17 October 2005.

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EXCHANGE CONTRACT NO. 351F
IN RESPECT OF OPTION CONTRACTS ON EQUITY INDICES
(AMERICAN-STYLE AND EUROPEAN-STYLE EXERCISE)

THE LONDON INTERNATIONAL FINANCIAL FUTURES AND OPTIONS
EXCHANGE

(A) CONTRACT TERMS

1. Interpretation

1.01 Save as otherwise specified herein, words and phrases defined in the Rules shall have the same meanings in these terms and in the Administrative Procedures.

1.02 In these terms and the Administrative Procedures:

“Administrative Procedures” means all procedures from time to time implemented by the Board pursuant to the Rules for the purposes of this Exchange Contract.

“business day” means:

(a) in relation to an Index for which there is a single relevant stock exchange, a market day on which the relevant stock exchange is open for business; and

(b) in relation to an Index for which there is more than one relevant stock exchange, a market day on which a sufficient number of relevant stock exchanges are open for business such that there are available current Index input prices for constituent stocks of the Index which, exchange officials have determined in their absolute discretion, taken together represent in aggregate not less than 75% of the market capitalisation of the Index.

“Buyer” in respect of a Contract means the person who is entitled under such Contract to exercise the option or options the subject of such Contract (including, except where the context otherwise requires, the Clearing House as buyer under a registered Contract).

“call option” means an option specified as such in the Contract.

“Clearing House Notice of Exercise” means a notice from the Clearing House, in a form from time to time prescribed by the Clearing House, confirming to the Seller of an option that the Clearing House has exercised an option against the Seller.

“Closing Index Value” means the value of the Index as calculated by the Index Provider at the close of trading on the relevant stock exchange(s).

“Contract” means a contract made expressly or impliedly in the terms of this Exchange Contract for the sale and purchase of one or more put options or one or more call options, and “registered Contract” means a contract registered by the Clearing House.

“Conversion Date” means the date on which the conversion rate for a currency (being the currency of a participating Member State) against the euro is “irrevocably fixed” in accordance with EMU legislation.

“Daily Delivery Settlement Price” has the meaning attributed to it in term 8.

“Daily Reference Value” means the value by reference to which the Daily Delivery Settlement Price is established.

“EDSP” means the Exchange Delivery Settlement Price and has the meaning attributed to it in term 10.

“EDSP Intra-day Auction” means the auction for securities in the FTSE 100 Index operated by the London Stock Exchange from which the Expiry Value will be calculated.

“EMU legislation” means legislative measures of the European Council for the introduction of, changeover to or operation of, a single or unified European currency (whether known as the euro or otherwise) being in part implementation of the third stage of Economic and Monetary Union in the European Union.

“€” denotes the single currency of the European Union introduced in a Member State as the lawful currency of that Member State pursuant to its participation in Economic and Monetary Union in the European Union pursuant to EMU legislation known, at the date of the issue of these terms, as “the euro”.

“Exercise Notice” means a notice in the form prescribed by the Clearing House from time to time notifying the Clearing House that a Buyer of an option thereby wishes to exercise one or more options the option against the Clearing House.

“exercise price” in respect of a Contract means the price agreed as such by the parties to the Contract (being a price permitted by the Exchange to be an exercise price in respect of which a Contract can be made).

“Expiry Day” in respect of a Contract means, subject to term 12.01, the day agreed as such by the parties to the Contract (being a business day falling within a period from time to time prescribed by the Board), except that if at any time the day agreed upon is not a business day, the Expiry Day shall be the business day immediately preceding such day.

“expiry month” in respect of Exchange Contract No. 129E or No. 351 means a month specified as such by the Board for which a contract in the terms of Exchange Contract No. 129E or No. 351, as the case may be, may be made.

“Expiry Reference Value” means the value by reference to which the Exchange Delivery Settlement Price is established.

“Expiry Value” means, in respect of an Expiry Day on which an EDSP Intra-day Auction is operated, the value of the FTSE 100 Index as calculated by FTSE International with reference to the outcome of the EDSP Intra-day Auction.

“Exchange Contract No. 129E” means the Exchange's Option Contract on the FTSE 100 Index (European-Style Exercise), as amended from time to time.

“Exchange Contract No. 351” means the Exchange's Contract in respect of Option Contracts on Equity Indices (European-Style Exercise), as amended from time to time.

“FTSE International” means FTSE International Limited.

“Ground Rules” means, in the case of an Index compiled by Euronext Indices B.V., the Index “Ground Rules of the Series” or its successor and in the case of an Index compiled by FTSE International, the “Ground Rules for the Management of the Series” or its successor.

“Last Trading Day” in respect of Exchange Contract No. 129E or No. 351, as the case may be, shall have the meaning ascribed to it in such Exchange Contract.

“Index” means an index of stock prices, calculated by the Index Provider from time to time, specified by the Board in Table 1.

“Index Provider” means Euronext Indices B.V or FTSE International as applicable.

“market day” means a day on which the market, the Clearing House and banks in London are open for business.

“Member State” means a member of the European Community.

“£” denotes the lawful currency of the United Kingdom, known, at the date of the issue of these contract terms, as “Sterling”.

“Premium” in respect of an option means the amount determined in accordance with term 4.01 to be payable by the Buyer to the Seller as the consideration for the purchase of the option.

“put option” means an option specified as such in the Contract.

“Regulations” means the General Regulations and Default Rules from time to time in force of the Clearing House.

“relevant stock exchanges” means, in respect of an Index, the stock exchanges from which the Index Provider obtains prices of the relevant constituent stocks of the Index for the purpose of calculating the Index figure in respect of that Index, and a “relevant stock exchange” is any one of these.

“Seller” in respect of a Contract means the person who sells the option or options the subject of such Contract (including, except where the context otherwise requires, the Clearing House as seller under a registered Contract).

“Settlement Amount” has the meaning given to it in term 13.01.

“Settlement Day” in respect of an option means the day specified as such in Table 1.

“Table 1” means the Contract Details specified by the Board for Equity Index Option Contracts.

“weighting” means the factor which, when multiplied by the price of a constituent stock expressed in Sterling, determines the contribution to the Index figure made by that constituent stock.

- 1.03 In these terms references to “lawful currency” shall be construed to include units of value of the euro which may be used validly to discharge payment obligations pursuant to the law of a jurisdiction which has introduced the euro as its lawful currency pursuant to EMU legislation and notwithstanding that such units of value of the euro may not at all material times following the Conversion Date constitute legal tender in such jurisdiction.
- 1.04 Reference to a “term” refers to a term hereof and reference to a “Rule” and the “Articles” refer to the Exchange’s Rules and Articles respectively. Save where the context otherwise requires references herein to the singular include the plural, and vice versa.
- 1.05 References to a person in these terms shall be construed to include references to its successors and its permitted assigns unless the Board otherwise notifies by Notice.

2. Contract Specification

- 2.01 These terms shall apply to all Contracts.
- 2.02 Each Contract shall be for one or more put options or one or more call options based on a particular Index for the Expiry Day and at the exercise price agreed. An exercise price shall be expressed in Index points. An exercise price shall be agreed in Index points or shall be determined by agreeing a value expressed as a percentage of an Index figure and, forthwith on the making of the Contract,

converting such value into Index points in accordance with procedures from time to time established by the Exchange.

2.03 A contract may not be made in these terms if, at such time, such contract is capable of being made in the terms of Exchange Contract No. 129E or No. 351.

2.04 A Contract for a put option based on a particular Index shall be replaced by novation by a contract for a put option based on the same Index, and a Contract for a call option based on such Index shall be replaced by novation by a contract for a call option based on that Index, in the terms of Exchange Contract No. 129E or No. 351, as the case may be, between the same parties for the same exercise price and for the expiry month in which the Expiry Day of such Contract falls if:

(a) at any time after the making of such Contract, the Expiry Day for such Contract is the Last Trading Day of an expiry month in respect of which a contract in the terms of Exchange Contract No. 129E or No. 351 based on such Index can be made;

(b) the exercise price of such Contract is a price which, in respect of such expiry month, is authorised by the Exchange as an exercise price in respect of which a contract in the terms of Exchange Contract No. 129E or No. 351 for such expiry month based on such Index can be made; and

(c) the Contract is a European-style exercise contract.

Such novation shall take place at the time when Exchange Contract No. 129E or No. 351 for such exercise price and expiry month in respect of the call or put option, as the case may be, based on such Index is first available for trading on the market. Without prejudice to the obligation of the Buyer to pay the Premium when due under a Contract, which shall remain in full force notwithstanding that the Contract is replaced by novation under this term 2.04 prior to the payment thereof, no premium shall be payable under a contract in the terms of Exchange Contract No. 129E or No. 351 which has replaced a Contract by novation.

2.05 If Exchange Contract No. 129E or No. 351 is amended from time to time, a contract in the terms of Exchange Contract No. 129E or No. 351 which replaces a Contract pursuant to term 2.04, shall be subject to the terms of Exchange Contract No. 129E or No. 351 as amended from time to time.

3. Price

3.01 Bids and offers shall be quoted in Index points or as a percentage of an Index figure. A price shall be expressed in Index points. A price shall be agreed in Index points or shall be determined by agreeing a value expressed as a percentage of an Index figure and, forthwith on the making of the Contract, converting such value into Index points in accordance with procedures from

time to time established by the Exchange. Except as specified in the Administrative Procedures in the case of cabinet transactions, a price shall be a whole number multiple of the minimum price fluctuation as provided in Table 1.

3.02 One Index point shall be 1.0 and shall have the value per option as provided in Table 1.

4. Premium

4.01 The Premium payable in respect of an option shall be the product of the price of the option in Index points and the value of one Index point as specified in term 3.02 and Table 1.

4.02 The Buyer shall pay the Premium to the Clearing House on the day and by the time specified for this purpose in the Administrative Procedures and the Clearing House shall pay the Premium to the Seller on the same day.

5. Exercise of an Option by a Buyer against the Clearing House and Confirmation of Exercise

5.01 In respect of Option Contracts on Equity Indices (American-Style Exercise), a Buyer may exercise an option against the Clearing House on any business day up to and including the Expiry Day of the Contract and shall do so by giving to the Clearing House an Exercise Notice in respect of such option by the time specified in the Administrative Procedures and in a manner from time to time prescribed by the Clearing House.

5.02 In respect of Option Contracts on Equity Indices (European-Style Exercise), a Buyer may exercise an option against the Clearing House only on the Expiry Day of the Contract and shall do so by giving to the Clearing House an Exercise Notice in respect of such option by the time specified in the Administrative Procedures and in a manner from time to time prescribed by the Clearing House.

5.03 The Clearing House shall give to the Buyer a notice in a form from time to time prescribed by the Clearing House, on the day and by the time specified for that purpose in the Administrative Procedures, confirming which options specified in an Exercise Notice have been validly exercised by the Buyer in accordance with these terms.

6. Exercise by the Clearing House against a Seller and Confirmation of Exercise

6.01 Subject to term 6.02, on the day on which an option is validly exercised by a Buyer in accordance with term 5.01 or 5.02, the Clearing House shall select a Seller of an option of the same type and at the same exercise price and for the same Expiry Day by such method of selection as may be specified in the

Administrative Procedures and shall exercise that option in a form and manner from time to time prescribed by the Clearing House.

- 6.02 If the Clearing House is unable to exercise an option against a Seller in accordance with term 6.01 on the day referred to in such term, the Clearing House shall do so as soon as possible thereafter and such option shall be deemed to have been exercised on the day referred to in term 6.01 which, for the purpose of these terms, shall be the day of exercise of such option.
- 6.03 In respect of each option exercised by the Clearing House against a Seller under term 6.01 or term 6.02, the Clearing House shall give to the Seller a Clearing House Notice of Exercise by the time specified for that purpose in the Administrative Procedures on the market day following the day of exercise of the option and in a manner from time to time prescribed by the Clearing House.

7. Expiry

- 7.01 An option in respect of an Expiry Day which has not been exercised in accordance with term 5 or 6, as applicable, shall expire on the day and at the time specified for that purpose in the Administrative Procedures.

8. Daily Delivery Settlement Price in respect of Option Contracts on Equity Indices (American-Style Exercise)

- 8.01 Subject to term 8.03, a Daily Delivery Settlement Price will be determined by exchange officials on each business day and shall be calculated by reference to the Daily Reference Value specified in Table 1.
- 8.02 The Daily Delivery Settlement Price shall be calculated by exchange officials as the Daily Reference Value, rounded to the nearest minimum price fluctuation or, where the Daily Reference Price is an exact uneven multiple of one half of the minimum price fluctuation, to the nearest higher minimum price fluctuation.
- 8.03 Any determination by the Exchange that no Daily Delivery Settlement Price shall be established on a particular market day shall be final and binding for all purposes. Any such determination shall be the subject of a notice posted in the market. Exercise Notices submitted on such market day shall not be valid.
- 8.04 The Board may from time to time amend the method for and timing of the calculation of the Daily Delivery Settlement Price for any reason determined by the Board and any such changes shall have such effect with regard to existing and/or new Contracts as the Board may determine.
- 8.05 The Exchange shall publish the Daily Delivery Settlement Price at or by such times as may be specified in the Administrative Procedures. The Daily Delivery Settlement Price shall be final and binding for all purposes.

9. Expiry Day

9.01 On the Expiry Day:

- (a) trading in Contracts for the relevant Expiry Day shall cease at such time as may be specified in the Administrative Procedures; and
- (b) the Exchange will determine the EDSP in accordance with term 10.

10. Exchange Delivery Settlement Price (“EDSP”)

10.01 Subject as provided in term 11, the EDSP for Contracts for a particular Expiry Day shall be the Expiry Reference Value specified in Table 1, rounded to the nearest minimum price fluctuation or, where the Expiry Reference Value is an exact uneven multiple of one half of the minimum price fluctuation, to the nearest higher minimum price fluctuation.

10.02 The Exchange shall publish a provisional EDSP and the final EDSP at or by such times as may be specified in the Administrative Procedures. The final EDSP shall be final and binding for all purposes.

10.03 The Board may from time to time amend the method for and timing of the calculation of the EDSP for any reason determined by the Board and any such changes shall have such effect with regard to existing and/or new Contracts as the Board may determine.

11. Errors in Index

11.01 If, not later than the time on the Expiry Day specified for that purpose in the Administrative Procedures, any member of the Exchange notifies exchange officials of, or there otherwise comes to the attention of exchange officials, an alleged or apparent error in the Index which is the subject of the Contract due to any alleged or apparent error in the weighting of the price for any constituent stock of the Index first made since the publication of the last closing Index figure calculated by the Index Provider prior to the Expiry Day, then exchange officials shall promptly investigate such alleged or apparent error. If in their opinion an error has been made, the Exchange shall as soon as reasonably practicable publish a correction to the Index and the EDSP shall be calculated using the Expiry Reference Value as so corrected. Save as allowed by term 11.02, no correction to the Index or Expiry Reference Value shall be made in respect of any error notified to exchange officials or coming to their attention after the time so specified in the Administrative Procedures.

11.02 If, in respect of an Index, not later than thirty minutes after the provisional EDSP for a particular Expiry Day is first published, any member of the Exchange notifies exchange officials of, or there otherwise comes to the

attention of exchange officials, an alleged or apparent error in the Expiry Reference Value due to any cause whatsoever other than an error in the weighting of the price for any constituent stock of the Index, then exchange officials shall investigate such alleged or apparent error. If in their opinion an error has been made, they shall correct the Expiry Reference Value and determine the EDSP in accordance therewith. No correction of the Expiry Reference Value or re-calculation of the EDSP shall be made in respect of any error notified to exchange officials or coming to their attention after the expiry of such thirty minute period.

- 11.03 No correction to an Index, Expiry Reference Value or re-calculation of the EDSP shall be made other than as may be allowed for in term 11.01 and term 11.02.
- 11.04 Neither the Exchange nor exchange officials shall have any liability whatsoever in respect of any decision as to whether or not to correct Index figures or the Expiry Reference Value, or as to the amount of any correction, or as to whether or not to re-calculate the EDSP.

12. Emergency Provisions

- 12.01 If, at any time after the close of trading two business days prior to the day which would have been the Expiry Day in respect of a Contract, it becomes known to the Exchange that the day which would have been the Expiry Day no longer satisfies the criteria as a business day, then the business day next following such day shall become the Expiry Day in respect of that Contract and the Exchange shall post a notice in the market to that effect.
- 12.02 If, after the commencement of trading on the Expiry Day, closure of the market or one or more relevant stock exchanges means that such day no longer satisfies the criteria of a business day or the Index Provider for any reason does not calculate or does not publish or ceases to publish the Index, with the effect that trading in Contracts for that Expiry Day is, in the opinion of exchange officials, substantially prevented or hindered or that there is no Expiry Reference Value from which to calculate the EDSP in accordance with term 10.01, then either:
- (a) cessation of trading in Contracts for the current Expiry Day shall be postponed until such later time on that day as exchange officials may in their absolute discretion specify by notice posted in the market, in which case the EDSP shall be determined in accordance with term 10.01 or such method determined by the Board. The provisional and final EDSPs shall be published at such times as exchange officials shall in their discretion determine, always allowing for the thirty minute period referred to in the Administrative Procedures; or
 - (b) if, in the opinion of exchange officials, the course described in paragraph (a) would be impossible, impracticable or for any reason undesirable, they may by notice posted in the market declare that day

not to be the Expiry Day and the next following business day, or any later business day chosen by them in their absolute discretion, to be the Expiry Day-in its place.

13. Settlement Amount and Payment

13.01 The Settlement Amount in respect of an option exercised under term 5 or term 6, as applicable, shall be:

- (a) in the case of a call option, the amount by which the EDSP (if exercised on the Expiry Day) or the Daily Delivery Settlement Price (if exercised on any other day) exceeds the exercise price, or
- (b) in the case of a put option, the amount by which the exercise price exceeds the EDSP (if exercised on the Expiry Day) or the Daily Delivery Settlement Price (if exercised on any other day),

multiplied in each case by the value per option of one Index point as specified in Table 1.

13.02 The Settlement Amount shall be paid by the Seller to the Clearing House by the time on the Settlement Day specified for this purpose in the Administrative Procedures and the Clearing House shall pay the Settlement Amount to the Buyer on the same day.

14. Default in Performance

14.01 A Buyer or a Seller other than the Clearing House shall be in default where:

- (a) he fails to fulfil his obligations under a Contract by the time and in the manner prescribed in and in accordance with these terms, the Rules and the Administrative Procedures and the Regulations; or
- (b) he fails to pay any sum due to the Clearing House in respect of a registered Contract by the time specified in these terms or in the Administrative Procedures or under the Regulations; or
- (c) in the reasonable opinion of the Clearing House he is in default.

14.02 Subject to the default rules of the Clearing House, in the event of default by a Buyer or a Seller in respect of a registered Contract, the Board shall, at the request of the Clearing House, forthwith fix a price for invoicing back and each option at issue shall be invoiced back at that price. Such price may at the Board's absolute discretion take account of any compensation the Board may consider should be paid by either party to the other.

15. Force Majeure

15.01 Subject to any steps taken at any time by the Board under emergency powers in the Rules:

- (a) a Seller or a Buyer shall be liable to perform his obligations in respect of an option comprised in a Contract by the due time therefor, notwithstanding that he may be or is likely to be prevented from so doing by any event beyond his reasonable control including, without limitation, any act of God, strike, lockout, war, armed conflict, use of force by authority of the United Nations, fire, riot or civil commotion, combination of workmen, act of terrorism, breakdown of machinery, unavailability or restriction of computer or data processing facilities or energy supplies or bank transfer systems; and
- (b) in the event of a Buyer being prevented from exercising an option on its Expiry Day-by the time specified in the Administrative Procedures by any event beyond his reasonable control including, without limitation, any of the events specified in term 15.01(a):
 - (i) the Buyer may give written notice to the Board specifying the Contract or, if more than one, the Contracts in respect of which the Buyer was prevented from exercising an option, the steps taken by the Buyer to exercise the option and the events which prevented him from so doing. Any such notice shall be given to the Board as soon as is practicable after the expiry of an option specified in the notice; and
 - (ii) if the Board is satisfied that the Buyer took all possible steps in the circumstances prevailing to exercise an option, the Board shall request the Clearing House to notify it of details of one or more Contracts between a Seller and the Clearing House which are on the same terms (except as to the parties or the option price) as, and have been matched by the Clearing House with, the Contract or Contracts specified in the Buyer's notice and shall fix a price for invoicing back. Each Contract the subject of the Buyer's notice and each Contract between the Clearing House and a Seller notified to the Board hereunder shall be invoiced back at such price. Such price may at the Board's absolute discretion take into account the Board's assessment of the intrinsic value of the options at the expiry thereof.

16. Articles, Rules, Regulations, etc

- 16.01 Every Contract shall be subject to the Articles and the Rules and the Regulations in so far as applicable notwithstanding that either or both of the parties to it may not be members of the Exchange or of the Clearing House.
- 16.02 In case of any conflict between the Administrative Procedures and these terms or the Rules, the provisions of these terms and the Rules shall prevail and, in the event of any conflict between these terms and the Rules, the Rules shall prevail.
17. Arbitration
- 17.01 Subject to term 17.02, and to the Rules, any dispute arising from or in relation to a Contract shall be referred to arbitration under the Rules relating to arbitration and arbitration shall be held in accordance with the Rules in force at the time of such reference.
- 17.02 No dispute arising from or in relation to any invoicing back price fixed by the Board under these terms shall be referred to arbitration under the Rules.
18. Governing Law
- 18.01 Every Contract shall be governed by and construed in accordance with English law.
19. Non-registered Contracts
- 19.01 In respect of a Contract which is not a registered Contract (“non-registered Contract”) these terms shall be modified by the parties thereto so as to require and allow that a Contract to be registered by the Clearing House under the Rules and Regulations is capable of being so registered and to facilitate the performance of obligations or the exercise of rights under such registered Contract in accordance with these terms. Modifications may also be made to the terms of a non-registered Contract to permit performance of obligations or the exercise of rights under such non-registered Contract or any other non-registered Contract if, without such modifications, it may not be possible to perform such obligations or to exercise such rights by the applicable times specified in the Administrative Procedures. In particular, but without prejudice to the generality of the foregoing, all references in these terms to payment or dealing between the Buyer or the Seller and the Clearing House shall be modified so as to require a similar payment or dealing directly between the Buyer and the Seller party to such non-registered Contract.
20. Economic and Monetary Union
- 20.01 The Board in its absolute discretion may from time to time vary, substitute or remove any of, or add to, the terms of this Exchange Contract in order to

reflect changes to the Index made pursuant to the euro being or becoming the lawful currency of a Member State participating in Economic and Monetary Union.

