

## LONDON NOTICE No. 2868

ISSUE DATE: 30 March 2007  
EFFECTIVE DATE: 5 April 2007

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

**EQUITY SHARES CONTRACT  
(EXCHANGE CONTRACT NO. 211)**

**UNIVERSAL STOCK FUTURES CONTRACT  
PHYSICAL DELIVERY AND CASH SETTLED CONTRACTS  
(EXCHANGE CONTRACT NO. 56 AND NO. 66F)**

### INTRODUCTION OF ADDITIONAL FUTURES AND OPTIONS CONTRACTS

#### Executive Summary

This Notice provides details of new futures and options contracts to be made available through Bclear and LIFFE CONNECT<sup>®</sup>.

#### 1. Introduction

1.1 On and from Thursday 5 April 2007, the Exchange will make available contracts based on the shares of Mondadori (Arnoldo) Editore SpA listed on Borsa Italiana.

1.2 Standard Universal Stock Futures Contracts based on Mondadori (Arnoldo) Editore SpA shares will be made available through LIFFE CONNECT<sup>®</sup> and Bclear. Flexible Individual Equity Option Contracts and Flexible Universal Stock Futures Contracts based on Mondadori (Arnoldo) Editore SpA shares will be made available through Bclear.

#### 2. Details of Futures Contracts to be made available through LIFFE CONNECT<sup>®</sup>

2.1 On and from Thursday 5 April 2007, a new Universal Stock Futures Contract will be made available for trading in the Central Order Book (and also via the Block Trade Facility) under the terms of Exchange Contract No. 56 on the following share:

Web site: [www.euronext.com/derivatives](http://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.

**Euronext NV, PO Box 19163, 1000 GD Amsterdam, The Netherlands**

Company	ISIN Code	Underlying Stock Exchange	Lot Size
Mondadori (Arnoldo) Editore SpA	IT0001469383	Borsa Italiana	1,000

2.2 An updated list of company shares in respect of Exchange Contract No. 56 will be made available in the London Market Handbook and on the Euronext website ([www.euronext.com](http://www.euronext.com)) in due course.

2.3 The following table provides further details of the delivery months that will initially be made available for trading:

Future	Contract Code	Delivery Months	Initial Delivery Months
Mondadori (Arnoldo) Editore SpA	MNO	Nearest two of Mar, Jun, Sep, Dec plus the nearest two serial months such that the nearest three calendar months are always available for trading	Apr 07 May 07 Jun 07 Sep 2007

2.4 The new Universal Stock Futures Contract shall be included in the Exchange's Block Trade Facility with effect from Thursday 5 April 2007. The Block Trade minimum volume threshold for the new Universal Stock Futures Contract shall be:

Future	Block Trade minimum volume threshold
Mondadori (Arnoldo) Editore SpA	500 Lots

### 3. Market Making Arrangements

3.1 Members wishing to apply for Designated Market Making ("DMM") status in the new Universal Stock Futures Contract should complete LIFFE Form 146 available from Samantha Page at Euronext.liffe. **Applications must be submitted in confidence to Samantha Page as sealed bids no later than by the close of business Tuesday 3 April 2007.** Incomplete applications will not be valid or accepted. Similarly, applications received after the application deadline will be rejected.

3.2 Members should refer to Circular No. 05/10 and No. 06/35, issued 19 May 2005 and 5 October 2006 respectively, for a description of the DMM Scheme.

3.3 Members are reminded that, as detailed in Circular No. 06/35, the current DMM Scheme in respect of Universal Stock Futures Contracts will be in place until the close of business on 29 June 2007.

3.4 The daily message allocation for a DMM who intends to use price injection models shall be:

Future	Daily message allocation
Mondadori (Arnoldo) Editore SpA	5,000

- 3.5 Members are reminded that daily message allocations are subject to revision (i.e. allocations may be increased or decreased) should the Exchange need to review the use of bandwidth capacity.
- 3.6 Further information on the use of Automated Price Injection Models and the daily message allocation for DMMs is available in London Circular No. 06/07.
- 3.7 Members are reminded that the appointment of a DMM will be subject to a binding contract (“the Agreement”) between the successful applicant and the Exchange. A completed application does not constitute such an Agreement. Furthermore, a successful applicant’s DMM status, and therefore the period for which he/she may receive financial benefits, may not be deemed to have commenced until such Agreement is completed, signed and returned to the Exchange.

#### **4. Details of Contracts to be made available through Bclear**

- 4.1 On and from Thursday 5 April 2007, the following contracts shall be made available through