- 20.02 Any variation, substitution or removal of, or addition to, the terms of this Exchange Contract made pursuant to term 20.01 shall have such effect with regard to existing and/or new Contracts as the Board may determine.
- 20.03 Any determination by the Board to vary, substitute or remove any of, or add to, the terms of this Exchange Contract pursuant to term 20.01 and 20.02 shall be the subject of a Notice.

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Issue Date: 17 October 2005

(B) CONTRACT DETAILS SPECIFIED BY THE BOARD FOR EQUITY INDEX OPTION CONTRACTS (“TABLE 1”)

Index	FTSE 100	FTSEurofirst 80	FTSEurofirst 100	AEX	BEL 20	CAC 40
Known as Exchange Contract No.	129F	160F	161F	162F	163F	164F
Currency specified by the Board	Sterling £	euro €	euro €	euro €	euro €	euro €
Contract size	Valued at £10 per Index point	Valued at €10 per Index point	Valued at €10 per Index point	Valued at €100 per Index point	Valued at €2 per Index point	Valued at €10 per Index point
Settlement Day	First market day after day of exercise	First market day after day of exercise	First market day after day of exercise	First market day after day of exercise	First market day after day of exercise	First market day after day of exercise
Quotation	Index points (e.g. 1000.0)	Index points (e.g. 1000.0)	Index points (e.g. 1000.0)	Index points (e.g. 1000.00)	Index points (e.g. 1000.00)	Index points (e.g. 1000.00)
Minimum price fluctuation (Value)	0.5 (£5)	0.1 (€1)	0.1 (€1)	0.01 (€1)	0.01 (€0.02)	0.01 (€0.1)
Daily Reference Value	Closing Index Value	Closing Index Value	Closing Index Value	Closing Index Value	Closing Index Value	Closing Index Value
Expiry Reference Value	For expiries on the third Friday of each month the Expiry Reference Value shall be the Expiry Value calculated on such Expiry Day. For expiries on all other days, the Expiry Reference Value shall be the Closing Index Value on the Expiry Day.	For expiries on the third Friday of each month the Expiry Reference Value shall be the average of 41 Index figures taken on the Expiry Day, the last of such figures being a calculation made at 10.00 hours and the first being a calculation made not earlier than 09.50 hours. For expiries on all other days, the Expiry Reference Value shall be the Closing Index Value on the Expiry Day.	For expiries on the third Friday of each month the Expiry Reference Value shall be the average of 41 Index figures taken on the Expiry Day, the last of such figures being a calculation made at 10.00 hours and the first being a calculation made not earlier than 09.50 hours. For expiries on all other days, the Expiry Reference Value shall be the Closing Index Value on the Expiry Day.	For expiries on the third Friday of each month the Expiry Reference Value shall be the average of 31 Index figures taken at one minute intervals on the Expiry Day, the last of such figures being the calculation made at 15.00 hours and the first being a calculation made not earlier than 14.30 hours. For expiries on all other days, the Expiry Reference Value shall be the Closing Index Value on the Expiry Day.	For expiries on the third Friday of each month the Expiry Reference Value shall be the average of 81 Index figures taken on the Expiry Day, the last of such figures being a calculation made at 15:00 hours and the first being a calculation made not earlier than 14:40 hours. For expiries on all other days, the Expiry Reference Value shall be the Closing Index Value on the Expiry Day.	For expiries on the third Friday of each month the Expiry Reference Value shall be the average of 41 Index figures taken on the Expiry Day, the last of such figures being a calculation made at 15.00.30 hours and the first being a calculation made not earlier than 14.40.30 hours. For expiries on all other days, the Expiry Reference Value shall be the Closing Index Value on the Expiry Day.
Cabinet Transaction Price	£1	€0.50	€0.50	€0.1	€0.01	€0.01

Issue Date: 17 October 2005

(C) ADMINISTRATIVE PROCEDURES FOR EQUITY INDEX OPTION
CONTRACTS

Price	Except in the case of cabinet transactions, the minimum price fluctuation shall be such amount as specified in Table 1.
Cabinet transactions	A Contract may be made at a cabinet transaction price as specified in Table 1 if entered into by one or both parties for the sole purpose of closing out an existing open position.

On the market day following the day Option Contracts are registered with the Clearing House, being a day on which banks in London are open for business

By 10.00 hours	Buyers will pay to the Clearing House Premiums due in respect of options to which they are party. The Clearing House will pay Premiums due to Sellers in respect of options to which it is party as Buyer.
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Daily Delivery Settlement Price (American-Style Exercise)

As soon as reasonably practicable after the close of trading on the relevant stock exchange(s).	The Exchange will publish the Daily Delivery Settlement Price.
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Exercise on any business day prior to the Expiry Day with respect to Option Contracts on Equity Indices (American-Style Exercise) except as specified in a notice posted in the market under term 8.03

By 17.05 hours	On any business day prior to the Expiry Day, except any day specified in a notice posted in the market under term 8.03, a Buyer may give to the Clearing House an Exercise Notice in respect of an option in accordance with term 5. Exercise Notices received after such time will be rejected. The Clearing House shall select a Seller against whom to exercise options in accordance with term 6 and shall do so on a random basis and against Sellers' gross sold positions as at the close of business on the market on the day on which one or more Buyers have exercised options in accordance with term 5 against the Clearing House.
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Expiry Day on the third Friday of a month in respect of the AEX Index, BEL 20 Index and CAC 40 Index

13.45 hours	<p>The last time for notification to exchange officials under term 11.01 of any error or alleged error in the Index due to any error or alleged error in the weighting of the price for any constituent stock of the Index. No correction to the Index shall be made in respect of any such error which is first notified to exchange officials or which first comes to their attention after this time.</p> <p>The Exchange shall publish any correction to the Index under term 11.01 as soon as reasonably practicable.</p>
15.00 hours	<p>Trading in Contracts for the relevant Expiry Day shall cease.</p>
as soon as reasonably practicable after cessation of trading but not later than 18.00 hours	<p>The Exchange will publish a provisional EDSP.</p> <p><u>The Exchange will, together with the provisional EDSP, publish the Index figures referred to in Table 1.</u></p>
30 minutes after the publication of the provisional EDSP	<p>The last time for notification to exchange officials of an error or alleged error in the Index of a kind falling to be dealt with under term 11.02.</p> <p>In any investigation into an alleged or apparent error in the Index in accordance with term 11.02, exchange officials shall have regard, in reaching an opinion as to whether an error has been made, to the Ground Rules in force at the time.</p>
as soon as reasonably practicable after the expiry of the 30 minute period referred to above	<p>The Exchange will publish the final EDSP.</p>
By 18.00 hours	<p>A Buyer may give to the Clearing House an Exercise Notice for any option in respect of the current Expiry Day, being an option comprised in a registered Contract or a Contract submitted to the Clearing House for registration.</p> <p>Exercise Notices received after such time will be rejected.</p>

The Clearing House shall select a Seller against whom to exercise options in accordance with term 6 and shall do so on a random basis and against Sellers' gross sold positions as at the close of business on the market on the day on which one or more Buyers have exercised options in accordance with term 5 against the Clearing House.

At 18.00 hours

Any option in respect of the current Expiry Day to which a Buyer other than the Clearing House is party and which has not been exercised shall expire.

Expiry Day on the third Friday of a month in respect of the FTSE 100 Index, on which an EDSP Intra-day Auction is operated

09.15 hours

The last time for notification to exchange officials under term 11.01 of any error or alleged error in the Index due to any error or alleged error in the weighting of the price for any constituent stock of the Index. No correction to the Index shall be made in respect of any such error which is first notified to exchange officials or which comes to their attention after this time.

The Exchange shall publish any correction to the Index under term 11.01 as soon as reasonably practicable.

As soon as reasonably practicable after exchange officials have concluded that the Expiry Value has been determined

Trading in Contracts for the relevant Expiry Day shall cease.

As soon as reasonably practicable after cessation of the EDSP Intra-day Auction but no later than 15.00 hours

The Exchange will publish a provisional EDSP.

30 minutes after the publication of the provisional EDSP

The last time for notification to exchange officials of an error or alleged error in the Index of a kind falling to be dealt with under term 11.02.

In any investigation into an alleged or apparent error in the Index in accordance with term 11.02, exchange officials shall have regard, in reaching an opinion as to whether an error has been made, to the Ground Rules for the Management of the UK Series compiled by the FTSE Actuaries Share Indices Steering Committee in force at that time.

As soon as reasonably practicable after the expiry of the 30 minute period referred to above

The Exchange will publish the final EDSP.

By 18.00 hours

A Buyer may give to the Clearing House an Exercise Notice for any option in respect of the current Expiry Day, being an option comprised in a registered Contract or a Contract submitted to the Clearing House for registration.

Exercise Notices received after such time will be rejected.

The Clearing House shall select a Seller against whom to exercise options in accordance with term 6 and shall do so on a random basis and against Sellers' gross sold positions as at the close of business on the market on the day on which one or more Buyers have exercised options in accordance with term 5 against the Clearing House.

At 18.00 hours

Any option in respect of the current Expiry Day to which a Buyer other than the Clearing House is party and which has not been exercised shall expire.

Expiry Day on the third Friday of a month in respect of the FTSEurofirst 80 Index and FTSEurofirst 100 Index

08.45 hours	<p>The last time for notification to exchange officials under term 11.01 of any error or alleged error in the Index due to any error or alleged error in the weighting of the price for any constituent stock of the Index. No correction to the Index shall be made in respect of any such error which is first notified to exchange officials or which first comes to their attention after this time.</p> <p>The Exchange shall publish any correction to the Index under term 11.01 as soon as reasonably practicable.</p>
10.00 hours	<p>Trading in Contracts for the relevant Expiry Day shall cease.</p>
As soon as reasonably practicable after cessation of trading but no later than 13.00 hours	<p>The Exchange will publish a provisional EDSP.</p> <p>The Exchange will, together with the provisional EDSP, publish the Index figures referred to in Table 1.</p>
30 minutes after the publication of the provisional EDSP	<p>The last time for notification to exchange officials of an error or alleged error in the Index of a kind falling to be dealt with under term 11.02.</p> <p>In any investigation into an alleged or apparent error in the Index in accordance with term 11.02, exchange officials shall have regard, in reaching an opinion as to whether an error has been made, to the Ground Rules in force at that time.</p>
As soon as reasonably practicable after the expiry of the 30 minute period referred to above	<p>The Exchange will publish the final EDSP.</p>
By 18.00 hours	<p>A Buyer may give to the Clearing House an Exercise Notice for any option in respect of the current Expiry Day, being an option comprised in a registered Contract or a Contract submitted to the Clearing House for registration.</p> <p>Exercise Notices received after such time will be rejected.</p>

The Clearing House shall select a Seller against whom to exercise options in accordance with term 6 and shall do so on a random basis and against Sellers' gross sold positions as at the close of business on the market on the day on which one or more Buyers have exercised options in accordance with term 5 against the Clearing House.

At 18.00 hours

Any option in respect of the current Expiry Day to which a Buyer other than the Clearing House is party and which has not been exercised shall expire.

Expiry Day on days other than the third Friday of a month in respect of all Index Options

15.15 hours

The last time for notification to exchange officials under term 11.01 of any error or alleged error in the Index due to any error or alleged error in the weighting of the price for any constituent stock of the Index. No correction to the Index shall be made in respect of any such error which is first notified to exchange officials or which comes to their attention after this time.

The Exchange shall publish any correction to the Index under term 11.01 as soon as reasonably practicable.

16:25 hours (AEX Index Options)

Trading in Contracts for the relevant Expiry Day shall cease.

16.30 hours (all other Index Options)

Trading in Contracts for the relevant Expiry Day shall cease.

As soon as reasonably practicable after cessation of trading

The Exchange will publish a provisional EDSP.

30 minutes after the publication of the provisional EDSP

The last time for notification to exchange officials of an error or alleged error in the Index of a kind falling to be dealt with under term 11.02.

In any investigation into an alleged or apparent error in the Index in accordance with term 11.02, exchange officials shall have regard, in reaching an opinion as to whether an error has been made, to the Ground Rules for the Management of the UK Series compiled by the FTSE Actuaries Share Indices Steering Committee in force at that time.

As soon as reasonably practicable after the expiry of the 30 minute period referred to above

The Exchange will publish the final EDSP.

By 18.00 hours

A Buyer may give to the Clearing House an Exercise Notice for any option in respect of the current Expiry Day, being an option comprised in a registered Contract or a Contract submitted to the Clearing House for registration.

Exercise Notices received after such time will be rejected.

The Clearing House shall select a Seller against whom to exercise options in accordance with term 6 and shall do so on a random basis and against Sellers' gross sold positions as at the close of business on the market on the day on which one or more Buyers have exercised options in accordance with term 5 against the Clearing House.

At 18.00 hours

Any option in respect of the current Expiry Day to which a Buyer other than the Clearing House is party and which has not been exercised shall expire.

The market day following the day of exercise of an option

By 07.00 hours

In respect of an option exercised by the Clearing House against a Seller under term 6.01, the Clearing House shall give a Clearing House Notice of Exercise to the Seller in a manner from time to time prescribed by the Clearing House and will inform the Seller of the Settlement Amount due in respect of the option.

By 07.00 hours

The Clearing House shall have given notices to Buyers

in accordance with term 5.03 confirming which options have been validly exercised by such Buyers.

The market day following the Expiry Day

At 07.00 hours Any option to which the Clearing House is party as Buyer and which has not been exercised shall expire.

Settlement Day

By 10.00 hours Sellers will pay to the Clearing House Settlement Amounts due in respect of options to which they are party.

The Clearing House will pay Settlement Amounts due to Buyers in respect of options to which it is party as Seller.

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Issue Date: 17 October 2005

EXCHANGE CONTRACT NO. 211

EQUITY SHARES CONTRACT

CONTRACT TERMS - Issue Date: 17 October 2005¹

ADMINISTRATIVE PROCEDURES - Issue Date: 17 October 2005¹

Effective Date: 24 October 2005

¹Please refer to London Notice No. 2695 issued on 17 October 2005.

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On the market day following the day Contracts are registered with the Clearing House, being a day on which banks in London are open for business

In respect of Contracts to be settled by the transfer of shares through the Relevant Settlement System, on the Relevant Settlement System business day following the making of a Contract

In respect of Contracts to be settled by the transfer of shares through the Relevant Settlement System, on the Settlement Day

EQUITY SHARES CONTRACT

THE LONDON INTERNATIONAL FINANCIAL FUTURES AND OPTIONS EXCHANGE

Terms of Exchange Contract No. 211

1. Interpretation

1.01 Save as otherwise specified herein, words and phrases defined in the Rules shall have the same meanings in these terms.

1.02 In these terms and the Administrative Procedures:

“Administrative Procedures” means all procedures from time to time implemented by the Board pursuant to the Rules for the purposes of this Exchange Contract.

“Assured Payment” means, in the case of shares transferred through the Relevant Settlement System, a system-generated payment instruction which is binding on:

- (a) the Clearing House’s settlement bank in favour of the Transferor’s settlement bank in the case of a transfer of shares from the Transferor to the Clearing House; and
- (b) the Transferee’s settlement bank in favour of the Clearing House’s settlement bank in the case of the transfer of shares from the Clearing House to the Transferee,

of an amount equal to the settlement amount for such shares.

“Buyer” in respect of a Contract means the person who is obliged under such Contract to take delivery of each lot the subject of such Contract (including, except where the context otherwise requires, the Clearing House as buyer under a registered Contract).

“CHF” denotes the lawful currency of Switzerland known, at the date of issue of these terms, as the “Swiss Franc”.

“company” means a body corporate whose share capital includes shares (as defined below).

“Conditional Contract” has the meaning attributed to it in term 2A.01.

“Contract” means a contract made expressly or impliedly in the terms of this Exchange Contract for the sale and purchase of one or more lots and
“registered Contract” means a Contract registered by the Clearing House.

“Conversion Date” means the date on which pursuant to Economic and Monetary Union in the European Union the conversion rate for Sterling against the euro is “irrevocably fixed”.

“Corporate Action” has the meaning attributed to it in term 11.01.

“CREST” means the computerised settlement system operated by CRESTCo.

“CREST business day” means a day when CREST is operational for business.

“CREST Member” means a member of CREST with a CREST Member Account in his name.

“CREST Member Account” means a member account (as defined in the CREST Rules) maintained by CREST for the transfer of securities.

“CREST Rules” means those parts of the rules, reference manual, procedures, practices and any other document from time to time in force of CRESTCo which apply to the settlement of transactions by participants in CREST.

“CRESTCo” means CRESTCo Limited.

“Cum Entitlement” in respect of a share, means with the right, before a date determined and published from time to time by the Relevant Stock Exchange, to any Relevant Entitlement relating thereto.

“Delivery Notice” means the notice to be given by the Clearing House to a Seller and to a Buyer under term 6.01.

“DKK” denotes the lawful currency of the Kingdom of Denmark known, at the date of issue of these terms, as the “Danish Kroner”.

“EC Treaty” means the treaty establishing the European Community.

“EMU legislation” means legislative measures of the European Council, and as appropriate a Member State, for the introduction of, changeover to or operation of the euro pursuant to implementation of Economic and Monetary Union including such legislative measures as are enacted in contemplation of such Member State introducing the euro as its lawful currency.

“euro”, “€” and “eurocents” denote the single currency of the European Union introduced in a Member State arising out of its participation in Economic and Monetary Union.

“Euroclear” means the computerised settlement system operated by Euroclear Bank SA/NV.

“Euroclear Member” means a member of Euroclear with a Euroclear settlement account in his name.

“Euroclear business day” means a day when Euroclear is open for business.

“Euroclear Member Account” means a member account (as defined in the Euroclear Rules) maintained by Euroclear for the transfer of securities.

“Euroclear Rules” means those parts of the rules, reference manual, procedures, practices and any other document from time to time in force of Euroclear SA/NV which apply to the settlement of transactions by participants in Euroclear.

“Ex Entitlement” in respect of a share, means without the right, on or after a date determined and published from time to time by the Relevant Stock Exchange, to any Relevant Entitlement relating thereto.

“List” means the List of company shares that may be the subject of a Stock Contingent Trade in respect of Exchange Contract No. 211.

“listed” means admitted to official listing by the relevant listing authority and admitted to trading by the Relevant Stock Exchange.

“lot” means 1 share (or such other number as may be specified in a Notice from time to time) of a company designated by the Exchange in the List in accordance with term 2.02.

“market day” means a day on which the market and the Clearing House are open for business.

“Member State” means a member of the European Union.

“NKK” denotes the lawful currency of the Kingdom of Norway known, at the date of issue of these terms, as the “Norwegian Krone”.

“Pounds”, “£”, “Pence” and “p” denote the lawful currency of the United Kingdom, known at the date of issue of these contract terms as “Sterling”.

“Price” has the meaning attributed to it in term 3.01.

“proprietary or equitable interest” means any proprietary or equitable interest or right whatsoever including, without limitation, any such interest or right arising under or by virtue of any disposition made or purporting to be made by way of security or by way of loan and any other lien, pledge, encumbrance or equity of any kind.

“Regulations” means the General Regulations and Default Rules from time to time in force of the Clearing House.

“Relevant Entitlement” means any one or more of a cash dividend, scrip dividend, bonus issue, scrip issue, rights issue, or any other right or entitlement, attaching or accruing to, or otherwise affecting, from time to time, a share or ownership of a share.

“Relevant Delivery Procedures” means one or more documents issued by the Clearing House from time to time relating to the settlement of shares under a Contract through the Relevant Settlement System.

“Relevant Settlement System” means CREST or Euroclear as the context may require, or such other settlement system as specified from time to time by the Exchange by means of one or more Notices in respect of shares, through which such shares are to be transferred under a Contract.

“Relevant Settlement System Member Account” means:

- (a) in the case of CREST, a member account (as defined in the CREST Rules) maintained by CREST for the transfer of securities; and
- (b) in the case of Euroclear, a settlement account (as defined in the Euroclear Rules) maintained by Euroclear for the transfer of securities.

“Relevant Settlement System business day” means a day when the Relevant Settlement System is open for business.

“Relevant Settlement System Rules” means those parts of the rules, reference manual, procedures, practices and any other document from time to time in force of the Relevant Settlement System which apply to the settlement of transactions by participants in the Relevant Settlement System.

“Relevant Stock Exchange” means the stock exchange specified in the List in relation to each share which may be the subject of a lot.

“SEK” denotes the lawful currency of the Kingdom of Sweden known, at the date of issue of these terms, as the “Swedish Krona”.

“Seller” in respect of a Contract means the person who is required to make delivery in respect of each lot the subject of such Contract (including, except where the context otherwise requires, the Clearing House as seller under a registered Contract).

“Settlement Account” means, in the case of CREST, a CREST Member Account and, in the case of Euroclear, a Euroclear Member Account.

“Settlement Agent” means:

- (a) in respect of the transfer of shares under a Contract through CREST, a CREST Member; and
- (b) in respect of the transfer of shares under a Contract through Euroclear, a Euroclear Member

“settlement amount” in respect of a Contract, means the product of the price and the number of shares comprised in the lot the subject of such Contract or, as the case may be, the product of the price and the number of shares delivered at any time under such Contract.

“Settlement Day” in respect of a Contract means the day specified as such in the List for the settlement of Contracts.

“shares” means securities forming part of the share capital of a company which are listed or are the subject of when issued dealing.

“Stock Contingent Trade” means a transaction designated as a Stock Contingent Trade by the Board consisting of:

- (i) a Contract; and
- (ii) a contract in the terms of the Option Contract on Equity Shares (Denominated in Sterling) (Exchange Contract No. 201) or the Option Contract on Equity Shares (American-Style and European-Style Exercise) (Physical Delivery and Cash Settled Contracts) (Exchange Contract No. 201F) from time to time in force,

made pursuant to the Rules and procedures made under the Rules.

“Stock Exchange Rules” means the rules, regulations, procedures and practices from time to time in force of the Relevant Stock Exchange.

“suspension of dealings” has the meaning attributed to it in term 12.02.

“Transferee” means a person appointed under term 9.01(a)(i) to take a transfer of shares in respect of a Contract.

“Transferor” means a person appointed under term 8.01(a)(i) to transfer shares in respect of a Contract.

“when issued dealing” means transactions in shares which are the subject of an application for listing, entered into before and conditional upon listing becoming effective.

1.03 Subject to term 20, in these terms references to “lawful currency” shall be construed to include units of value of the euro which may be used validly to discharge payment obligations pursuant to the laws of a Member State once such Member State has introduced the euro as its lawful currency pursuant to EMU legislation and notwithstanding that such units of value of the euro may not at all material times following the Conversion Date constitute legal tender in such Member State.

1.04 References to a “term” refer to a term hereof and references to a “Rule” refer to a rule of the Exchange’s Rules. Save where the context otherwise requires references herein to the singular include the plural, and vice versa.

1.05 References to a person in these terms shall be construed to include references to its successors and its permitted assigns unless the Board otherwise notifies by Notice.

2. Contract Specification

2.01 Contracts shall only be made on these terms in association with contracts in the terms of the Option Contract on Equity Shares (Denominated in Sterling) (Exchange Contract No. 201) or the Option Contract on Equity Shares (American-Style and European-Style Exercise) (Physical Delivery and Cash Settled Contracts) (Exchange Contract No. 201F) as part of Stock Contingent Trades pursuant to the Rules and procedures made under the Rules.

2.02 Each Contract shall be for one or more lots in respect of shares of a company which have been designated for this purpose by the Board. The Board shall publish a list of such shares and companies by means of a Notice. The Board may from time to time determine that additions to or removals from such list shall be made and any such additions thereto or removals therefrom shall be published by means of a Notice.

2.03 In respect of a Contract, the Seller is obliged to make delivery of each lot the subject of such Contract on the Settlement Day and the Buyer is obliged to take delivery thereof and to make payment of the settlement amount in accordance with term 10 and the Administrative Procedures, subject to these terms and the Administrative Procedures which shall apply thereto.

2A. When Issued Dealing

2A.01 Where the shares of a company are the subject of when issued dealing pursuant to Stock Exchange Rules, a Contract may be entered into in respect of such shares if such shares have been designated for this purpose by the Board pursuant to term 2.02. Such a Contract shall be a Conditional Contract until such time as the shares are listed.

2A.02 If the shares the subject of a Conditional Contract are not listed, such Contract shall be void.

2A.03 If the listing of shares the subject of a Conditional Contract is delayed for any reason, the first Relevant Settlement System business day on which such shares are listed following the day which would have been the Settlement Day had listing occurred on the anticipated day shall be the Settlement Day for such Contract.

3. Price

3.01 Bids and offers shall be quoted in the Relevant Currency and prices shall be a whole number multiple of the minimum price fluctuation as specified in the List or such other amount as may be notified by the Exchange from time to time by means of a Notice.

4. Entitlement

4.01 If shares the subject of a Contract are Cum Entitlement on the day that the Contract is made, the Buyer shall be entitled to receive, or to exercise, or to direct the exercise of, the Relevant Entitlement in respect of such shares which are to be delivered to him under the Contract.

5. Settlement Agent

5.01 Only a Settlement Agent with a Settlement Account at the Relevant Settlement System may be used for the purposes of making or taking delivery of shares under a Contract by transfer of shares through such Relevant Settlement System and making or receiving payment of the settlement amount under a Contract in accordance with these terms, unless these terms otherwise require or permit.

6. Clearing House Delivery Notice

6.01 On the market day immediately following the making of a Contract, and by the time specified for that purpose in the Administrative Procedures, the Clearing House shall give a Delivery Notice:

- (a) to the Buyer specifying the Contracts to which he is party with the Clearing House and details of the Contracts which shall be submitted in accordance with the Relevant Delivery Procedures by or on behalf of the Buyer and by the Clearing House to CRESTCo or Euroclear

as the case may be, in respect of Contracts which are due to be settled by the transfer of shares through the Relevant Settlement System; and

- (b) to the Seller specifying the Contracts to which he is party with the Clearing House and details of the Contracts which shall be submitted in accordance with the Relevant Delivery Procedures by or on behalf of the Seller and by the Clearing House to CRESTCo or Euroclear as the case may be, in respect of Contracts which are due to be settled by the transfer of shares through the Relevant Settlement System.

7. Submission of details to the Relevant Settlement System

7.01 In respect of Contracts to be settled by transfer of shares through the Relevant Settlement System, on the Relevant Settlement System business day following the day a Contract was made and by the time specified for that purpose in respect of the Relevant Settlement System in the Administrative Procedures, the details of the Contract notified to the Buyer and to the Seller pursuant to terms 6.01(a) and 6.01(b) respectively and such other details as may be required by the Relevant Delivery Procedures shall have been submitted, as required by such terms, to CRESTCo or Euroclear as the case may be, so as to enable the Relevant Settlement System:

- (a) in the case of the Buyer, to match the details of the Contract submitted to it by or on behalf of the Buyer with the details of the Contract submitted to it by the Clearing House; and
- (b) in the case of the Seller, to match the details of the Contract submitted to it by or on behalf of the Seller with the details of the Contract submitted to it by the Clearing House,

in order that settlement of Contracts is effected through the Relevant Settlement System on the Settlement Day.

8. Seller's Delivery Details

- 8.01 (a) Where the Relevant Delivery Procedures so require, a clearing member shall give to the Clearing House, in accordance with such Relevant Delivery Procedures, details of:
 - (i) the names of persons conforming with the Relevant Delivery Procedures and paragraph (b) of this term (who may include the clearing member himself) who are appointed by the clearing member to transfer shares to the Clearing House in accordance with these terms in respect of Contracts which may be entered into by such clearing member as Seller; and

- (ii) the names of the Settlement Agents (who may include the Transferor himself) who will be used by each such person to transfer such shares and to receive payment of the settlement amount for such shares and details of their Settlement Accounts,

together with the acknowledgement described in term 8.03, if required by that term and each Transferor so appointed (other than the clearing member himself) and each Settlement Agent so appointed (whether or not the Transferor) shall act as agent for the clearing member in transferring such shares or receiving payment of the settlement amount for such shares, notwithstanding that settlement of such shares shall be made through the Settlement Account of the Settlement Agent.

- (b) The Exchange may from time to time restrict the persons or categories of persons which may be appointed as Settlement Agents or as Transferors or the types of Settlement Accounts to be used for making a transfer of shares and shall publish the details of such restrictions by means of a Notice.
- (c) The details given to the Clearing House in accordance with paragraph (a) of this term may be amended from time to time in accordance with the Relevant Delivery Procedures.

8.02 Although the Seller may under term 8.01 appoint a person other than himself as Transferor, the Seller shall himself remain responsible in respect of a Contract for delivery of the shares and the performance of all other obligations under such Contract expressed to be imposed upon the Transferor in these terms and in the Administrative Procedures. However, performance by the Transferor of those obligations expressed to be imposed upon him (including the obligation to transfer shares) in accordance with these terms and in the Administrative Procedures shall constitute due performance of the Seller's obligations under such Contract.

8.03 Except where the Seller is also the Transferor, the Seller shall by the day specified in and in accordance with the Relevant Delivery Procedures deliver to the Clearing House an irrevocable acknowledgement, in a form from time to time prescribed by the Clearing House, addressed to the Clearing House by each Transferor, acknowledging amongst other things that the obligations of the Clearing House with regard to all sums payable by it in respect of shares to be delivered by the Transferor in respect of any Contract from time to time entered into by the Seller with the Clearing House and in respect of which he is appointed Transferor are owed to the Seller alone, and that the Transferor has no rights whatsoever against the Clearing House.

9. Buyer's Delivery Details

9.01 (a) Where the Relevant Delivery Procedures so require, a clearing member shall give to the Clearing House, in accordance with such Relevant Delivery Procedures, details of:

- (i) the names of persons conforming with the Relevant Delivery Procedures and paragraph (b) below (who may include the clearing member himself) who are appointed to take a transfer of shares from the Clearing House in accordance with these terms in respect of Contracts which may be entered into by such member as Buyer; and
- (ii) the names of the Settlement Agents (who may include the Transferee himself) who will be used by each such person to take a transfer of such shares and to make payment of the settlement amount for such shares and details of their Settlement Accounts,

together with the acknowledgement described in term 9.03, if required by that term and each Transferee so appointed (other than the clearing member himself) and each Settlement Agent so appointed (whether or not the Transferee) shall act as agent for the clearing member in taking a transfer of such shares or making payment of the settlement amount for such shares, notwithstanding that the transfer of such shares shall be made through the Settlement Account of the Settlement Agent.

- (b) The Exchange may from time to time restrict the persons or categories of persons which may be appointed as Settlement Agents or as Transferees or the types of Settlement Accounts to be used for taking a transfer of shares and shall publish the details of such restrictions by means of a Notice.
- (c) The details given to the Clearing House in accordance with paragraph (a) of this term may be amended from time to time in accordance with the Relevant Delivery Procedures.

9.02 Although the Buyer may under term 9.01 appoint a person other than himself as Transferee, the Buyer shall himself remain responsible in respect of a Contract for the acceptance of a transfer of shares and the payment of the settlement amount for such shares and for the performance of all other obligations expressed to be imposed upon the Transferee in these terms and in the Administrative Procedures in respect of such Contract. However, performance by the Transferee of those obligations expressed to be imposed upon him (including the obligations to accept transfer of shares and to pay the settlement amount) in accordance with these terms and the

Administrative Procedures shall constitute due performance of the Buyer's obligations under such Contract.

9.03 Except where the Buyer is also the Transferee, the Buyer shall by the day specified in and in accordance with the Relevant Delivery Procedures deliver to the Clearing House an irrevocable acknowledgement, in a form from time to time prescribed by the Clearing House, addressed to the Clearing House by each Transferee, acknowledging amongst other things that the Transferee has no claims whatsoever against the Clearing House in respect of any delay on its part in transferring, or any failure on its part to transfer, the shares to be transferred in respect of any Contract from time to time entered into by the Buyer with the Clearing House and in respect of which he is appointed Transferee, or in respect of any other matter whatsoever concerning those shares.

10. Delivery

10.01 All shares to be transferred in respect of a Contract shall be transferred free of any proprietary or equitable interest of any person.

10.02 In respect of Contracts to be settled by the transfer of shares through the Relevant Settlement System, a transfer of shares in respect of a Contract shall be made through the Relevant Settlement System in accordance with the Relevant Settlement System Rules, these terms and the Administrative Procedures, or as otherwise required or permitted by these terms and payment for such shares shall be made in accordance with these terms, the Administrative Procedures and the Relevant Settlement System Rules, and the provisions of this term 10 shall be subject to the Relevant Settlement System Rules where applicable.

10.03 Subject to term 10.05, on the Settlement Day at or by the time specified in respect of the Relevant Settlement System in and in accordance with the Administrative Procedures:

- (a) the Transferor shall, in respect of Contracts to be settled by the transfer of shares through the Relevant Settlement System, have transferred shares through the Relevant Settlement System from the Relevant Settlement System Member Account of the Relevant Settlement System Member notified to the Clearing House in accordance with term 8.01(a) to the Relevant Settlement System Member Account of the Clearing House and payment of the settlement amount for such shares transferred through the Relevant Settlement System shall have been satisfied by an Assured Payment; and
- (b) the Clearing House shall, in respect of Contracts to be settled by the transfer of shares through the Relevant Settlement System, have transferred the shares through the Relevant Settlement System from

its Relevant Settlement System Member Account to the Relevant Settlement System Member Account of the Relevant Settlement System Member notified to the Clearing House in accordance with term 9.01(a) for the account of the Transferee and payment of the settlement amount for such shares transferred through the Relevant Settlement System shall have been satisfied by an Assured Payment.

- 10.04 In respect of Contracts to be settled by transfer of shares through the Relevant Settlement System:
- (a) whether or not the Seller appoints a Transferor other than himself, and notwithstanding that such a Transferor is the Seller's agent, an Assured Payment arising upon the transfer of shares to the Relevant Settlement System Member Account of the Clearing House pursuant to term 10.03(a) shall discharge the Clearing House's liability to pay the settlement amount for such shares to the Seller;
 - (b) an Assured Payment arising upon the transfer of shares pursuant to term 10.03(b) to the Relevant Settlement System Member Account of the Relevant Settlement System Member notified to the Clearing House in accordance with term 9.01(a) for the account of the Transferee shall discharge the Buyer's liability to pay the settlement amount for such shares to the Clearing House; and
 - (c)
 - (i) the transfer of shares by the Clearing House to or to the order of the Transferee shall discharge the Clearing House's liability to transfer such shares to the Buyer; and
 - (ii) the transfer of shares by the Transferor to the Clearing House shall discharge the Seller's liability to transfer such shares to the Clearing House.
- 10.05 (a) Subject to term 12, if any transfer of shares required by term 10.03 cannot be or has not been fully accomplished on the Settlement Day at or by the time specified in respect of the Relevant Settlement System in the Administrative Procedures, due to any event occurring which is outside the control of the Transferor or of the Transferee or of the Clearing House, as the case may be, which, without prejudice to the generality of the foregoing, may include:
- (i) a failure by a seller of shares to the Transferor to make transfer of such shares by the due time so as to enable the Transferor to fulfil his obligations to transfer the shares to the Clearing House in accordance with term 10.03(a);
 - (ii) a failure by the Transferor to transfer shares to the Clearing House in accordance with term 10.03(a) so as to enable the

Clearing House to fulfil its obligations to transfer shares to a Transferee in accordance with term 10.03(b);

- (iii) an error, failure, closure or suspension of the Relevant Settlement System or of other systems operated by or on behalf of the Relevant Settlement System;
- (iv) a failure or termination of the Transferor's or the Transferee's or the Clearing House's access to its Settlement Agent;
- (v) a failure of the Transferor's or Transferee's Settlement Agents or the Clearing House's access to the Relevant Settlement System for any reason, including, without limitation, as a result of any fault or failure of any computer or communication system;
- (vi) any action taken by CRESTCo or Euroclear as the case may be, whether pursuant to the Relevant Settlement System Rules or otherwise; or
- (vii) any failure of, or any action or failure to take action by, a settlement bank, appointed by the Transferor, the Clearing House or the Transferee from time to time in connection with the settlement of shares through the Relevant Settlement System, which prevents the transfer of shares to the Transferor or to the Clearing House or to the Transferee, as the case may be,

then, without prejudice to paragraphs (d)(i) and (d)(ii) of this term, such transfer or transfers shall be made as soon as possible through the Relevant Settlement System and in accordance with the Relevant Delivery Procedures in order fully to perform a Contract or, if an event occurs which prevents a transfer of shares through the Relevant Settlement System, in accordance with any instructions which may be given by the Clearing House, which may require delivery by a means other than through the Relevant Settlement System. In the case of any disagreement between the Clearing House and the Transferor or between the Clearing House and the Transferee as to whether any particular transfer can be or has been accomplished the determination of the Clearing House shall be final.

- (b) Any instructions given by the Clearing House under paragraph (a) above shall be binding and failure by the Seller or the Buyer to comply or ensure compliance with such instructions shall constitute a default under term 13.01 by such Seller or, as the case may be, such Buyer.

- (c) Where the Clearing House is unable to transfer shares in respect of a Contract to the Transferee in accordance with term 10.03 as a result of any event (other than an event referred to in term 12, which, for the avoidance of doubt, shall be dealt with under term 12) occurring which is outside the control of the Clearing House, the rights of the Buyer shall consist solely of the right to have transfer of the shares made to the Transferee as soon as possible through the Relevant Settlement System and in accordance with the Relevant Delivery Procedures or otherwise as required by these terms and as soon as possible after the Clearing House has received a transfer of such shares from the Transferor or acquired them from another person.
- (d) (i) If any transfer of shares to the Clearing House in respect of a Contract required to be made by the Transferor under term 10.03(a) or under paragraph (a) of this term is not made by the relevant time specified in the Relevant Delivery Procedures as a consequence of the occurrence of an event referred to in paragraph (a)(i) of this term; or
- (ii) if an event referred to in paragraph (a)(vii) of this term occurs which prevents a transfer of shares to the Transferor or a transfer of shares by the Clearing House to the Transferee; or
- (iii) notwithstanding the occurrence (if any) of an event referred to in paragraph (a) of this term or in term 12 at any time, if the Clearing House, in consultation with the Exchange, determines that the Seller (or the Buyer) has not used its best endeavours to transfer (or to take transfer of) shares or to procure the Transferor to transfer (or to procure the Transferee to take a transfer of) shares, as the case may be, on the Settlement Day or in accordance with paragraph (a) of this term; or
- (iv) if any transfer of shares to the Clearing House in respect of a Contract required to be made under paragraph (a) of this term (other than as a consequence of an event referred to in paragraph (a)(i) or (a)(vii) of this term) is not made as soon as possible after the Settlement Day,

then the Clearing House shall be entitled to treat the Seller or the Buyer as in default and, without prejudice to its rights under term 14 and to its powers under the Regulations, the Clearing House shall be entitled, at its absolute discretion, to take steps to acquire shares in accordance with the Relevant Delivery Procedures in order to fulfil its obligations under a Contract in whole or in part to make delivery of shares to a Buyer or to dispose of shares (where possible) delivered to it by the Seller and the Seller or the Buyer (as the case may be) in default shall indemnify the Clearing House in respect of

any losses, costs, taxes or expenses suffered or incurred by it in taking any such steps or in exercising any such rights or powers (including any losses determined in accordance with term 14.03). The Seller or the Buyer (as the case may be) who is in default shall comply with any directions given by the Clearing House.

- 10.06 (a) If as a result of any event contemplated by term 10.05(a) there is a delay in the transfer of shares in respect of a Contract and the benefit of a Relevant Entitlement to which the Transferee would have been entitled if transfer to him had taken place in accordance with term 10.03(b) (and he had retained beneficial title to the shares), is received by the Clearing House (or by the Transferor, if transfer is not made to the Clearing House by the Transferor in accordance with term 10.03(a)) then:
- (i) if the Clearing House has received the benefit of such Relevant Entitlement, or receives the benefit of such Relevant Entitlement under sub-paragraph (ii) of this term, the Clearing House shall pass on the benefit of such Relevant Entitlement which it receives to the Buyer and shall deliver to the Buyer such documents (if any) as it receives in connection therewith; and
 - (ii) if the Transferor has received the benefit of such Relevant Entitlement, the Seller shall pass on or procure that the Transferor passes on the benefit of such Relevant Entitlement which it receives to the Clearing House and shall deliver to the Clearing House such documents (if any) as it receives in connection therewith.
- (b) Any act required by paragraph (a) of this term shall be done at such time and in such manner as the Clearing House may specify.
- 10.07 If any event contemplated by term 10.05(a) occurs, the Seller or the Buyer, as applicable, shall provide to the Clearing House documentary evidence satisfactory to the Clearing House that he has complied with his obligations under a Contract to which he is party by the time and in the manner prescribed.
- 10.08 (a) The Clearing House shall give notice to the Exchange of any instructions given by it under term 10.05(a) forthwith upon giving such instructions and of any event contemplated by term 10.05(a) which may prevent or has prevented a transfer of shares in respect of a Contract upon becoming aware of any such event.
- (b) If any event contemplated by term 10.05(a) occurs, the provisions of term 10 shall apply and the provisions of term 15 shall not apply unless, after consultation with the Clearing House, the Board

determines that such circumstances have continued or are likely to continue for such duration that the provisions of term 10.05 shall no longer apply and that the provisions of term 15 shall apply. The Board's determination shall be final and binding.

10.09 Any provision of this term 10 or of any other of these terms or of the Administrative Procedures relating to procedures for settlement may be varied, or substituted by different procedures for settlement, by the Board from time to time. Any such variation or substitution shall have such effect with regard to existing and/or new Contracts as the Board may determine.

11. Corporate Actions

11.01 In this term 11, "Corporate Action" shall mean:

- (a) a cash and/or scrip dividend, a bonus or scrip issue, a rights issue, a share split, subdivision or consolidation, a demerger or any other event affecting or giving rise to a right or entitlement attaching or accruing to the shares of, or ownership of shares in, a company; or
- (b) a takeover, merger or any arrangement, transaction or series of transactions which will or may result in the acquisition by any person or persons or any associated person or persons of a substantial proportion of the shares of a company; or
- (c) any other event which, in the opinion of the Board, necessitates an amendment to be made to the terms of an Option Contract in respect of the shares of a company.

11.02 Where any Corporate Action occurs with respect to the shares of a company, or which affects a company whose shares are the subject of a Contract, the Board, in its absolute discretion, may, but shall not be obliged to, determine:

- (a) to make adjustments to the size of the lot the subject of a Contract; or
- (b) to vary, substitute or remove any of, or add to, these terms to make provision for the effect of such Corporate Action. Any such variation, substitution, removal or addition may, without limitation, be made to make provision for shares in one or more companies other than the shares originally the subject of the Contract, or one or more entitlements pertaining to the shares of a company, or a cash amount to be transferred in addition to or in substitution for some or all of such shares to form the subject of a lot.

11.03 Subject to term 20.01, any adjustment, variation, substitution or removal of or addition to these terms determined upon under term 11.02 will be determined in accordance with the policy of the Board from time to time in relation to Corporate Action unless the Board, in its absolute discretion, determines otherwise. The Board's policy relating to Corporate Action will be published from time to time by means of one or more Notices. Any adjustment, variation, substitution, removal of or addition to these terms made under this term 11 shall be published in one or more Notices and shall have such effect with regard to existing and/or new Contracts as the Board may determine.

12. Stock Suspension

12.01 In this term 12, "suspended shares" shall mean shares which are the subject of a suspension of dealings or shares which have been suspended from settlement through the Relevant Settlement System.

12.02 If dealings in shares the subject of a Contract are suspended or prohibited by the Relevant Stock Exchange or are otherwise not permitted to be made under Stock Exchange Rules ("suspension of dealings") or shares the subject of a Contract are otherwise suspended shares, any such Contract shall be performed in accordance with this term 12 and otherwise in accordance with these terms and the Administrative Procedures.

12.03 Subject to term 12.04, shares which are the subject of suspension of dealings which are required to be delivered in respect of a Contract shall be delivered through the Relevant Settlement System on the Settlement Day in accordance with these terms.

12.04 (a) If settlement of suspended shares the subject of a Contract cannot be made on or after the Settlement Day for such Contract through the Relevant Settlement System, such shares shall be delivered in accordance with any instructions which may be given by the Clearing House, which shall be final and binding, save that where the Board determines that such Contract shall be invoiced back, such Contract shall be invoiced back at a price fixed by the Board in consultation with the Clearing House. It shall not, subject to term 10.05(d)(iii), be an event of default under these terms if settlement of suspended shares is not effected on the Settlement Day, but failure by the Seller or the Buyer to comply or ensure compliance with any instructions given by the Clearing House under this term shall constitute a default under term 13.01 by such Seller or, as the case may be, such Buyer.

(b) The Board's determination under paragraph (a) of this term shall be final and binding and shall be published by means of a Notice.

13. Delivery Default

13.01 The Buyer or the Seller, as the case may be, shall be in default where:

- (a) subject to term 10, he fails to fulfil his obligations under a Contract by the time and in the manner prescribed and in accordance with these terms, the Rules and the Administrative Procedures;
- (b) he fails to pay any sum due to the Clearing House in respect of a registered Contract by the time specified in these terms and the Administrative Procedures;
- (c) the “bad delivery” rules or any other rules set forth in the Rules of the Relevant Settlement System are invoked with respect to the transfer of shares to the Clearing House by the Transferor appointed by the Seller to make such transfer or in respect of the transfer of shares by the Clearing House to the Transferee appointed by the Buyer to accept such transfer which may lead or leads to the reversal of one or more transfers of shares; or
- (d) in the reasonable opinion of the Clearing House he is otherwise in default under a Contract.

For the avoidance of doubt, the Seller shall be held to be in default if the “bad delivery” or such other rules referred to in paragraph (c) of this term are invoked with respect to the transfer of shares by the Transferor to the Clearing House or the transfer of shares by the Clearing House to the Transferee and notwithstanding that the Seller may not be responsible for any circumstance which leads to such “bad delivery” or such other rules being invoked.

13.02 Obvious clerical errors in any notice to be given hereunder and which can be readily rectified shall not be treated as constituting a default.

13.03 Notwithstanding a default under term 13.01, the Clearing House may in its absolute discretion determine not to exercise or to delay in exercising any of its rights under term 14, and no failure by the Clearing House to exercise nor any delay on its part in exercising any of such rights shall operate as a waiver of the Clearing House’s rights upon that or upon any subsequent occasion, nor shall any single or partial exercise of such rights prevent any further exercise thereof or of any other right.

14. Effect of Delivery Default

14.01 The provisions of terms 14.02 to 14.05 inclusive shall be subject to the Default Rules from time to time in force of the Clearing House.

- 14.02 If there appears to the Clearing House to be a default by the Buyer or the Seller, as the case may be, under term 13.01 in respect of any lot comprised in a registered Contract the Clearing House may take such steps as it deems appropriate to facilitate a mutually acceptable resolution of the default:
- (a) where the Buyer appears to be in default, between such Buyer and the Clearing House; or
 - (b) where the Seller appears to be in default, between such Seller and the Clearing House.
- 14.03
- (a) In addition to any steps taken under term 14.02 the Clearing House may, if it appears to it that a clearing member as Seller or a clearing member as Buyer is in default under term 13.01, in its sole discretion take any steps whatsoever which may appear desirable to the Clearing House for the protection of the Clearing House or of a Seller or Buyer not in default including, without prejudice to the generality of the foregoing, the steps referred to in paragraph (b) or (c) below. Any action taken by the Clearing House pursuant to this term 14 or term 10.05 shall be without prejudice to any rights, obligations or claims of a Buyer, a Seller, or the Clearing House and any costs, claims, losses, taxes or expenses of whatsoever nature suffered or incurred by the Clearing House in connection with taking such action or such default (or, without limitation, following the “bad delivery” or such other rules referred to in paragraph (c) of term 13.01 being invoked) shall be paid by the Buyer or the Seller in default.
 - (b) Where a Buyer appears to be in default under term 13.01 the Clearing House may take steps pursuant to paragraph (a) of this term to sell any or all of the shares delivered to it by a Transferor at such time and place and in such manner and on such terms as may to the Clearing House seem fit. Where the price at which such shares are sold (“the Sale Price”) is less than the amount due but unpaid by the Buyer to the Clearing House in respect of such shares (“the Unpaid Amount”), the difference between the Sale Price and the Unpaid Amount shall forthwith on demand be paid by the Buyer in default to the Clearing House. Where the Unpaid Amount is less than the Sale Price the difference between the Unpaid Amount and the Sale Price shall (if any remain after the deduction so far as possible of such sums as are payable by the Buyer to the Clearing House hereunder or otherwise) be retained by the Clearing House to the order of the Board. The Buyer in default shall forthwith on demand pay to the Clearing House any sums payable by the Buyer pursuant to paragraph (a) of this term.
 - (c) Where a Seller appears to be in default under term 13.01, or is treated as being in default under term 10.05, or, without prejudice to

the foregoing, paragraph (c) of term 13.01 applies and a step taken by the Clearing House pursuant to paragraph (a) of this term or term 10.05 is to acquire shares at such time and place and in such manner and on such terms as the Clearing House thinks fit from a person other than the Seller in order to meet in whole or in part its obligations to a Buyer to make delivery of shares in respect of a Contract:

- (i) if the total cost incurred by the Clearing House in acquiring shares, including for the avoidance of doubt the cost of any purchase of shares by the Clearing House in order to fulfil any obligations under the arrangements it has made to acquire the shares (“the Acquisition Cost”), is greater than the amount which would have been payable by the Clearing House to the Transferor in respect of the shares to have been delivered to it by the Transferor (or which, but for the application of the “bad delivery” or such other rules referred to in paragraph (c) of term 13.01 had purportedly been delivered to it by the Transferor), the Seller shall forthwith on demand pay the amount of such difference to the Clearing House; or
 - (ii) if the Acquisition Cost is less than the amount which would have been payable by the Clearing House as referred to in sub-paragraph (i) above, the amount of such difference shall (if any remain after the deduction so far as possible of such sums as are payable by the Seller to the Clearing House under sub-paragraph (iii) below or otherwise) be retained by the Clearing House to the order of the Board;
 - (iii) if the Seller delivers or attempts to deliver shares to the Clearing House under a Contract after the Settlement Day, the Clearing House shall be entitled to reject such attempted or actual delivery, or shall be entitled to sell any shares which are so delivered, as it sees fit, if the Clearing House has made alternative arrangements to acquire shares for delivery to the Buyer; and
 - (iv) the Seller shall forthwith on demand pay to the Clearing House any sums payable by the Seller pursuant to paragraph (a) of this term.
- (d) Any step taken by the Clearing House pursuant to paragraphs (a), (b) or (c) of this term shall be without prejudice to the rights of any party to refer a dispute to arbitration under term 17.

14.04 Without prejudice to its rights under terms 14.02 and 14.03, the Clearing House may refer to the Board any dispute or issue arising between the

parties referred to in paragraph (a) or (b) of term 14.02 as a result of a default by a Seller or by a Buyer under term 13.01. If, upon such reference, the Board is of the opinion that the default is of minor significance it shall determine any such dispute or issue upon such evidence as it may deem relevant and convey its findings to the Buyer and the Seller, who shall forthwith accept such determination and shall implement its terms without question, provided that such acceptance and implementation shall be without prejudice to the right of either party to refer the dispute or any related dispute to arbitration.

- 14.05 If no settlement has been reached pursuant to term 14.02 and if no steps have been taken by the Clearing House pursuant to term 14.03 and any dispute or issue between the parties referred to the Board under term 14.04 is, in the opinion of the Board, not such as may be subject to determination under term 14.04 then the Board in consultation with the Clearing House shall forthwith fix a price for invoicing back each option or Contract in respect of which the dispute or issue has arisen and each option or Contract, as the case may be, shall be invoiced back at that price. Such invoicing back price shall be final and no dispute as to such price may be referred to arbitration. Such price may at the Board's absolute discretion take account of any compensation that the Board may consider should be paid by any party save that where a dispute or issue has arisen in respect of a Contract between a Seller and the Clearing House and a like dispute or issue has arisen in respect of a Contract between a Buyer and the Clearing House which had been matched by the Clearing House with the Contract between the Seller and the Clearing House, and the dispute or issue has in each case been referred to the Board under term 14.04, the Board shall fix the same invoicing back price in respect of each Contract. Any such action taken by the Board under this term shall be without prejudice to the rights of any of the parties to refer any dispute to arbitration under term 17.

15. Force Majeure

- 15.01 Subject to term 10.08(b) and any steps taken at any time by the Board under emergency powers in the Rules, in the event of a Seller or a Buyer, as the case may be, being prevented from performing his obligations in respect of any lot comprised in a Contract by the due time therefor by any cause beyond his reasonable control (other than in circumstances to which term 12 applies) including, without limitation, any act of God, strike, lockout, war, armed conflict, use of force by authority of the United Nations, fire, riot or civil commotion, combination of workmen, act of terrorism, breakdown of machinery, unavailability or restriction of computer or data processing facilities or energy supplies or bank transfer systems such lot shall be invoiced back at a price to be fixed by the Board in consultation with the Clearing House.

16. Rules, Administrative Procedures, etc.

- 16.01 Every Contract shall be subject to the Articles and the Rules and the Regulations insofar as applicable notwithstanding that either or both of the parties to it be not a member of the Exchange or of the Clearing House.
- 16.02 In case of any conflict between the Administrative Procedures and these terms or the Rules, the provisions of these terms and the Rules shall prevail and, in the event of any conflict between these terms and the Rules, the Rules shall prevail.
17. Arbitration
- 17.01 Any dispute arising from or in relation to a Contract shall be referred to arbitration under the Rules relating to arbitration and arbitration shall be held in accordance with the Rules in force at the time of such reference.
- 17.02 No dispute arising from or in relation to any invoicing back price fixed by the Board under these terms shall be referred to arbitration under the Rules.
18. Governing Law
- 18.01 Every Contract shall be governed by and construed in accordance with English law.
19. Non-registered Contracts
- 19.01 In respect of a Contract which is not a registered Contract (“non-registered Contract”) these terms shall be modified by the parties thereto so as to require and allow that a Contract to be registered with the Clearing House under the Rules and the Regulations is capable of being so registered and to facilitate the performance of obligations or the exercise of rights under such registered Contract in accordance with these terms and the Administrative Procedures. Modifications may also be made to the terms of a non-registered Contract to permit performance of obligations or the exercise of rights under such non-registered Contract or any other non-registered Contract if, without such modifications, it may not be possible to perform such obligations or to exercise such rights by the applicable times specified in these terms and Administrative Procedures. In particular, but without prejudice to the generality of the foregoing, all references in these terms to payment or dealing between the Buyer or the Seller, as the case may be, and the Clearing House shall be modified so as to require a similar payment or dealing directly between the Buyer and the Seller, as the case may be, party to such non-registered Contract.
20. Economic and Monetary Union
- 20.01 The Board in its absolute discretion may from time to time vary, substitute or remove any of, or add to, the terms of this Exchange Contract in any way which the Board considers necessary or desirable:

- (i) arising out of or in connection with, or to reflect changes in market conventions as determined by the Board as a consequence (direct or indirect) of, the introduction of the euro as the lawful currency of a Member State;
- (ii) to facilitate the calculation of and making of payments in euros or to facilitate the calculation of the Price or any settlement amount, in pursuance of this Exchange Contract; or
- (iii) without prejudice to the foregoing, to require bids and offers and the minimum price fluctuation to be quoted in euros or eurocents.

20.02 Any variation, substitution or removal of, or addition to, the terms of this Exchange Contract made pursuant to term 20.01 shall have such effect with regard to existing or new Contracts or both as the Board may determine.

20.03 Any determination by the Board to vary, substitute or remove any of, or add to, the terms of this Exchange Contract pursuant to terms 20.01 and 20.02 shall be the subject of a Notice.

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Issue Date: 17 October 2005

EQUITY SHARES CONTRACT

Exchange Contract No. 211

Administrative Procedures

Settlement Procedures

All deliveries under a Contract must be made in accordance with the Rules of the Relevant Settlement System with respect to the settlement of contracts through the Relevant Settlement System and the Contract terms, Administrative Procedures and Relevant Delivery Procedures.

Delivery Details

Where the Relevant Delivery Procedures so require, clearing members shall have given to the Clearing House in accordance with the Relevant Delivery Procedures the delivery details referred to in terms 8.01 and 9.01 in order to facilitate settlement of Contracts through the Relevant Settlement System.

On the market day following the day Contracts are registered with the Clearing House, being a day on which banks in London are open for business

- | | |
|----------------|---|
| By 07.00 hours | The Clearing House shall give a Member Stock Contingent Trade Report to each of the Buyer and the Seller in a manner from time to time prescribed by the Clearing House. |
| By 07.00 hours | The Clearing House will issue a Delivery Notice to each of the Buyer and the Seller specifying the Contracts to which he is party with the Clearing House and details of the Contracts which shall be submitted in accordance with the Relevant Delivery Procedures by or on behalf of the Buyer or the Seller, as the case may be, and by the Clearing House to CRESTCo or Euroclear as the case may be, in respect of Contracts which are due to be settled by the transfer of shares through the Relevant Settlement System. |

In respect of Contracts to be settled by the transfer of shares through the Relevant Settlement System, on the Relevant Settlement System business day following the making of a Contract

By 11.30 hours The details of Contracts shall have been submitted, as required by such terms, to CRESTCo or Eurocelar as the case may be so as to enable the Relevant Settlement System:

- (a) in the case of the Buyer, to match the details of the Contracts submitted to it by or on behalf of the Buyer with the details of the Contracts submitted to it by the Clearing House, and
- (b) in the case of the Seller, to match the details of the Contracts submitted to it by or on behalf of the Seller with the details of the Contracts submitted to it by the Clearing House,

in order that settlement of Contracts is effected through the Relevant Settlement System on the Settlement Day.

In respect of Contracts to be settled by the transfer of shares through the Relevant Settlement System, on the Settlement Day

By 09.30 hours (a) The Transferor in respect of a Contract shall have transferred shares through the Relevant Settlement System to the Relevant Settlement System Member Account of the Clearing House and payment of the settlement amount for such shares transferred through the Relevant Settlement System shall have been satisfied by an Assured Payment; and

(b) the Clearing House shall, in respect of a Contract, have transferred shares through the Relevant Settlement System to the Relevant Settlement System Member Account of the Relevant Settlement System Member notified to the Clearing House in accordance with term 6.01(a) for the account of the Transferee and payment of the settlement amount for such shares transferred through the Relevant Settlement System shall have been satisfied by an Assured Payment.

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Issue Date: 17 October 2005

EXCHANGE CONTRACT NO. 201F
OPTION CONTRACT ON EQUITY SHARES
(AMERICAN-STYLE AND EUROPEAN-STYLE EXERCISE)
PHYSICAL DELIVERY AND CASH SETTLED CONTRACTS

CONTRACT TERMS - Issue Date: 17 October 2005¹

ADMINISTRATIVE PROCEDURES - Issue Date: 17 October 2005¹

¹Please refer to London Notice No. 2695 issued on 17 October 2005.

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Exercise on any market day with respect to an Option Contract on Equity Shares (American-Style Exercise) except as specified in a Notice given under term 6.02

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On the market day following the Expiry Day

In respect of Delivery Contracts to be settled by the transfer of shares through the Relevant Settlement System, on the Settlement Day

OPTION CONTRACT ON EQUITY SHARES

THE LONDON INTERNATIONAL FINANCIAL FUTURES AND OPTIONS EXCHANGE

Terms of Exchange Contract No. 201F

1. Interpretation

1.01 Save as otherwise specified herein, words and phrases defined in the Rules shall have the same meanings in these terms.

1.02 In these terms and the Administrative Procedures:

“Administrative Procedures” means all procedures from time to time implemented by the Board pursuant to the Rules for the purposes of this Exchange Contract.

“Assured Payment” means, in the case of shares transferred through the Relevant Settlement System, a system-generated payment instruction which is binding on:

- (a) the Clearing House’s settlement bank in favour of the Transferor’s settlement bank in the case of a transfer of shares from the Transferor to the Clearing House; and
- (b) the Transferee’s settlement bank in favour of the Clearing House’s settlement bank in the case of the transfer of shares from the Clearing House to the Transferee,

of an amount equal to the settlement amount for such shares.

“Buyer” in respect of an Option Contract means the person who is entitled under such Contract to exercise the option or options the subject of such Contract (including, except where the context otherwise requires, the Clearing House as buyer under a registered Contract.)

“call option” means a right, upon the exercise of which the Buyer of the call option becomes the Delivery Buyer and the Seller of the call option becomes the Delivery Seller under a Delivery Contract.

“CHF” denotes the lawful currency of Switzerland known, at the date of issue of these terms, as the “Swiss Franc”.

“Clearing House Notice of Exercise” means a notice from the Clearing House, in a form from time to time prescribed by the Clearing House, confirming to the Seller of an option that the Clearing House has exercised an option against the Seller.

“company” means a body corporate whose share capital includes shares (as defined below).

“Conditional Option Contract” has the meaning attributed to it in term 2A.01.

“Contract” means an Option Contract or a Delivery Contract, as the case may be, and “registered Contract” means a Contract registered by the Clearing House.

“Conversion Date” means the date on which pursuant to Economic and Monetary Union in the European Union the conversion rate for Sterling against the euro is “irrevocably fixed”.

“Corporate Action” has the meaning attributed to it in term 17.01.

“CREST” means the computerised settlement system operated by CRESTCo.

“CREST business day” means a day when CREST is operational for business.

“CREST Member” means a member of CREST with a CREST Member Account in his name.

“CREST Member Account” means a member account (as defined in the CREST Rules) maintained by CREST for the transfer of securities.

“CREST Rules” means those parts of the rules, reference manual, procedures, practices and any other document from time to time in force of CRESTCo which apply to the settlement of transactions by participants in CREST.

“CRESTCo” means CRESTCo Limited.

“Cum Entitlement” in respect of a share, means with the right, before a date determined and published from time to time by the Relevant Stock Exchange, to any Relevant Entitlement relating thereto.

“Daily Delivery Settlement Price” has the meaning attributed to it in term 21.

“Delivery Buyer” in respect of a Delivery Contract, means the person who is obliged to take delivery of one lot under such Delivery Contract.

“Delivery Notice” means the notice to be given by the Clearing House to a Delivery Seller and to a Delivery Buyer under term 12.

“Delivery Seller” in respect of a Delivery Contract, means the person who is obliged to make delivery of one lot under such Delivery Contract.

“DKK” denotes the lawful currency of the Kingdom of Denmark known, at the date of issue of these terms, as the “Danish Kroner”.

“EC Treaty” means the treaty establishing the European Community.

“EDSP” means the Exchange Delivery Settlement Price and has the meaning attributed to it in term 22.

“EMU legislation” means legislative measures of the European Council, and as appropriate the United Kingdom, for the introduction of, changeover to or operation of the euro pursuant to implementation of Economic and Monetary Union including such legislative measures as are enacted in contemplation of the United Kingdom introducing the euro as its lawful currency.

“euro”, “€” and “eurocents” denote the single currency of the European Union introduced in a Member State arising out of its participation in Economic and Monetary Union.

“Euroclear” means the computerised settlement system operated by Euroclear Bank SA/NV.

“Euroclear Member” means a member of Euroclear with a Euroclear settlement account in his name.

“Euroclear business day” means a day when Euroclear is open for business.

“Euroclear Member Account” means a member account (as defined in the Euroclear Rules) maintained by Euroclear for the transfer of securities.

“Euroclear Rules” means those parts of the rules, reference manual, procedures, practices and any other document from time to time in force of Euroclear SA/NV which apply to the settlement of transactions by participants in Euroclear.

“Exchange Contract No. 201” means the Exchange’s Option Contract on Equity Shares (Denominated in Sterling), as amended from time to time.

“Ex Entitlement” in respect of a share, means without the right, on or after a date determined and published from time to time by the Relevant Stock Exchange, to any Relevant Entitlement relating thereto.

“Exercise Notice” means a notice in a form from time to time prescribed by the Clearing House notifying the Clearing House that a Buyer of an option wishes to exercise an option against the Clearing House.

“exercise price” means the price agreed as such by the parties to the Option Contract (being a price permitted by the Exchange to be an exercise price in respect of which an Option Contract can be made) as the price of each share comprised in a lot and which shall be the price of each share to be transferred under a Delivery Contract arising on the exercise of an option the subject of such Option Contract.

“expiry month” in respect of Exchange Contract No. 201 means a month specified as such by the Board for which a contract in the terms of such Exchange Contract can be made.

“Expiry Day” in respect of an Option Contract means the day agreed as such by the parties to the Option Contract (being anticipated to be a market day falling within a period from time to time prescribed by the Exchange, and being a day which has not been declared by the Exchange in a Notice as a day on which an Option Contract may not expire). Notwithstanding the foregoing, if at any time the day agreed is declared by the Exchange in a Notice not to be a market day or as a day which shall not be agreed to be an Expiry Day, the Expiry Day shall be the market day immediately preceding such day, unless such declaration is after the close of business on such preceding market day, in which case the Expiry Day shall remain the day it was scheduled to be.

“Last Trading Day” in respect of Exchange Contract No. 201 shall have the meaning ascribed to it in such Exchange Contract.

“listed” means admitted to official listing by the relevant listing authority and admitted to trading by the Relevant Stock Exchange.

“List of Contract Details” means the list published by the Exchange from time to time in accordance with term 2.06.

“lot” means, in respect of shares of a company specified in the List of Contract Details, the number of shares specified in that list in respect of such company (or such other number as may be specified in a Notice from time to time).

“market day” means a day on which the market and the Clearing House are open for business.

“Member State” means a member of the European Union.

“NKK” denotes the lawful currency of the Kingdom of Norway known, at the date of issue of these terms, as the “Norwegian Krone”.

“option” means a put option or a call option.

“Option Contract” means a contract made expressly or impliedly on these terms under which one or more put options or one or more call options are bought and sold.

“Pounds”, “£”, “Pence” and “p” denote the lawful currency of the United Kingdom, known at the date of issue of these contract terms as “Sterling”.

“Premium” in respect of an option, means the amount determined in accordance with term 4.01 to be payable by the Buyer to the Seller as the consideration for the purchase of the option.

“proprietary or equitable interest” means any proprietary or equitable interest or right whatsoever including, without limitation, any such interest or right arising under or by virtue of any disposition made or purporting to be made by way of security or by way of loan and any other lien, pledge, encumbrance or equity of any kind.

“put option” means a right, upon the exercise of which the Buyer of the put option becomes the Delivery Seller and the Seller of the put option becomes the Delivery Buyer under a Delivery Contract.

“Regulations” means the General Regulations and Default Rules from time to time in force of the Clearing House.

“Relevant Currency” has the meaning attributed to it in term 2.06.

“Relevant Delivery Procedures” means one or more documents issued by the Clearing House from time to time relating to the settlement of shares under a Delivery Contract through the Relevant Settlement System.

“Relevant Entitlement” means any one or more of a cash dividend, scrip dividend, bonus issue, scrip issue, rights issue, or any other right or entitlement, attaching or accruing to, or otherwise affecting, from time to time, a share or ownership of a share.

“Relevant Settlement System” means CREST or Euroclear as the context may require, or such other settlement system as specified from time to time by the Exchange by means of one or more Notices in respect of shares, through which such shares are to be transferred under a Delivery Contract.

“Relevant Settlement System Account” means:

- (a) in the case of CREST, a member account (as defined in the CREST Rules) maintained by CREST for the transfer of securities; and
- (b) in the case of Euroclear, a settlement account (as defined in the Euroclear Rules) maintained by Euroclear for the transfer of securities.

“Relevant Settlement System business day” means a day when the Relevant Settlement System is open for business.

“Relevant Settlement System Rules” means those parts of the rules, reference manual, procedures, practices and any other document from time to time in force of the Relevant Settlement System which apply to the settlement of transactions by participants in the Relevant Settlement System.

“Relevant Stock Exchange” has the meaning attributed to it in term 2.03.

“Seller” in respect of an Option Contract means the person who sells the option or options the subject of such Contract (including, except where the context otherwise requires, the Clearing House as seller under a registered Contract).

“SEK” denotes the lawful currency of the Kingdom of Sweden known, at the date of issue of these terms, as the “Swedish Krona”.

“Settlement Account” means, in the case of CREST, a CREST Member Account and, in the case of Euroclear, a Euroclear Member Account.

“Settlement Agent” means:

- (a) in respect of the transfer of shares under a Delivery Contract through CREST, a CREST Member; and
- (b) in respect of the transfer of shares under a Delivery Contract through Euroclear, a Euroclear Member.

“settlement amount”:

- (a) means in respect of delivery under an Option Contract on Equity Shares (Physical Delivery), the product of the exercise price and the number of shares comprised in the lot the subject of the Delivery Contract or, as the case may be, the product of the exercise price and the number of shares delivered at any time under such Delivery Contract; and
- (b) in respect of an Option Contract on Equity Shares (Cash Settlement), has the meaning given to it in term 23.

“Settlement Day” in respect of a Contract, means the day specified as such in the List of Contract Details for the settlement of Contracts which arise pursuant to terms 6.04 and 7.04.

“shares” means securities forming part of the share capital of a company which are listed or are the subject of when issued dealing.

“Stock Exchange Rules” means the rules, regulations, procedures and practices from time to time in force of the Relevant Stock Exchange.

“Transferee” means a person appointed under term 15.01(a)(i) to take a transfer of shares in respect of a Delivery Contract.

“Transferor” means a person appointed under term 14.01(a)(i) to transfer shares in respect of a Delivery Contract.

“Underlying Currency” has the meaning attributed to it in term 2.06.

“when issued dealing” means transactions in shares which are the subject of an application for listing, entered into before and conditional upon listing becoming effective.

- 1.03 Subject to term 29.01, in these terms references to “lawful currency” shall be construed to include units of value of the euro which may be used validly to discharge payment obligations pursuant to the law of a Member State which has introduced the euro pursuant to its participation in Economic and Monetary Union in the European Union and notwithstanding that such units of value of the euro may not at all material times following the Conversion Date constitute legal tender in such Member State.
- 1.04 References to a “term” refer to a term hereof and references to a “Rule” refer to a rule of the Exchange’s Rules. Save where the context otherwise requires references herein to the singular include the plural, and vice versa.
- 1.05 References to a person in these terms shall be construed to include references to its successors and its permitted assigns unless the Board otherwise notifies by Notice.

2. Contract Specification

- 2.01 Each Option Contract shall be for one or more put options or one or more call options for an Expiry Day and at the exercise price agreed, subject to any adjustments to the exercise price made in accordance with term 17. An exercise price shall be expressed in the Relevant Currency. An exercise price shall be agreed in the Relevant Currency or shall be determined by agreeing a value expressed as a percentage of a reference price of the shares underlying the Option Contract and, forthwith on the making of the Contract, converting such value into the Relevant Currency in accordance with procedures from time to time established by the Exchange.
- 2.02 An option shall be for a lot, subject to any adjustment to the number of shares comprised in a lot made in accordance with term 17.
- 2.03 A contract may not be made in these terms if, at such time, such contract is capable of being a contract in the terms of Exchange Contract No. 201.
- 2.04 A Contract for a put option based on the shares of a particular company shall be replaced by novation by a contract for a put option based on the shares of the same company, and a Contract for a call option based on such shares shall be replaced by novation by a contract for a call option based on those shares, in the terms of Exchange Contract No. 201, between the same parties for the same exercise price and for the expiry month in which the Expiry Day of such Contract falls if:
- (a) at any time after the making of such Contract, the Expiry Day for such Contract is the Last Trading Day of an expiry month in respect of which a contract in the terms of Exchange Contract No. 201 based on such shares can be made;

- (b) the exercise price of such Contract is a price which, in respect of such expiry month, is authorised by the Exchange as an exercise price in respect of which a contract in the terms of Exchange Contract No. 201 for such expiry month based on such shares can be made; and
- (c) the Contract is a physical delivery, American-style exercise contract.

Such novation shall take place at the time when Exchange Contract No. 201 for such exercise price and expiry month in respect of the call or put option, as the case may be, based on such shares is first available for trading on the market. Without prejudice to the obligation of the Buyer to pay the Premium when due under a Contract, which shall remain in full force notwithstanding that the Contract is replaced by novation under this term 2.04 prior to the payment thereof, no premium shall be payable under a contract in the terms of Exchange Contract No. 201 which has replaced a Contract by novation.

2.05 If Exchange Contract No. 201 is amended from time to time, a contract in the terms of Exchange Contract No. 201 which replaces a Contract pursuant to term 2.04, shall be subject to the terms of Exchange Contract No. 201 as amended from time to time.

2.06 An Option Contract may be entered into in respect of shares of a company which have been designated for this purpose by the Board. The Board shall publish a list of such shares and companies (the “List of Contract Details”) by means of a Notice. That list shall include, for each company’s shares:

- (a) a stock exchange on which such shares are available for trading (the “Relevant Stock Exchange”);
- (b) the currency in which such shares trade on the Relevant Stock Exchange (the “Underlying Currency”);
- (c) the currency in which Contracts in respect of such shares shall trade (the “Relevant Currency”);
- (d) the minimum price fluctuation;
- (e) the number of shares comprising a lot;
- (f) the time at which trading in respect of the relevant series shall cease on the Expiry Day;
- (g) the Settlement Day for Contracts;
- (h) the price by reference to which the Daily Delivery Settlement Price shall be calculated in respect of an Option Contract on Equity Shares (American-Style Exercise, Cash Settlement) (“Daily Reference Price”);

- (i) the price by reference to which the EDSP shall be calculated in respect of an Option Contract on Equity Shares (Cash Settlement) (“Expiry Reference Price”);
- (j) where applicable, the source of the conversion rate to be applied to the Daily Reference Price and Expiry Reference Price pursuant to terms 21.03 and 22.03

2.07 The Board may from time to time vary, substitute or remove any of, or add to, the details contained in the List of Contract Details. Any such variation, substitution or removal of, or addition to, such details shall have such effect with regard to existing and/or new Contracts as the Board may determine and shall be the subject of a Notice.

2A. When Issued Dealing

2A.01 Where the shares of a company are the subject of when issued dealing pursuant to the rules of the Relevant Stock Exchange, an Option Contract may be entered into in respect of such shares if such Option Contract has been designated for this purpose by the Board pursuant to term 2.06. Such an Option Contract shall be a Conditional Option Contract until such time as the shares are listed.

2A.02 If the shares the subject of a Conditional Option Contract are not listed, or if the Expiry Day of the Conditional Option Contract predates the listing of such shares, such Option Contract shall be void and shall be invoiced back at a price determined by the Board in consultation with the Clearing House. Any such determination by the Board shall have regard to any decision by the Relevant Stock Exchange in respect of such shares.

3. Price

3.01 Bids and offers shall be quoted in the Relevant Currency and, except as specified in the Administrative Procedures in the case of cabinet transactions, prices shall be a whole number multiple of the minimum price fluctuation, as specified in the List of Contract Details.

4. Premium

4.01 Except as specified in the Administrative Procedures in the case of cabinet transactions, the Premium payable in respect of an option shall be the product of the price of the option and the number of shares comprised in a lot the subject of such option.

4.02 The Buyer shall pay the Premium to the Clearing House on the day and by the time specified for that purpose in the Administrative Procedures and the Clearing House shall pay the Premium to the Seller on the same day.

- 5 Expiry Day
- 5.01 Trading in Option Contracts for an Expiry Day shall cease for such Option Contracts in respect of that Expiry Day at the time specified in the Administrative Procedures.
6. Exercise of an Option by a Buyer against the Clearing House and Confirmation of Exercise in respect of an Option Contract on Equity Shares (American-Style Exercise)
- 6.01 Subject to term 2A.02, term 6.02 and to term 19, a Buyer may exercise an option against the Clearing House on any market day up to and including the Expiry Day and shall do so by giving to the Clearing House an Exercise Notice by the time specified for that purpose in the Administrative Procedures and in a manner from time to time prescribed by the Clearing House.
- 6.02 The Exchange may from time to time publish a Notice specifying one or more market days on which options shall not be capable of being exercised under term 6.01. Any Exercise Notice given by a Buyer to the Clearing House on a market day specified in such Notice shall be invalid.
- 6.03 The Clearing House shall give to the Buyer a notice in a form from time to time prescribed by the Clearing House, on the day and by the time specified for that purpose in the Administrative Procedures, confirming which options specified in an Exercise Notice have been validly exercised by the Buyer in accordance with these terms.
- 6.04 In respect of Option Contracts on Equity Shares (Physical Delivery), on the day on which the Buyer has validly exercised an option and immediately upon such exercise, a “Delivery Contract” for one lot shall arise:
- (a) in the case of a call option, between the Clearing House and the Buyer as Delivery Seller and Delivery Buyer respectively; or
- (b) in the case of a put option, between the Clearing House and the Buyer as Delivery Buyer and Delivery Seller respectively.
- 6A. Exercise of an Option by a Buyer against the Clearing House and Confirmation of Exercise in respect of Option Contracts on Equity Shares (European-Style Exercise)
- 6A.01 Subject to term 2A.02, term 6A.02 and to term 19, a Buyer may exercise an option against the Clearing House only on the Expiry Day and shall do so by giving to the Clearing House an Exercise Notice by the time specified for that purpose in the Administrative Procedures and in a manner from time to time prescribed by the Clearing House.
- 6A.02 The Clearing House shall give to the Buyer a notice in a form from time to time prescribed by the Clearing House, on the day and by the time specified for that

purpose in the Administrative Procedures, confirming which options specified in an Exercise Notice have been validly exercised by the Buyer in accordance with these terms.

6A.03 In respect of an Option Contract on Equity Shares (Physical Delivery), on the day on which the Buyer has validly exercised an option and immediately upon such exercise, a “Delivery Contract” for one lot shall arise:

- (a) in the case of a call option, between the Clearing House and the Buyer as Delivery Seller and Delivery Buyer respectively; or
- (b) in the case of a put option, between the Clearing House and the Buyer as Delivery Buyer and Delivery Seller respectively.

7. Exercise by the Clearing House against a Seller and Confirmation of Exercise

7.01 Subject to term 2A.02 and term 7.02, on the day on which an option is validly exercised by a Buyer, the Clearing House shall select a Seller, by such method of allocation as may be specified in the Administrative Procedures, against whom to exercise an option of the same type and at the same exercise price and for the same Expiry Day and shall exercise such option in a form and manner from time to time prescribed by the Clearing House.

7.02 If the Clearing House is unable to exercise an option against a Seller in accordance with term 7.01 on the day referred to in such term, the Clearing House shall do so as soon as possible thereafter and such option shall be deemed to have been exercised on the day referred to in term 7.01 which, for all purposes of these terms, shall be the day of exercise of such option.

7.03 In respect of each option exercised by the Clearing House against a Seller under this term 7, the Clearing House shall give to the Seller a Clearing House Notice of Exercise by the time specified for that purpose in the Administrative Procedures on the market day following the day of exercise of the option and in a manner from time to time prescribed by the Clearing House.

7.04 In respect of Option Contracts on Equity Shares (Physical Delivery), on the day on which the Clearing House has exercised an option against a Seller and immediately upon such exercise, a “Delivery Contract” for one lot shall arise:

- (a) in the case of a call option, between the Seller and the Clearing House as Delivery Seller and Delivery Buyer respectively, or
- (b) in the case of a put option, between the Seller and the Clearing House as Delivery Buyer and Delivery Seller respectively.

8. Expiry
- 8.01 An option in respect of an Expiry Day which has not been validly exercised in accordance with term 6, 6A or 7, as applicable, shall expire on the day and at the time specified for that purpose in the Administrative Procedures.
9. Delivery Contract in respect of Option Contracts on Equity Shares (Physical Delivery)
- 9.01 In respect of a Delivery Contract, the Delivery Seller is obliged to make delivery of one lot and the Delivery Buyer is obliged to take delivery thereof and to make payment of the settlement amount in accordance with term 16 and the Administrative Procedures, subject to these terms and the Administrative Procedures which shall apply thereto.
10. Entitlement following Exercise in respect of Option Contracts on Equity Shares (Physical Delivery)
- 10.01 If shares the subject of an option are Cum Entitlement on the day such option is exercised in accordance with these terms (or are deemed to be under term 28.02), the Delivery Buyer shall be entitled to receive, or to exercise, or to direct the exercise of, the Relevant Entitlement in respect of such shares which are to be delivered to him under the Delivery Contract arising pursuant to term 6.04, 6A.04, or 7.04, as applicable, on the exercise of such option.
11. Settlement Agent in respect of Option Contracts on Equity Shares (Physical Delivery)
- 11.01 Only a Settlement Agent with a Settlement Account at the Relevant Settlement System may be used for the purposes of making or taking delivery of shares under a Delivery Contract by transfer of shares through such Relevant Settlement System and making or receiving payment of the settlement amount under a Delivery Contract in accordance with these terms, unless these terms otherwise require or permit.
12. Clearing House Delivery Notice in respect of Option Contracts on Equity Shares (Physical Delivery)
- 12.01 On the market day immediately following the exercise of options in accordance with these terms and by the time specified for that purpose in the Administrative Procedures, the Clearing House shall give a Delivery Notice:
- (a) to the Delivery Buyer specifying the Delivery Contracts to which he is party with the Clearing House which have arisen in accordance with term 6.04, 6A.04 or 7.04, as the case may be, and details of the Delivery Contracts which shall be submitted in accordance with the Relevant Delivery Procedures by or on behalf of the Delivery Buyer and by the Clearing House to CRESTCo or Euroclear, as the case may be, in respect of Delivery

Contracts which are due to be settled by the transfer of shares through the Relevant Settlement System; and

- (b) to the Delivery Seller specifying the Delivery Contracts to which he is party with the Clearing House which have arisen in accordance with term 6.04, 6A.04 or 7.04, as the case may be, and details of the Delivery Contracts which shall be submitted in accordance with the Relevant Delivery Procedures by or on behalf of the Delivery Seller and by the Clearing House to CRESTCo or Euroclear, as the case may be, in respect of Delivery Contracts which are due to be settled by the transfer of shares through the Relevant Settlement System.

13. Submission of details to the Relevant Settlement System in respect of Option Contracts on Equity Shares (Physical Delivery)

13.01 In respect of Delivery Contracts to be settled by the transfer of shares through the Relevant Settlement System, on the Relevant Settlement System business day following the day of exercise of an option in accordance with term 6, 6A or 7, as the case may be, and by the time specified for that purpose in the Administrative Procedures, the details of Delivery Contracts notified to the Delivery Buyer and to the Delivery Seller pursuant to terms 12.01(a) and 12.01(b) respectively and such other details as may be required by the Relevant Delivery Procedures shall have been submitted, as required by such terms, to CRESTCo or Euroclear as the case may be, so as to enable the Relevant Settlement System:

- (a) in the case of the Delivery Buyer, to match the details of the Contracts submitted to it by or on behalf of the Delivery Buyer with the details of the Contracts submitted to it by the Clearing House; and
- (b) in the case of the Delivery Seller, to match the details of the Contracts submitted to it by or on behalf of the Delivery Seller with the details of the Contracts submitted to it by the Clearing House

in order that settlement of Contracts is effected through the Relevant Settlement System on the Settlement Day.

14. Seller's Delivery Details in respect of Option Contracts on Equity Shares (Physical Delivery)

- 14.01 (a) Where the Relevant Delivery Procedures so require, a clearing member shall give to the Clearing House, in accordance with the terms of the Relevant Delivery Procedures, details of:
- (i) the names of persons conforming with the Relevant Delivery Procedures and paragraph (b) of this term (who may include the clearing member himself) who are appointed by the clearing member to transfer shares to the Clearing House in accordance with these

terms in respect of Delivery Contracts which may be entered into by such clearing member as Delivery Seller; and

- (ii) the names of the Settlement Agents (who may include the Transferor himself) who will be used by each such person to transfer such shares and to receive payment of the settlement amount for such shares and details of their Settlement Accounts,

together with the acknowledgement described in term 14.03, if required by that term and each Transferor so appointed (other than the clearing member himself) and each Settlement Agent so appointed (whether or not the Transferor) shall act as agent for the clearing member in transferring such shares or receiving payment of the settlement amount for such shares, notwithstanding that settlement of such shares shall be made through the Settlement Account of the Settlement Agent.

- (b) The Exchange may from time to time restrict the persons or categories of persons which may be appointed as Settlement Agents or as Transferors or the types of Settlement Accounts to be used for making a transfer of shares and shall publish the details of such restrictions by means of a Notice.
- (c) The details given to the Clearing House in accordance with paragraph (a) of this term may be amended from time to time in accordance with the Relevant Delivery Procedures.

14.02 Although the Delivery Seller may under term 14.01 appoint a person other than himself as Transferor, the Delivery Seller shall himself remain responsible in respect of a Delivery Contract for delivery of the shares and the performance of all other obligations under such Contract expressed to be imposed upon the Transferor in these terms and in the Administrative Procedures. However, performance by the Transferor of those obligations expressed to be imposed upon him (including the obligation to transfer shares) in accordance with these terms and in the Administrative Procedures shall constitute due performance of the Delivery Seller's obligations under such Contract.

14.03 Except where the Delivery Seller is also the Transferor, the Delivery Seller shall by the day specified in and in accordance with the Relevant Delivery Procedures deliver to the Clearing House an irrevocable acknowledgement, in a form from time to time prescribed by the Clearing House, addressed to the Clearing House by each Transferor, acknowledging amongst other things that the obligations of the Clearing House with regard to all sums payable by it in respect of shares to be delivered by the Transferor in respect of any Delivery Contract from time to time entered into by the Delivery Seller with the Clearing House and in respect of which he is appointed Transferor are owed to the Delivery Seller alone, and that the Transferor has no rights whatsoever against the Clearing House.

15. Buyer's Delivery Details in respect of Option Contracts on Equity Shares (Physical Delivery)

15.01 (a) Where the Relevant Delivery Procedures so require, a clearing member shall give to the Clearing House, in accordance with the terms of the Relevant Delivery Procedures, details of:

- (i) the names of persons conforming with the Relevant Delivery Procedures and paragraph (b) below (who may include the clearing member himself) who are appointed to take a transfer of shares from the Clearing House in accordance with these terms in respect of Delivery Contracts which may be entered into by such member as Delivery Buyer; and
- (ii) the names of the Settlement Agents (who may include the Transferee himself) who will be used by each such person to take a transfer of such shares and to make payment of the settlement amount for such shares and details of their Settlement Accounts,

together with the acknowledgement described in term 15.03, if required by that term and each Transferee so appointed (other than the clearing member himself) and each Settlement Agent so appointed (whether or not the Transferee) shall act as agent for the clearing member in taking a transfer of such shares or making payment of the settlement amount for such shares, notwithstanding that the transfer of such shares shall be made through the Settlement Account of the Settlement Agent.

- (b) The Exchange may from time to time restrict the persons or categories of persons which may be appointed as Settlement Agents or as Transferees or the types of Settlement Accounts to be used for taking a transfer of shares and shall publish the details of such restrictions by means of a Notice.
- (c) The details given to the Clearing House in accordance with paragraph (a) of this term may be amended from time to time in accordance with the Relevant Delivery Procedures.

15.02 Although the Delivery Buyer may under term 15.01 appoint a person other than himself as Transferee, the Delivery Buyer shall himself remain responsible in respect of a Delivery Contract for the acceptance of a transfer of shares and the payment of the settlement amount for such shares and for the performance of all other obligations expressed to be imposed upon the Transferee in these terms and in the Administrative Procedures in respect of such Contract. However, performance by the Transferee of those obligations expressed to be imposed upon him (including the obligations to accept transfer of shares and to pay the settlement amount) in accordance with these terms and the Administrative Procedures shall constitute due performance of the Delivery Buyer's obligations under such Contract.

- 15.03 Except where the Delivery Buyer is also the Transferee, the Delivery Buyer shall by the day specified in and in accordance with the Relevant Delivery Procedures deliver to the Clearing House an irrevocable acknowledgement, in a form from time to time prescribed by the Clearing House, addressed to the Clearing House by each Transferee, acknowledging amongst other things that the Transferee has no claims whatsoever against the Clearing House in respect of any delay on its part in transferring, or any failure on its part to transfer, the shares to be transferred in respect of any Delivery Contract from time to time entered into by the Delivery Buyer with the Clearing House and in respect of which he is appointed Transferee, or in respect of any other matter whatsoever concerning those shares.
16. Delivery in respect of Option Contracts on Equity Shares (Physical Delivery)
- 16.01 All shares to be transferred in respect of a Delivery Contract shall be transferred free of any proprietary or equitable interest of any person.
- 16.02 In respect of Contracts to be settled by the transfer of shares through the Relevant Settlement System, a transfer of shares in respect of a Delivery Contract shall be made through the Relevant Settlement System in accordance with the Relevant Settlement System Rules, these terms and the Administrative Procedures, or as otherwise required or permitted by these terms and payment for such shares shall be made in accordance with these terms, the Administrative Procedures and the Relevant Settlement System Rules, and the provisions of this term 16 shall be subject to the Relevant Settlement System Rules where applicable.
- 16.03 Subject to term 16.05, on the Settlement Day at or by the time specified in respect of the Relevant Settlement System and in accordance with the Administrative Procedures:
- (a) the Transferor shall, in respect of Delivery Contracts to be settled by the transfer of shares through the Relevant Settlement System, have transferred shares through the Relevant Settlement System from the Member Account of the Relevant Settlement System Member notified to the Clearing House in accordance with term 14.01(a) to the Relevant Settlement System Member Account of the Clearing House and payment of the settlement amount for such shares transferred through the Relevant Settlement System shall have been satisfied by an Assured Payment.
 - (b) the Clearing House shall, in respect of Delivery Contracts to be settled by the transfer of shares through the Relevant Settlement System, have transferred the shares through the Relevant Settlement System from its Relevant Settlement System Member Account to the Member Account of the Relevant Settlement System Member notified to the Clearing House in accordance with term 15.01(a) for the account of the Transferee and payment of the settlement amount for such shares transferred through the Relevant Settlement System shall have been satisfied by an Assured Payment.

- 16.04 In respect of Delivery Contracts to be settled by transfer of shares through the Relevant Settlement System:
- (i) whether or not the Delivery Seller appoints a Transferor other than himself, and notwithstanding that such a Transferor is the Delivery Seller's agent, an Assured Payment arising upon the transfer of shares to the Relevant Settlement System Member Account of the Clearing House pursuant to term 16.03(a) shall discharge the Clearing House's liability to pay the settlement amount for such shares to the Delivery Seller;
 - (ii) an Assured Payment arising upon the transfer of shares pursuant to term 16.03(b) to the Relevant Settlement System Member Account of the Relevant Settlement System Member notified to the Clearing House in accordance with term 15.01(a) for the account of the Transferee shall discharge the Delivery Buyer's liability to pay the settlement amount for such shares to the Clearing House;
 - (iii) the transfer of shares by the Clearing House to or to the order of the Transferee shall discharge the Clearing House's liability to transfer such shares to the Delivery Buyer, whether or not the Transferee is the Delivery Buyer's agent; and
 - (iv) the transfer of shares by the Transferor to the Clearing House shall discharge the Delivery Seller's liability to transfer such shares to the Clearing House.
- 16.05 (a) Subject to term 18, if any transfer of shares required by term 16.03 cannot be or has not been fully accomplished on the Settlement Day at or by the time specified in respect of the Relevant Settlement System in the Administrative Procedures, due to any event occurring which is outside the control of the Transferor or of the Transferee or of the Clearing House, as the case may be, which, without prejudice to the generality of the foregoing, may include:
- (i) a failure by a seller of shares to the Transferor to make transfer of such shares by the due time so as to enable the Transferor to fulfil his obligations to transfer the shares to the Clearing House in accordance with term 16.03(a);
 - (ii) a failure by the Transferor to transfer shares to the Clearing House in accordance with term 16.03(a) so as to enable the Clearing House to fulfil its obligations to transfer shares to a Transferee in accordance with term 16.03(b);
 - (iii) an error, failure, closure or suspension of the Relevant Settlement System or of other systems operated by or on behalf of the Relevant Settlement System;
 - (iv) a failure or termination of the Transferor's or the Transferee's or the Clearing House's access to its Settlement Agent;

- (v) a failure of the Transferor's or Transferee's Settlement Agents or the Clearing House's access to the Relevant Settlement System for any reason, including, without limitation, as a result of any fault or failure of any computer or communication system;
- (vi) any action taken by CRESTCo or Euroclear as the case may be, whether pursuant to the Relevant Settlement System Rules or otherwise; or
- (vii) any failure of, or any action or failure to take action by, a settlement bank, appointed by the Transferor, the Clearing House or the Transferee from time to time in connection with the settlement of shares through the Relevant Settlement System, which prevents the transfer of shares to the Transferor or to the Clearing House or to the Transferee, as the case may be,

then, without prejudice to paragraphs (d)(i) and (d)(ii) of this term, such transfer or transfers shall be made as soon as possible through the Relevant Settlement System and in accordance with the Relevant Delivery Procedures in order fully to perform a Delivery Contract or, if an event occurs which prevents a transfer of shares through the Relevant Settlement System, in accordance with any instructions which may be given by the Clearing House, which may require delivery by a means other than through the Relevant Settlement System. In the case of any disagreement between the Clearing House and the Transferor or between the Clearing House and the Transferee as to whether any particular transfer can be or has been accomplished the determination of the Clearing House shall be final.

- (b) Any instructions given by the Clearing House under paragraph (a) above shall be binding and failure by the Delivery Seller or the Delivery Buyer to comply or ensure compliance with such instructions shall constitute a default under term 19.01 by such Delivery Seller or, as the case may be, such Delivery Buyer.
- (c) Where the Clearing House is unable to transfer shares in respect of a Delivery Contract to the Transferee in accordance with term 16.03 as a result of any event (other than an event referred to in term 18, which, for the avoidance of doubt, shall be dealt with under term 18) occurring which is outside the control of the Clearing House, the rights of the Delivery Buyer shall consist solely of the right to have transfer of the shares made to the Transferee as soon as possible through the Relevant Settlement System and in accordance with the Relevant Delivery Procedures or otherwise as required by these terms and as soon as possible after the Clearing House has received a transfer of such shares from the Transferor or acquired them from another person.

- (d) (i) If any transfer of shares to the Clearing House in respect of a Delivery Contract required to be made by the Transferor under term 16.03(a) or under paragraph (a) of this term is not made by the relevant time specified in the Relevant Delivery Procedures as a consequence of the occurrence of an event referred to in paragraph (a)(i) of this term; or
- (ii) if an event referred to in paragraph (a)(vii) of this term occurs which prevents a transfer of shares to the Transferor or a transfer of shares by the Clearing House to the Transferee; or
- (iii) notwithstanding the occurrence (if any) of an event referred to in paragraph (a) of this term or in term 18 at any time, if the Clearing House, in consultation with the Exchange, determines that the Delivery Seller (or the Delivery Buyer) has not used its best endeavours to transfer (or to take transfer of) shares or to procure the Transferor to transfer (or to procure the Transferee to take a transfer of) shares, as the case may be, on the Settlement Day or in accordance with paragraph (a) of this term; or
- (iv) if any transfer of shares to the Clearing House in respect of a Delivery Contract required to be made under paragraph (a) of this term (other than as a consequence of an event referred to in paragraph (a)(i) or (a)(vii) of this term) is not made as soon as possible after the Settlement Day,

then the Clearing House shall be entitled to treat the Delivery Seller or the Delivery Buyer as in default and, without prejudice to its rights under term 20 and to its powers under the Regulations, the Clearing House shall be entitled, at its absolute discretion, to take steps to acquire shares in accordance with the Relevant Delivery Procedures in order to fulfil its obligations under a Delivery Contract in whole or in part to make delivery of shares to a Delivery Buyer or to dispose of shares (where possible) delivered to it by the Delivery Seller and the Delivery Seller or the Delivery Buyer (as the case may be) in default shall indemnify the Clearing House in respect of any losses, costs, taxes or expenses suffered or incurred by it in taking any such steps or in exercising any such rights or powers (including any losses determined in accordance with term 20.03). The Delivery Seller or the Delivery Buyer (as the case may be) who is in default shall comply with any directions given by the Clearing House.

- 16.06 (a) If as a result of any event contemplated by term 16.05(a) there is a delay in the transfer of shares in respect of a Delivery Contract and the benefit of a Relevant Entitlement to which the Transferee would have been entitled if transfer to him had taken place in accordance with term 16.03(b) (and he had retained beneficial title to the shares), is received by the Clearing House (or by the Transferor, if transfer is not made to the Clearing House by the Transferor in accordance with term 16.03(a)) then:

- (i) if the Clearing House has received the benefit of such Relevant Entitlement, or receives the benefit of such Relevant Entitlement under sub-paragraph (ii) of this term, the Clearing House shall pass on the benefit of such Relevant Entitlement which it receives to the Delivery Buyer and shall deliver to the Delivery Buyer such documents (if any) as it receives in connection therewith; and
 - (ii) if the Transferor has received the benefit of such Relevant Entitlement, the Delivery Seller shall pass on or procure that the Transferor passes on the benefit of such Relevant Entitlement which it receives to the Clearing House and shall deliver to the Clearing House such documents (if any) as it receives in connection therewith.
- (b) Any act required by paragraph (a) of this term shall be done at such time and in such manner as the Clearing House may specify.

16.07 If any event contemplated by term 16.05(a) occurs, the Delivery Seller or the Delivery Buyer, as applicable, shall provide to the Clearing House documentary evidence satisfactory to the Clearing House that he has complied with his obligations under a Contract to which he is party by the time and in the manner prescribed.

16.08 (a) The Clearing House shall give notice to the Exchange of any instructions given by it under term 16.05(a) forthwith upon giving such instructions and of any event contemplated by term 16.05(a) which may prevent or has prevented a transfer of shares in respect of a Delivery Contract upon becoming aware of any such event.

(b) If any event contemplated by term 16.05(a) occurs, the provisions of term 16 shall apply and the provisions of term 24 shall not apply unless, after consultation with the Clearing House, the Board determines that such circumstances have continued or are likely to continue for such duration that the provisions of term 16.05 shall no longer apply and that the provisions of term 24 shall apply. The Board's determination shall be final and binding.

16.09 Any provision of this term 16 or of any other of these terms or of the Administrative Procedures relating to procedures for settlement may be varied, or substituted by different procedures for settlement, by the Board from time to time. Any such variation or substitution shall have such effect with regard to existing and/or new Contracts as the Board may determine.

17. Corporate Actions

17.01 In this term 17, "Corporate Action" shall mean:

- (a) a cash and/or scrip dividend, a bonus or scrip issue, a rights issue, a share split, subdivision or consolidation, a demerger or any other event affecting or

giving rise to a right or entitlement attaching or accruing to the shares of, or ownership of shares in, a company; or

- (b) a takeover, merger or any arrangement, transaction or series of transactions which will or may result in the acquisition by any person or persons or any associated person or persons of a substantial proportion of the shares of a company; or
- (c) any other event which, in the opinion of the Board, necessitates an amendment to be made to terms of an Option Contract in respect of the shares of a company.

17.02 Where any Corporate Action occurs with respect to the shares of a company, or which affects a company whose shares are the subject of an Option Contract, the Board, in its absolute discretion, may, but shall not be obliged to, determine:

- (a) to make adjustments to the size of the lot the subject of an option and/or to the exercise price of such option; or
- (b) to vary, substitute or remove any of, or add to, these terms to make provision for the effect of such Corporate Action. Any such variation, substitution, removal or addition may, without limitation, be made to make provision for shares in one or more companies other than the shares originally the subject of the Option Contract, or one or more entitlements pertaining to the shares of a company, or a cash amount to be transferred in addition to or in substitution for some or all of such shares to form the subject of a lot.

17.03 Subject to term 29.01, any adjustment, variation, substitution or removal of or addition to these terms determined upon under term 17.02 will be determined in accordance with the policy of the Board from time to time in relation to Corporate Actions unless the Board, in its absolute discretion, determines otherwise. The Board's policy relating to Corporate Actions will be published from time to time by means of one or more Notices. Any adjustment, variation, substitution, removal of or addition to these terms made under this term 17 shall be published in one or more Notices and shall have such effect with regard to existing and/or new Contracts as the Board may determine.

18. Stock Suspension

18.01 In this term 18, "suspended shares" shall mean shares which are the subject of a suspension of dealings or shares which have been suspended from settlement through the Relevant Settlement System.

- 18.02 If dealings in shares the subject of an Option Contract or of a Delivery Contract arising on the exercise of an option are suspended or prohibited by the Relevant Stock Exchange or are otherwise not permitted to be made under Stock Exchange Rules (“suspension of dealings”) or shares the subject of an Option Contract or Delivery Contract are otherwise suspended shares, any such Option Contract or Delivery Contract, as the case may be, shall be performed in accordance with this term 18 and otherwise in accordance with these terms and the Administrative Procedures.
- 18.03 A Buyer may submit an Exercise Notice in respect of an option in accordance with term 6 or 6A and the Clearing House may exercise an option against a Seller in accordance with term 7, notwithstanding that the shares the subject of the option are suspended shares.
- 18.04 Subject to term 18.05, shares which are the subject of suspension of dealings which are required to be delivered in respect of a Delivery Contract shall be delivered through the Relevant Settlement System on the Settlement Day in accordance with these terms.
- 18.05 (a) If settlement of suspended shares the subject of a Delivery Contract cannot be made on or after the Settlement Day for such Contract through the Relevant Settlement System, such shares shall be delivered in accordance with any instructions which may be given by the Clearing House, which shall be final and binding, save that where the Board determines that such Delivery Contract shall be invoiced back, such Contract shall be invoiced back at a price fixed by the Board in consultation with the Clearing House. It shall not, subject to term 16.05(d)(iii), be an event of default under these terms if settlement of suspended shares is not effected on the Settlement Day, but failure by the Delivery Seller or the Delivery Buyer to comply or ensure compliance with any instructions given by the Clearing House under this term shall constitute a default under term 19.01 by such Delivery Seller or, as the case may be, such Delivery Buyer.
- (b) The Board’s determination under paragraph (a) of this term shall be final and binding and shall be published by means of a General Notice.

19. Default

- 19.01 The Buyer or the Seller or the Delivery Buyer or the Delivery Seller, as the case may be, shall be in default where:
- (a) he fails to fulfil his obligations under a Contract by the time and in the manner prescribed and in accordance with these terms, the Rules and the Administrative Procedures;
- (b) he fails to pay any sum due to the Clearing House in respect of a registered Contract by the time specified in these terms and the Administrative Procedures;

- (c) in respect of Option Contracts on Equity Shares (Physical Delivery) the “bad delivery” rules or any other rules set forth in the Rules of the Relevant Settlement System are invoked with respect to the transfer of shares to the Clearing House by the Transferor appointed by the Delivery Seller to make such transfer or in respect of the transfer of shares by the Clearing House to the Transferee appointed by the Delivery Buyer to accept such transfer which may lead or leads to the reversal of one or more transfers of shares; or
- (d) in the reasonable opinion of the Clearing House he is otherwise in default under a Contract.

For the avoidance of doubt, the Delivery Seller shall be held to be in default if the “bad delivery” or such other rules referred to in paragraph (c) of this term are invoked with respect to the transfer of shares by the Transferor to the Clearing House or the transfer of shares by the Clearing House to the Transferee and notwithstanding that the Delivery Seller may not be responsible for any circumstance which leads to such “bad delivery” or such other rules being invoked.

19.02 Obvious clerical errors in any notice to be given hereunder and which can be readily rectified shall not be treated as constituting a default.

19.03 Notwithstanding a default under term 19.01, the Clearing House may in its absolute discretion determine not to exercise or to delay in exercising any of its rights under term 20, and no failure by the Clearing House to exercise nor any delay on its part in exercising any of such rights shall operate as a waiver of the Clearing House’s rights upon that or upon any subsequent occasion, nor shall any single or partial exercise of such rights prevent any further exercise thereof or of any other right.

20. Effect of Delivery Default

20.01 The provisions of terms 20.02 to 20.05 inclusive shall be subject to the Default Rules from time to time in force of the Clearing House.

20.02 If there appears to the Clearing House to be a default by the Buyer or the Seller or the Delivery Buyer or the Delivery Seller, as the case may be, under term 19.01 in respect of any lot comprised in a registered Contract the Clearing House may take such steps as it deems appropriate to facilitate a mutually acceptable resolution of the default:

- (a) where the Buyer or the Delivery Buyer appears to be in default, between such Buyer and the Clearing House; or
- (b) where the Seller or the Delivery Seller appears to be in default, between such Seller and the Clearing House.

20.03 (a) In addition to any steps taken under term 20.02 the Clearing House may, if it appears to it that a clearing member as Seller (or as Delivery Seller) or a

clearing member as Buyer (or as Delivery Buyer) is in default under term 19.01, in its sole discretion take any steps whatsoever which may appear desirable to the Clearing House for the protection of the Clearing House or of a Seller (or Delivery Seller) or Buyer (or Delivery Buyer) not in default including, without prejudice to the generality of the foregoing, the steps referred to in paragraph (b) or (c) below. Any action taken by the Clearing House pursuant to this term 20 or term 16.05 shall be without prejudice to any rights, obligations or claims of a Buyer (or a Delivery Buyer), a Seller (or a Delivery Seller), or the Clearing House and any costs, claims, losses, taxes or expenses of whatsoever nature suffered or incurred by the Clearing House in connection with taking such action or such default (or, without limitation, following the “bad delivery” or such other rules referred to in paragraph (c) of term 19.01 being invoked) shall be paid by the Buyer or the Seller (or the Delivery Buyer or the Delivery Seller, as the case may be) in default.

- (b) Where a Delivery Buyer appears to be in default under term 19.01 the Clearing House may take steps pursuant to paragraph (a) of this term to sell any or all of the shares delivered to it by a Transferor at such time and place and in such manner and on such terms as may to the Clearing House seem fit. Where the price at which such shares are sold (“the Sale Price”) is less than the amount due but unpaid by the Delivery Buyer to the Clearing House in respect of such shares (“the Unpaid Amount”), the difference between the Sale Price and the Unpaid Amount shall forthwith on demand be paid by the Delivery Buyer in default to the Clearing House. Where the Unpaid Amount is less than the Sale Price the difference between the Unpaid Amount and the Sale Price shall (if any remain after the deduction so far as possible of such sums as are payable by the Delivery Buyer to the Clearing House hereunder or otherwise) be retained by the Clearing House to the order of the Board. The Delivery Buyer in default shall forthwith on demand pay to the Clearing House any sums payable by the Delivery Buyer pursuant to paragraph (a) of this term.
- (c) Where a Delivery Seller appears to be in default under term 19.01, or is treated as being in default under term 16.05, or, without prejudice to the foregoing, paragraph (c) of term 19.01 applies and a step taken by the Clearing House pursuant to paragraph (a) of this term or term 16.05 is to acquire shares at such time and place and in such manner and on such terms as the Clearing House thinks fit from a person other than the Delivery Seller in order to meet in whole or in part its obligations to a Delivery Buyer to make delivery of shares in respect of a Delivery Contract:
 - (i) if the total cost incurred by the Clearing House in acquiring shares, including for the avoidance of doubt the cost of any purchase of shares by the Clearing House in order to fulfil any obligations under the arrangements it has made to acquire the shares (“the Acquisition Cost”), is greater than the amount which would have been payable by the Clearing House to the Transferor in respect of the shares to have

been delivered to it by the Transferor (or which, but for the application of the “bad delivery” or such other rules referred to in paragraph (c) of term 19.01 had purportedly been delivered to it by the Transferor), the Delivery Seller shall forthwith on demand pay the amount of such difference to the Clearing House; or

- (ii) if the Acquisition Cost is less than the amount which would have been payable by the Clearing House as referred to in sub-paragraph (i) above, the amount of such difference shall (if any remain after the deduction so far as possible of such sums as are payable by the Delivery Seller to the Clearing House under sub-paragraph (iii) below or otherwise) be retained by the Clearing House to the order of the Board;
 - (iii) if the Delivery Seller delivers or attempts to deliver shares to the Clearing House under a Delivery Contract after the Settlement Day, the Clearing House shall be entitled to reject such attempted or actual delivery, or shall be entitled to sell any shares which are so delivered, as it sees fit, if the Clearing House has made alternative arrangements to acquire shares for delivery to the Delivery Buyer; and
 - (iv) the Delivery Seller shall forthwith on demand pay to the Clearing House any sums payable by the Delivery Seller pursuant to paragraph (a) of this term.
- (d) Any step taken by the Clearing House pursuant to paragraphs (a), (b) or (c) of this term shall be without prejudice to the rights of any party to refer a dispute to arbitration under term 26.

20.04 Without prejudice to its rights under terms 20.02 and 20.03, the Clearing House may refer to the Board any dispute or issue arising between the parties referred to in paragraph (a) or (b) of term 20.02 as a result of a default by a Seller (or Delivery Seller) or by a Buyer (or Delivery Buyer) under term 19.01. If, upon such reference, the Board is of the opinion that the default is of minor significance it shall determine any such dispute or issue upon such evidence as it may deem relevant and convey its findings to the Buyer and the Seller or the Delivery Buyer and the Delivery Seller, as the case may be, who shall forthwith accept such determination and shall implement its terms without question, provided that such acceptance and implementation shall be without prejudice to the right of either party to refer the dispute or any related dispute to arbitration.

20.05 If no settlement has been reached pursuant to term 20.02 and if no steps have been taken by the Clearing House pursuant to term 20.03 and any dispute or issue between the parties referred to the Board under term 20.04 is, in the opinion of the Board, not such as may be subject to determination under term 20.04 then the Board in consultation with the Clearing House shall forthwith fix a price for invoicing back each option or Delivery Contract in respect of which the dispute or issue has arisen and each option or Delivery Contract, as the case may be, shall be invoiced

back at that price. Such invoicing back price shall be final and no dispute as to such price may be referred to arbitration. Such price may at the Board's absolute discretion take account of any compensation that the Board may consider should be paid by any party save that where a dispute or issue has arisen in respect of a Contract between a Seller (or a Delivery Seller) and the Clearing House and a like dispute or issue has arisen in respect of a Contract between a Buyer (or Delivery Buyer) and the Clearing House which had been matched by the Clearing House with the Contract between the Seller (or the Delivery Seller) and the Clearing House, and the dispute or issue has in each case been referred to the Board under term 20.04, the Board shall fix the same invoicing back price in respect of each Contract. Any such action taken by the Board under this term shall be without prejudice to the rights of any of the parties to refer any dispute to arbitration under term 26.

21. Daily Delivery Settlement Price in respect of Option Contracts on Equity Shares (American-Style Exercise, Cash Settlement)
- 21.01 A Daily Delivery Settlement Price will be determined by exchange officials on each market day and, subject to term 21.03, shall be calculated by reference to the Daily Reference Price.
- 21.02 The Daily Delivery Settlement Price shall be calculated by exchange officials as the Daily Reference Price, adjusted where applicable in accordance with term 21.03, and rounded to the nearest minimum price fluctuation or, where the Daily Reference Price is an exact uneven multiple of one half of the minimum price fluctuation, to the nearest higher minimum price fluctuation.
- 21.03 Where the Underlying Currency is different from the Relevant Currency, the Daily Reference Price shall be converted to the Relevant Currency by application of the conversion rate referred to in the List of Contract Details prior to rounding being carried out in accordance with term 21.02.
- 21.04 If no Daily Reference Price is available in respect of an Expiry Day, exchange officials shall fix the Daily Delivery Settlement Price for such Contracts at a price determined by them, in their absolute discretion, as being consistent with cash market values of the shares the subject of such Contracts.
- 21.05 The Board may from time to time amend the method for and timing of the calculation of the Daily Delivery Settlement Price for any reason determined by the Board and any such changes shall have such effect with regard to existing and/or new Contracts as the Board may determine.
- 21.06 The Exchange shall publish the Daily Delivery Settlement Price at or by such times as may be specified in the Administrative Procedures. The Daily Delivery Settlement Price shall be final and binding for all purposes.
22. Exchange Delivery Settlement Price ("EDSP") in respect of Option Contracts on Equity Shares (Cash Settlement)

- 22.01 Subject to term 22.03, the EDSP for Contracts for a particular Expiry Day shall be calculated by reference to the Expiry Reference Price.
- 22.02 The EDSP for Contracts for a particular Expiry Day shall be calculated by exchange officials as the Expiry Reference Price, adjusted where applicable in accordance with term 22.03, and rounded to the nearest minimum price fluctuation or, where the Expiry Reference Price is an exact uneven multiple of one half of the minimum price fluctuation, to the nearest higher minimum price fluctuation.
- 22.03 Where the Underlying Currency is different from the Relevant Currency, the Expiry Reference Price shall be converted to the Relevant Currency by application of the conversion rate referred to in the List of Contract Details prior to rounding being carried out in accordance with term 22.02.
- 22.04 If no Expiry Reference Price is available in respect of an Expiry Day, exchange officials shall fix the EDSP for such Contracts at a price determined by them, in their absolute discretion, as being consistent with cash market values of the shares the subject of such Contracts.
- 22.05 The Board may from time to time amend the method for and timing of the calculation of the EDSP for any reason determined by the Board and any such changes shall have such effect with regard to existing and/or new Contracts as the Board may determine.
- 22.06 The Exchange shall publish a provisional EDSP and the final EDSP at or by such times as may be specified in the Administrative Procedures. The final EDSP shall be final and binding for all purposes.

23. Settlement Amount and Payment in respect of Option Contracts on Equity Shares (Cash Settlement)
- 23.01 The Settlement Amount in respect of an option exercised under terms 6, 6A or 7, as applicable, shall be:
- (a) in the case of a call option, the amount by which the EDSP (if exercised on the Expiry Day) or the Daily Delivery Settlement Price (if exercised on any other day) exceeds the exercise price, or
 - (b) in the case of a put option, the amount by which the exercise price exceeds the EDSP (if exercised on the Expiry Day) or the Daily Delivery Settlement Price (if exercised on any other day)
- 23.02 The Settlement Amount shall be paid by a Seller to the Clearing House by the time on the Settlement Day specified for this purpose in the Administrative Procedures and the Clearing House shall pay the Settlement Amount to the Buyer on the same day.
24. Force Majeure
- 24.01 Subject to terms 16.08(b) and 24.02 and any steps taken at any time by the Board under emergency powers in the Rules, in the event of a Seller or a Buyer or a Delivery Seller or a Delivery Buyer, as the case may be, being prevented from performing his obligations in respect of any lot comprised in a Contract by the due time therefor by any cause beyond his reasonable control (other than in circumstances to which term 18 applies) including, without limitation, any act of God, strike, lockout, war, armed conflict, use of force by authority of the United Nations, fire, riot or civil commotion, combination of workmen, act of terrorism, breakdown of machinery, unavailability or restriction of computer or data processing facilities or energy supplies or bank transfer systems such lot shall be invoiced back at a price to be fixed by the Board in consultation with the Clearing House.
- 24.02 In the event of a Buyer being prevented from exercising an option on the Expiry Day and by the time for expiry thereof, as specified for that purpose in the Administrative Procedures by any event beyond his reasonable control including, without limitation, any of the circumstances specified in term 24.01:
- (i) the Buyer may give written notice to the Board specifying the option or, if more than one, the options which the Buyer was prevented from exercising, the steps taken by the Buyer to exercise an option and the events which prevented him from so doing. Any such notice shall be given to the Board as soon as is practicable after the time of expiry of an option specified in the notice and in any event no later than 10.00 hours on the market day following the Expiry Day. The Exchange shall notify the Clearing House that it has received a notice from the Buyer under this term forthwith upon receipt of such notice; and

- (ii) if the Board is satisfied that the Buyer took all possible steps in the circumstances prevailing to exercise an option, the Board shall request the Clearing House to notify it of details of one or more options between a Seller and the Clearing House which are on the same terms (except as to the parties or the option price) as, and have been matched by the Clearing House with, the option or options specified in the Buyer's notice and shall fix a price for invoicing back. Each option the subject of the Buyer's notice and each option between the Clearing House and a Seller notified to the Board hereunder shall be invoiced back at such price, notwithstanding that such options have expired under term 8. Such price may at the Board's absolute discretion take into account the Board's assessment of the intrinsic value at the expiry thereof of such options.

25. Rules, Administrative Procedures, etc.

25.01 Every Contract shall be subject to the Articles and the Rules and the Regulations insofar as applicable notwithstanding that either or both of the parties to it be not a member of the Exchange or of the Clearing House.

25.02 In case of any conflict between the Administrative Procedures and these terms or the Rules, the provisions of these terms and the Rules shall prevail and, in the event of any conflict between these terms and the Rules, the Rules shall prevail.

26. Arbitration

26.01 Any dispute arising from or in relation to a Contract shall be referred to arbitration under the Rules relating to arbitration and arbitration shall be held in accordance with the Rules in force at the time of such reference.

27. Governing Law

27.01 Every Contract shall be governed by and construed in accordance with English law.

28. Non-registered Contracts

28.01 In respect of a Contract which is not a registered Contract ("non-registered Contract") these terms shall be modified by the parties thereto so as to require and allow that a Contract to be registered with the Clearing House under the Rules and the Regulations is capable of being so registered and to facilitate the performance of obligations or the exercise of rights under such registered Contract in accordance with these terms and the Administrative Procedures. Modifications may also be made to the terms of a non-registered Contract to permit performance of obligations or the exercise of rights under such non-registered Contract or any other non-registered Contract if, without such modifications, it may not be possible to perform such obligations or to exercise such rights by the applicable times specified in these terms and Administrative Procedures. In particular, but without prejudice to the generality of the foregoing, all references in these terms to payment or dealing between the Buyer or the Seller or the Delivery Buyer or the Delivery Seller, as the

case may be, and the Clearing House shall be modified so as to require a similar payment or dealing directly between the Buyer and the Seller or the Delivery Buyer and the Delivery Seller, as the case may be, party to such non-registered Contract.

28.02 If the shares the subject of an option comprised in a registered Contract are Cum Entitlement (or Ex Entitlement, as the case may be) on the day such option is exercised by a Buyer party to such option, the shares the subject of a non-registered Contract shall be deemed to be Cum Entitlement (or Ex Entitlement, as the case may be) if the Buyer party to such Contract exercises the option on the market day following the exercise of the option comprised in the registered Contract and such shares have become Ex Entitlement (or Cum Entitlement, as the case may be) on such day, and these terms shall be construed accordingly.

29. Economic and Monetary Union

29.01 The Board in its absolute discretion may from time to time vary, substitute or remove any of, or add to, the terms of this Exchange Contract in any way which the Board considers necessary or desirable:

- (i) arising out of or in connection with, or to reflect changes in market conventions as determined by the Board as a consequence (direct or indirect) of the introduction of the euro as the lawful currency of a Member State.
- (ii) arising out of or in connection with the trading or quotation in euro of shares of a company which have been designated by the Board pursuant to term 2.03;
- (iii) to facilitate the calculation of and making of payments in euros, or to facilitate the calculation of the Price or any settlement amount, in pursuance of this Exchange Contract; or
- (iv) without prejudice to the foregoing, to require bids and offers and the minimum price fluctuation to be quoted in euros or eurocents.

29.02 Any variation, substitution or removal of, or addition to, the terms of this Exchange Contract made pursuant to term 29.01 shall have such effect with regard to existing or new Contracts or both as the Board may determine.

29.03 Any determination by the Board to vary, substitute or remove any of, or add to, the terms of this Exchange Contract pursuant to terms 29.01 and 29.02 shall be the subject of a Notice.

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Issue Date: 17 October 2005

OPTION CONTRACT ON EQUITY SHARES
(AMERICAN-STYLE AND EUROPEAN-STYLE EXERCISE)
PHYSICAL DELIVERY AND CASH SETTLED CONTRACTS

Exchange Contract No. 201F

Administrative Procedures

PHYSICAL DELIVERY CONTRACTS

Price

Except in the case of cabinet transactions, the minimum price fluctuation shall be as specified in the List of Contract Details.

Cabinet Transactions

A Contract may, as applicable, have a Premium of €1, CHF1, DKK1, NOK1, or £1 per lot if entered into by one or both parties for the sole purpose of closing out an existing open position.

Settlement Procedures

All deliveries under a Contract must be made in accordance with the Relevant Settlement System Rules, the Contract terms, Administrative Procedures and Relevant Delivery Procedures.

Delivery Details

Where the Relevant Delivery Procedures so require, clearing members shall have given to the Clearing House in accordance with the Relevant Delivery Procedures the delivery details referred to in terms 14.01 and 15.01 in order to facilitate settlement of Delivery Contracts through the Relevant Settlement System.

On the market day following the day Option Contracts are registered with the Clearing House, being a day on which banks in London are open for business

By 10.00 hours

Buyers will pay to the Clearing House Premiums due in respect of options the subject of Option Contracts to which they are party.

The Clearing House will pay Premiums due to Sellers in respect of options the subject of Option Contracts to which it is party as Buyer.

Exercise on any market day prior to the Expiry Day with respect to Option Contracts on Equity Shares (American-Style Exercise) except as specified in a Notice given under term 6.02

By 17.20 hours On any market day prior to the Expiry Day, except any day specified in a Notice given under term 6.02, Buyers may give to the Clearing House an Exercise Notice in respect of an option in accordance with term 6.

Exercise Notices received after such time will be rejected.

The Clearing House shall have selected Sellers against whom to exercise options in accordance with term 7 and shall do so on a random basis and against Sellers' gross sold positions as at the close of business on the market on the day on which one or more Buyers have exercised options in accordance with term 6 against the Clearing House.

Expiry Day in respect of Option Contracts on Equity Shares (American-Style Exercise and European-Style Exercise)

At 16.30 hours Trading in Option Contracts for the relevant Expiry Day shall cease.

By 18.00 hours Buyers may give to the Clearing House an Exercise Notice for any option in respect of the current Expiry Day in accordance with terms 6 or 6A, as applicable.

Exercise Notices received after such time will be rejected.

Any option to which a Buyer other than the Clearing House is party which has not been exercised by such time shall expire.

The Clearing House shall have selected Sellers against whom to exercise options in accordance with term 7 and shall do so on a random basis and against Sellers' gross sold positions as at the close of business on the market on the day on which one or more Buyers have exercised options in accordance with terms 6 or 6A against the Clearing House.

On the market day following the day of Exercise of an option (American-Style Exercise and European-Style Exercise)

By 07.00 hours In respect of an option exercised by the Clearing House against a Seller under term 7, the Clearing House shall give a Clearing House Notice of Exercise to the Seller in a manner from time to time prescribed by the Clearing House.

By 07.00 hours The Clearing House shall have given a notice to Buyers in accordance with term 6.03 and 6A.03 confirming which options have been validly exercised by such Buyers.

By 07.00 hours The Clearing House will issue a Delivery Notice:

- (a) to the Delivery Buyer specifying the Delivery Contracts to which he is party with the Clearing House which have arisen in accordance with term 6.04, 6A.04 or 7.04, as the case may be, and details of the Delivery Contracts which shall be submitted in accordance with the Relevant Delivery Procedures by or on behalf of the Delivery Buyer and by the Clearing House to CRESTCo or Euroclear, as the case may be, in respect of Delivery Contracts which are due to be settled by the transfer of shares through the Relevant Settlement System;
- (b) to the Delivery Seller specifying the Delivery Contracts to which he is party with the Clearing House which have arisen in accordance with term 6.04, 6A.04 or 7.04, as the case may be, and details of the Delivery Contracts which shall be submitted in accordance with the Relevant Delivery Procedures by or on behalf of the Delivery Seller and by the Clearing House to CRESTCo or Euroclear, as the case may be, in respect of Delivery Contracts which are due to be settled by the transfer of shares through the Relevant Settlement System.

In respect of Delivery Contracts to be settled by the transfer of shares through the Relevant Settlement System, on the Relevant Settlement System business day following the exercise of an option in accordance with term 6 and 6A or 7

By 10.00 hours The details of Delivery Contracts notified to the Delivery Buyer and the Delivery Seller pursuant to terms 12.01(a) and 12.01(b) respectively shall have been submitted, as required by such terms, to CRESTCo or Euroclear, as the case may be, so as to enable the Relevant Settlement System:

- (a) in the case of the Delivery Buyer, to match the details of the Contracts submitted to it by or on behalf of the Delivery Buyer with the details of the Contracts submitted to it by the Clearing House, and
- (b) in the case of the Delivery Seller, to match the details of the Contracts submitted to it by or on behalf of the Delivery Seller with the details of the Contracts submitted to it by the Clearing House,

in order that settlement of Contracts is effected through the Relevant Settlement System on the Settlement Day.

CASH SETTLED CONTRACTS

Price

Except in the case of cabinet transactions, the minimum price fluctuation shall be as specified in the List of Contract Details.

Cabinet Transactions

A Contract may, as applicable, have a Premium of €1, CHF1, DKK1, NOK1, or £1 per lot if entered into by one or both parties for the sole purpose of closing out an existing open position.

On the market day following the day Option Contracts are registered with the Clearing House, being a day on which banks in London are open for business

By 10.00 hours Buyers will pay to the Clearing House Premiums due in respect of options the subject of Option Contracts to which they are party.

The Clearing House will pay Premiums due to Sellers in respect of options the subject of Option Contracts to which it is party as Buyer.

Daily Delivery Settlement Price (American-Style Exercise)

As soon as reasonably practicable on each market day other than the Expiry Day The Exchange will publish the Daily Delivery Settlement Price.

Exercise on any market day prior to the Expiry Day with respect to Option Contracts on Equity Shares (American-Style Exercise) except as specified in a Notice given under term 6.02

By 17.20 hours On any market day prior to the Expiry Day, except any day specified in a Notice given under term 6.02, Buyers may give to the Clearing House an Exercise Notice in respect of an option in accordance with term 6.

Exercise Notices received after such times will be rejected.

The Clearing House shall have selected Sellers against whom to exercise options in accordance with term 7 and shall do so on a random basis and against Sellers' gross sold positions as at the close of business on the market on the day on which one or more Buyers have exercised options in accordance with term 6 against the Clearing House.

Expiry Day in respect of Option Contracts on Equity Shares (American-Style Exercise and European-Style Exercise)

At 16.30 hours Trading in Option Contracts for the relevant Expiry Day shall cease.

As soon as
reasonably
practicable The Exchange will publish a provisional EDSP.

Within 30 minutes
after publication of a
provisional EDSP or
as soon as
reasonably
practicable
thereafter The Exchange will publish the EDSP.

By 18.00 hours Buyers may give to the Clearing House an Exercise Notice for any option in respect of the current Expiry Day in accordance with term 6 or 6A, as the case may be.

Exercise Notices received after such times will be rejected.

Any option to which a Buyer other than the Clearing House is party which has not been exercised by such time shall expire.

The Clearing House shall have selected Sellers against whom to exercise options in accordance with term 7 and shall do so on a random basis and against Sellers' gross sold positions as at the close of business on the market on the day on which one or more Buyers have exercised options in accordance with term 6 or 6A against the Clearing House.

On the market day following the day of Exercise of an Option

By 07.00 hours In respect of an option exercised by the Clearing House against a Seller under term 7, the Clearing House shall give a Clearing House Notice of Exercise to the Seller in a manner from time to time prescribed by the Clearing House.

By 07.00 hours The Clearing House shall have given a notice to Buyers in accordance with term 6.03 and 6A.03 confirming which options have been validly exercised by such Buyers.

On the market day following the Expiry Day

At 07.00 hours Any option to which the Clearing House is party as Buyer which has not been exercised by such time shall expire.

Settlement Day

By 10:00 hours Sellers will pay to the Clearing House Settlement Amounts due in respect of options to which they are party.

The Clearing House will pay Settlement Amounts due to Buyers in respect of options to which it is party as Seller.

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Issue Date: 17 October 2005

EXCHANGE CONTRACT NO. 301

IN RESPECT OF

EQUITY INDEX CONTRACTS

(A) CONTRACT TERMS

(Issue Date: 17 October 2005)¹

(B) CONTRACT DETAILS SPECIFIED BY THE BOARD

(Issue Date: 17 October 2005)¹

(C) ADMINISTRATIVE PROCEDURES

(Issue Date: 17 October 2005)¹

Delivery Months

FTSE Eurotop 100	December 2005 onwards
FTSEurofirst 300	December 2005 onwards
MSCI Euro	December 2005 onwards
MSCI Pan-Euro	December 2005 onwards
FTSEurofirst 80	December 2005 onwards
FTSEurofirst 100	December 2005 onwards
AEX	December 2005 onwards
BEL 20	December 2005 onwards
CAC 40	December 2005 onwards
PSI 20	December 2005 onwards

¹ Please refer to London Notice No. 2695 issued on 17 October 2005.

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THE LONDON INTERNATIONAL FINANCIAL FUTURES AND OPTIONS
EXCHANGE

(A) CONTRACT TERMS

1. Interpretation

1.01 Save as otherwise specified herein, words and phrases defined in the Rules shall have the same meanings in these terms and in the Administrative Procedures.

1.02 In these terms and in the Administrative Procedures:

“Administrative Procedures” means all procedures from time to time implemented by the Board pursuant to the Rules for the purposes of this Exchange Contract.

“business day” means:

(a) in relation to an Index for which there is a single relevant stock exchange, a market day on which the relevant stock exchange is open for business; and

(b) in relation to an Index for which there is more than one relevant stock exchange, a market day on which a sufficient number of relevant stock exchanges are open for business such that there are available current Index input prices for constituent stocks of the Index which, exchange officials have determined, taken together represent in aggregate not less than 75% of the market capitalisation of the Index.

“Clearing House” means The London Clearing House Limited.

“Closing Index Value” means the value of the Index as calculated by the Index Provider at the close of trading on the relevant stock exchange.

“Contract” means a contract made expressly or impliedly in the terms of this Exchange Contract for the sale and purchase of one or more lots in respect of an Index, and “registered Contract” means a Contract registered by the Clearing House.

“Conversion Date” means the date on which the conversion rate for a currency (being the currency of a participating Member State) against the euro is “irrevocably fixed” in accordance with EMU legislation.

“delivery month” means each month specified in Table 1.

“EDSP” means the Exchange Delivery Settlement Price and has the meaning attributed to it in term 5.

“EDSP Time” means the period specified as such in the Administrative Procedures.

“EMU legislation” means legislative measures of the European Council for the introduction of, changeover to or operation of, a single or unified European currency (whether known as the euro or otherwise) being in part implementation of the third stage of Economic and Monetary Union in the European Union.

“Euronext Indices B.V.” is a subsidiary of Euronext N.V.

“€” denotes the single currency of the European Union introduced in a Member State as the lawful currency of that Member State pursuant to its participation in Economic and Monetary Union in the European Union pursuant to EMU legislation known, at the date of the issue of these terms, as “euro”.

“FTSE International” means FTSE International Limited.

“Ground Rules” means, in the case of an Index compiled by Euronext Indices B.V., the Index “Ground Rules of the Series” or its successor, in the case of FTSE International, the “Ground Rules for the Management of the Series” or its successor and, in the case of an Index compiled by MSCI Inc, the “Methodology and Index Policy” or its successor.

“Index” means an index of stock prices, calculated by the Index Provider from time to time, specified in Table 1.

“Index Provider” means Euronext Indices B.V, FTSE International or MSCI Inc, as applicable.

“Last Trading Day” means, in respect of a delivery month, the third Friday in that month provided that if that day is not a business day then the Last Trading Day shall be the last business day preceding the third Friday (subject in all cases to term 4).

“market day” means a day on which the market, the Clearing House and banks in London are open for business.

“Member State” means a member of the European Community.

“MSCI Inc” means Morgan Stanley Capital International Inc.

“Regulations” means the General Regulations and Default Rules from time to time in force of the Clearing House.

“relevant stock exchanges” means, in respect of an Index, the stock exchanges from which the Index Provider obtains prices of the relevant constituent stocks of the Index for the purpose of calculating the Index figure in respect of that Index, and a “relevant stock exchange” is any one of these.

“Settlement Day” means, in respect of a delivery month, the first market day after the Last Trading Day.

“Table 1” means the Contract Details specified by the Board for Equity Index Contracts.

“Weighting” means the factor which, when multiplied by the price of a constituent stock expressed in euro, determines the contribution to the Index figure made by that constituent stock.

- 1.03 In these terms references to “lawful currency” shall be construed to include units of value of the euro which may be used validly to discharge payment obligations pursuant to the law of a jurisdiction which has introduced the euro as its lawful currency pursuant to EMU legislation and notwithstanding that such units of value of the euro may not at all material times following the Conversion Date constitute legal tender in such jurisdiction.
- 1.04 Reference to a “term” refers to a term hereof and reference to a “Rule” and the “Articles” refer to the Exchange’s Rules and Articles respectively. Save where the context otherwise requires references herein to the singular include the plural, and vice versa.
- 1.05 References to a person in these terms shall be construed to include references to its successors and its permitted assigns unless the Board otherwise notifies by Notice.
- 1.06 Unless stated otherwise, all times specified in these terms and Administrative Procedures are expressed in London time.
2. Contract Specification
- 2.01 These terms shall apply to all Contracts.
- 2.02 Each Contract shall be for one or more lots for the delivery month specified.
3. Price
- 3.01 Bids and offers shall be quoted in “Value Points” and prices shall be a whole number multiple of the minimum price fluctuation, as specified in Table 1.
- 3.02 One Value Point shall be 0.1 and shall have the value per lot specified in Table 1.
4. Last Trading Day
- 4.01 On the Last Trading Day:
- (a) trading in Contracts for the relevant delivery month shall cease at such time as may be specified in the Administrative Procedures; and
 - (b) the Exchange will calculate the EDSP in accordance with term 5.
- 4.02 If, in respect of an Index, at any time after the close of trading two market days prior to the day which would have been the Last Trading Day in respect of a delivery month, it becomes known to the Exchange that the day which would have been the Last Trading Day will not be a business day, then the business day next following such day shall become the Last Trading Day in respect of that delivery month and the Exchange shall post a notice in the market to that effect.

- 4.03 If after the commencement of trading on the Last Trading Day in respect of a delivery month, either or both of the market and one or more relevant stock exchanges closes for business or the Index Provider for any reason does not calculate or does not publish or ceases to publish the Index or for any other reason the Exchange does not display the Index figure in the market, with the effect that trading in Contracts for that delivery month is, in the opinion of exchange officials, substantially prevented or hindered or that there are insufficient Index figures from which to calculate the EDSP in accordance with term 5.01 or 5.02 (as the case may be) and the Administrative Procedures, then either:
- (a) cessation of trading in Contracts for the current delivery month shall be postponed until such later time on that day as exchange officials may in their absolute discretion specify by notice posted in the market, in which case the EDSP shall be calculated in accordance with term 5.01 or 5.02 (as the case may be) but using the Index figures during a period so specified in their absolute discretion by exchange officials and the provisional and final EDSPs shall be published at such times as exchange officials shall in their discretion determine, always allowing for the thirty minute period referred to in term 6.02; or
 - (b) if, in the opinion of exchange officials, the course described in paragraph (a) would be impossible, impracticable or for any reason undesirable, they may by notice posted in the market declare that day not to be the Last Trading Day and the next following business day, or any later business day chosen by them in their absolute discretion, to be the Last Trading Day in its place.

5. Exchange Delivery Settlement Price (“EDSP”)

- 5.01 With the exception of the PSI 20 Index Contract, the EDSP for Contracts for a particular delivery month shall, subject as provided in term 6, be calculated by exchange officials as the average of such Index figures (but subject to any corrections in accordance with term 6), on the Last Trading Day as are specified for this purpose in the Administrative Procedures, rounded in accordance with the rounding convention specified in Table 1.
- 5.02 The EDSP for the PSI 20 Index Contract for a particular delivery month shall, subject as provided in term 6, be the Closing Index Value (but subject to any corrections in accordance with term 6), on the Last Trading Day as specified for this purpose in the Administrative Procedures, rounded in accordance with the rounding convention specified in Table 1.
- 5.03 The Exchange shall publish a provisional EDSP and the final EDSP at or by such times as may be specified in the Administrative Procedures. The final EDSP shall be final and binding for all purposes.
- 5.04 The Board may from time to time amend the method for and timing of the calculation of the EDSP for any reason determined by the Board and any such changes shall have such effect with regard to existing and/or new Contracts as the Board may determine.

6. Errors in Index

- 6.01 If not later than the time on the Last Trading Day specified for that purpose in the Administrative Procedures, any member of the Exchange notifies exchange officials of, or there otherwise comes to the attention of exchange officials, an alleged or apparent error in the Index due to any alleged or apparent error in the weighting of the price for any constituent stock of the Index first made since the publication of the last closing Index figure calculated by the Index Provider prior to the Last Trading Day, then exchange officials shall promptly investigate such alleged or apparent error. If in their opinion an error has been made, the Exchange shall as soon as reasonably practicable publish a correction to the Index and the EDSP shall be calculated using Index figures as so corrected. Save as allowed by term 6.02, no correction to the Index shall be made in respect of any error notified to exchange officials or coming to their attention after the time so specified in the Administrative Procedures.
- 6.02 If, in respect of an Index, not later than thirty minutes after the provisional EDSP for a particular delivery month is first published, any member of the Exchange notifies exchange officials of, or there otherwise come to the attention of exchange officials, an alleged or apparent error in the Index due to any cause whatsoever other than an error in the weighting of the price for any constituent stock of the Index, then exchange officials shall investigate such alleged or apparent error. If in their opinion an error has been made, they shall correct any Index figures affected thereby which have been or will be used to calculate the EDSP for that delivery month and shall calculate or re-calculate (as the case may be) the EDSP in accordance therewith. No correction of Index figures or re-calculation of the EDSP shall be made in respect of any error notified to exchange officials or coming to their attention after the expiry of such thirty minute period.
- 6.03 No correction to an Index or re-calculation of the EDSP shall be made other than as may be allowed for in term 6.01 and term 6.02.
- 6.04 Neither the Exchange nor exchange officials shall have any liability whatsoever in respect of any decision as to whether or not to correct Index figures or as to the amount of any correction, or as to whether or not to re-calculate the EDSP.

7. Payment

- 7.01 In respect of each lot comprised in a Contract the following payments shall be made by the time specified therefor in the Administrative Procedures:
- (a) where the final EDSP exceeds the Contract price, payment by the Seller to the Clearing House and payment by the Clearing House to the Buyer of an amount calculated by multiplying the difference in Value Points between the Contract price and the EDSP by the value per lot of one Value Point as specified in term 3.02; and
 - (b) where the Contract price exceeds the final EDSP, payment by the Buyer to the Clearing House and payment by the Clearing House to the

Seller of an amount calculated by multiplying the difference in Value Points between the EDSP and the Contract price by the value per lot of one Value Point as specified in term 3.02.

8. Default in Performance

8.01 A Buyer or a Seller shall be in default in performance where:

- (a) he fails to fulfil his obligations under a Contract by the time and in the manner prescribed and in accordance with these terms, the Rules, the Administrative Procedures or the Regulations; or
- (b) he fails to pay any sum due to the Clearing House in respect of a registered Contract by the time specified in these terms or in the Administrative Procedures or under the Regulations; or
- (c) in the reasonable opinion of the Clearing House he is in default.

8.02 Subject to the default rules of the Clearing House, in the event of default in performance by a Buyer or a Seller in respect of a registered Contract, the Board shall, at the request of the Clearing House, forthwith fix a price for invoicing back and each lot at issue shall be invoiced back at that price. Such price may at the Board's absolute discretion take account of any compensation the Board may consider should be paid by either party to the other.

9. Force Majeure

9.01 Subject to any steps taken at any time by the Board under emergency powers in the Rules and subject to the default rules of the Clearing House, a Seller or a Buyer shall be liable to perform his obligations in respect of a lot comprised in a Contract by the due time therefor, notwithstanding that he may be or is likely to be prevented from so doing by any event beyond his reasonable control including, without limitation, any act of God, strike, lockout, war, armed conflict, use of force by authority of the United Nations, fire, riot or civil commotion, combination of workmen, act of terrorism, breakdown of machinery, unavailability or restriction of computer or data processing facilities or energy supplies or bank transfer systems.

10. Articles, Rules, Regulations etc

10.01 Every Contract shall be subject to the Articles and the Rules and the Regulations in so far as applicable notwithstanding that one or more parties to any such Contract may not be members of the Exchange or of the Clearing House.

10.02 In case of any conflict between the Administrative Procedures and these terms or the Rules, the provisions of these terms and the Rules shall prevail and, in the event of any conflict between these terms and the Rules, the Rules shall prevail.

11. Arbitration

11.01 Subject to term 11.02 and the Rules, any dispute arising from or in relation to a Contract shall be referred to arbitration under the Rules relating to arbitration and arbitration shall be held in accordance with the Rules in force at the time of such reference.

11.02 No dispute arising from or in relation to any invoicing back price fixed by the Board under these terms shall be referred to arbitration under the Rules.

12. Governing Law

12.01 Every Contract shall be governed by and construed in accordance with English law.

13. Non-registered Contracts

13.01 In respect of a Contract which is not a registered Contract (“non-registered Contract”) these terms shall be modified by the parties thereto so as to require and allow that a Contract to be registered with the Clearing House under the Rules and the Regulations is capable of being so registered, and to facilitate performance of such registered Contract (and of any intermediate Contract) in accordance with these terms and the Administrative Procedures.

Modifications may also be made to the terms of a non-registered Contract to permit performance of such non-registered Contract if, without such modifications, it may not be possible to perform such Contract by the applicable times specified in these terms and the Administrative Procedures. Without prejudice to the generality of the foregoing, all references in these terms to payment or dealing between the Buyer or the Seller and the Clearing House shall be modified so as to require a similar payment or dealing directly between the Buyer and the Seller party to such non-registered Contract.

14. Economic and Monetary Union

14.01 The Board in its absolute discretion may from time to time vary, substitute or remove any of, or add to, the terms of this Exchange Contract in order to reflect changes to the Index made pursuant to the euro being or becoming the lawful currency of a Member State participating in Economic and Monetary Union.

14.02 Any variation, substitution or removal of, or addition to, the terms of this Exchange Contract made pursuant to term 14.01 shall have such effect with regard to existing and/or new Contracts as the Board may determine.

14.03 Any determination by the Board to vary, substitute or remove any of, or add to, the terms of this Exchange Contract pursuant to term 14.01 shall be the subject of a Notice.

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(B) CONTRACT DETAILS SPECIFIED BY THE BOARD FOR EQUITY INDEX CONTRACTS (“TABLE 1”)

Index	FTSE Eurotop 100	FTSEurofirst 300	MSCI Euro	MSCI Pan-Euro	FTSEurofirst 80	FTSEurofirst 100
Known as Exchange Contract No.	45	48	51	52	60	61
Currency specified by the Board	euro €	euro €	euro €	euro €	euro €	euro €
Contract size	Valued at €20 per Index Point	Valued at €20 per Index Point	Valued at €20 per Index Point	Valued at €20 per Index Point	Valued at €10 per Index Point	Valued at €10 per Index Point
Value of Value Point	€ per lot	€ per lot	€ per lot	€ per lot	€ per lot	€ per lot
Minimum Price Fluctuation	5 Value Points	1 Value Point	1 Value Point	1 Value Point	5 Value Points	5 Value Points
Delivery months	March, June, September, December	March, June, September, December	March, June, September, December	March, June, September, December	March, June, September, December	March, June, September, December
No. of delivery months available for trading	Nearest three	Nearest three	Nearest three	Nearest three	Nearest three	Nearest three
Quotation	Index Points (e.g. 1000.0)	Index Points (e.g. 1000.0)	Index Points (e.g. 1000.0)	Index Points (e.g. 1000.0)	Index Points (e.g. 1000.0)	Index Points (e.g. 1000.0)
EDSP: rounding convention	Rounded to the nearest 0.5 or, where such average is an exact uneven multiple of 0.25, the nearest higher 0.5	Rounded to the nearest 0.1 or, where such average is an exact uneven multiple of 0.05, to the nearest higher 0.1	Rounded to the nearest 0.1 or, where such average is an exact uneven multiple of 0.05, to the nearest higher 0.1	Rounded to the nearest 0.1 or, where such average is an exact uneven multiple of 0.05, to the nearest higher 0.1	Rounded to the nearest 0.1 or, where such average is an exact uneven multiple of 0.05, to the nearest higher 0.1	Rounded to the nearest 0.1 or, where such average is an exact uneven multiple of 0.05, to the nearest higher 0.1

TABLE 1 (continued)

Index	AEX	BEL 20	CAC 40	PSI 20
Known as Exchange Contract No.	62	63	64	65
Currency specified by the Board	euro €	euro €	euro €	euro €
Contract size	Valued at €200 per Index Point	Valued at €10 per Index Point	Valued at €10 per Index Point	Valued at €1 per Index Point
Value of Value Point	€20 per lot	€1 per lot	€1 per lot	€0.1 per lot
Minimum Price Fluctuation	0.1 of a Value Point	1 Value Point	1 Value Point	10 Value Points
Delivery months	March, June September, December plus the nearest three serial months such that the nearest four calendar months are always available for trading	March, June September, December plus the nearest three serial months such that the nearest four calendar months are always available for trading	March, June September, December plus the nearest three serial months such that the nearest four calendar months are always available for trading	March, June September, December plus the nearest three serial months such that the nearest four calendar months are always available for trading
No. of delivery months available for trading	Three serial months, six quarterly months and twelve half yearly months*	Three serial months, six quarterly months and twelve half yearly months*	Three serial months, six quarterly months and twelve half yearly months*	Three serial months, six quarterly months and twelve half yearly months*
Quotation	Index Points (e.g. 1000.0)	Index Points (e.g. 1000.0)	Index Points (e.g. 1000.0)	Index Points (e.g. 1000.0)
EDSP: rounding convention	Rounded to the nearest 0.01 or, where such average is an exact uneven multiple of 0.005, the nearest higher 0.01	Rounded to the nearest 0.1 or, where such average is an exact uneven multiple of 0.05, to the nearest higher 0.1	Rounded to the nearest 0.1 or, where such average is an exact uneven multiple of 0.05, to the nearest higher 0.1	Rounded to the nearest 1.0 or, where such Closing Index Value is an exact uneven multiple of 0.5, the nearest higher 1.0

*Until further notice, the maximum expiry for the AEX Index, BEL 20 Index, CAC 40 Index and PSI 20 Index Futures Contracts will be restricted to the third Friday of the next indicative half-yearly delivery month (June and December) out to five years and six months at most from the date on which the contract is made. The Exchange intends to extend the maximum expiry in these Index Futures Contracts at a future date and will inform members by Notice of such extension at that time.

Issue Date: 17 October 2005

(C) ADMINISTRATIVE PROCEDURES FOR
EQUITY INDEX CONTRACTS

EDSP Time

In respect of the AEX Index, from and including 14:30 hours to and including 15:00 hours on the Last Trading Day.

In respect of the BEL 20 Index, from and including 14:40 hours to and including 15:00 hours on the Last Trading Day.

In respect of the CAC 40 Index, from and including 14:40:30 hours to and including 15:00:30 hours on the Last Trading Day.

In respect of the FTSEurofirst 80 Index and the FTSEurofirst 100 Index, from and including 9.50 hours to and including 10.00 hours on the Last Trading Day.

In respect of the FTSE Eurotop 100 Index, the MSCI Euro Index, the MSCI Pan-Euro Index and the FTSEurofirst 300 Index, from and including 11.35 hours to and including 12.00 hours on the Last Trading Day.

In respect of the PSI 20 Index, the time at which the Closing Index Value is established on the Last Trading Day.

Last Trading Day in respect of the AEX Index

13.45 hours

The last time for notification to exchange officials under term 6.01 of any error or alleged error in the Index due to any error or alleged error in the weighting of the price for any constituent stock of the Index. No correction to the Index shall be made in respect of any such error which is first notified to exchange officials or which first comes to their attention after this time.

The Exchange shall publish any correction to the Index under term 6.01 as soon as reasonably practicable.

15.00 hours	Trading in Contracts for the relevant delivery month shall cease.
as soon as reasonably practicable after cessation of trading but not later than 18.00 hours	<p>The Exchange will publish a provisional EDSP.</p> <p>Exchange officials shall take thirty-one Index figures at one minute intervals, the last of such figures being the calculation made at 15.00 hours and the first being a calculation made not earlier than 14.30 hours, and shall calculate the EDSP in accordance with term 5.01.</p> <p>The Exchange will, together with the provisional EDSP, publish the thirty-one Index figures referred to above.</p>
30 minutes after the publication of the provisional EDSP	<p>The last time for notification to exchange officials of an error or alleged error in the Index of a kind falling to be dealt with under term 6.02.</p> <p>In any investigation into an alleged or apparent error in the Index in accordance with term 6.02, exchange officials shall have regard, in reaching an opinion as to whether an error has been made, to the Ground Rules in force at the time.</p>
as soon as reasonably practicable after the expiry of the 30 minute period referred to above	The Exchange will publish the final EDSP.

Last Trading Day in respect of the BEL 20 Index

13.45 hours	<p>The last time for notification to exchange officials under term 6.01 of any error or alleged error in the Index due to any error or alleged error in the weighting of the price for any constituent stock of the Index. No correction to the Index shall be made in respect of any such error which is first notified to exchange officials or which first comes to their attention after this time.</p> <p>The Exchange shall publish any correction to the Index under term 6.01 as soon as reasonably practicable.</p>
15.00 hours	Trading in Contracts for the relevant delivery month shall cease.

as soon as reasonably practicable after cessation of trading but not later than 18.00 hours

The Exchange will publish a provisional EDSP.

Exchange officials shall take eighty-one Index figures, the last of such figures being the calculation made at 15.00 hours and the first being a calculation made not earlier than 14.40 hours, and shall calculate the EDSP in accordance with term 5.01.

The Exchange will, together with the provisional EDSP, publish the eighty-one Index figures referred to above.

30 minutes after the publication of the provisional EDSP

The last time for notification to exchange officials of an error or alleged error in the Index of a kind falling to be dealt with under term 6.02.

In any investigation into an alleged or apparent error in the Index in accordance with term 6.02, exchange officials shall have regard, in reaching an opinion as to whether an error has been made, to the Ground Rules in force at the time.

as soon as reasonably practicable after the expiry of the 30 minute period referred to above

The Exchange will publish the final EDSP.

Last Trading Day in respect of the CAC 40 Index

13.45 hours

The last time for notification to exchange officials under term 6.01 of any error or alleged error in the Index due to any error or alleged error in the weighting of the price for any constituent stock of the Index. No correction to the Index shall be made in respect of any such error which is first notified to exchange officials or which first comes to their attention after this time.

The Exchange shall publish any correction to the Index under term 6.01 as soon as reasonably practicable.

15.00 hours

Trading in Contracts for the relevant delivery month shall cease.

as soon as reasonably practicable after cessation of trading but not later than 18.00 hours

The Exchange will publish a provisional EDSP.

Exchange officials shall take forty-one Index figures, the last of such figures being the calculation made at 15.00.30 hours and the first being a calculation made not earlier than 14:40:30 hours, and shall calculate the EDSP in accordance with term 5.01.

The Exchange will, together with the provisional EDSP, publish the forty-one Index figures referred to above.

30 minutes after the publication of the provisional EDSP

The last time for notification to exchange officials of an error or alleged error in the Index of a kind falling to be dealt with under term 6.02.

In any investigation into an alleged or apparent error in the Index in accordance with term 6.02, exchange officials shall have regard, in reaching an opinion as to whether an error has been made, to the Ground Rules in force at the time.

as soon as reasonably practicable after the expiry of the 30 minute period referred to above

The Exchange will publish the final EDSP.

Last Trading Day in respect of the FTSEurofirst 80 Index and FTSEurofirst 100 Index

8.45 hours

The last time for notification to exchange officials under term 6.01 of any error or alleged error in the Index due to any error or alleged error in the weighting of the price for any constituent stock of the Index. No correction to the Index shall be made in respect of any such error which is first notified to exchange officials or which first comes to their attention after this time.

The Exchange shall publish any correction to the Index under term 6.01 as soon as reasonably practicable.

10.00 hours

Trading in Contracts for the relevant delivery month shall cease.

as soon as reasonably practicable after cessation of trading but not later than 13.00 hours

The Exchange will publish a provisional EDSP.

Exchange officials shall take the last forty-one Index figures calculated, the last of such figures being the calculation made at 10.00 hours and the first being a calculation made not earlier than 9.50 hours, and shall calculate the EDSP in accordance with term 5.01.

The Exchange will, together with the provisional EDSP, publish the forty-one Index figures referred to above.

30 minutes after the publication of the provisional EDSP

The last time for notification to exchange officials of an error or alleged error in the Index of a kind falling to be dealt with under term 6.02.

In any investigation into an alleged or apparent error in the Index in accordance with term 6.02, exchange officials shall have regard, in reaching an opinion as to whether an error has been made, to the Ground Rules in force at the time.

as soon as reasonably practicable after the expiry of the 30 minute period referred to above

The Exchange will publish the final EDSP.

Last Trading Day in respect of the FTSE Eurotop 100 Index, the MSCI Euro Index, the MSCI Pan-Euro Index and the FTSEurofirst 300 Index

10.45 hours

The last time for notification to exchange officials under term 6.01 of any error or alleged error in the Index due to any error or alleged error in the weighting of the price for any constituent stock of the Index. No correction to the Index shall be made in respect of any such error which is first notified to exchange officials or which first comes to their attention after this time.

The Exchange shall publish any correction to the Index under term 6.01 as soon as reasonably practicable.

30 seconds after 12.00 hours

Trading in Contracts for the relevant delivery month shall cease.

as soon as reasonably practicable after cessation of trading but no later than 15.00 hours

The Exchange will publish a provisional EDSP.

Before calculating the provisional EDSP, exchange officials shall take the last eighty-one Index figures calculated, the last of such figures being the calculation made at 12.00 hours and the first being a calculation made not earlier than 11.35 hours, and shall exclude the twelve highest (or, in the event of equality, twelve of the highest) and the twelve lowest (or, in the event of equality, twelve of the lowest) of those eighty-one figures.

The remaining fifty-seven shall be the Index figures used to calculate the EDSP in accordance with term 5.01.

The Exchange will, together with the provisional EDSP, publish the last eighty-one Index figures referred to above.

30 minutes after the publication of the provisional EDSP

The last time for notification to exchange officials of an error or alleged error in the Index of a kind falling to be dealt with under term 6.02.

In any investigation into an alleged or apparent error in the Index in accordance with term 6.02, exchange officials shall have regard, in reaching an opinion as to whether an error has been made, to the Ground Rules in force at the time.

As soon as reasonably practicable after the expiry of the 30 minute period referred to above

The Exchange will publish the final EDSP.

Last Trading Day in respect of the PSI 20 Index

15.20 hours

The last time for notification to exchange officials under term 6.01 of any error or alleged error in the Index due to any error or alleged error in the weighting of the price for any constituent stock of the Index. No correction to the Index shall be made in respect of any such error which is first notified to exchange officials or which first comes to their attention after this time.

The Exchange shall publish any correction to the Index under term 6.01 as soon as reasonably practicable.

16:35 hours

Trading in Contracts for the relevant delivery month shall cease.

as soon as reasonably practicable after cessation of trading but not later than 19.35 hours

The Exchange will publish a provisional EDSP.

The provisional EDSP shall be calculated in accordance with term 5.02 using the Closing Index Value.

30 minutes after the publication of the provisional EDSP

The last time for notification to exchange officials of an error or alleged error in the Index of a kind falling to be dealt with under term 6.02.

In any investigation into an alleged or apparent error in the Index in accordance with term 6.02, exchange officials shall have regard, in reaching an opinion as to whether an error has been made, to the Ground Rules in force at the time.

as soon as reasonably practicable after the expiry of the 30 minute period referred to above

The Exchange will publish the final EDSP.

Settlement Day

By 10.00 hours

All payments required by term 7.01 to be made by the Buyer and the Seller shall have been completed.

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Issue Date: 17 October 2005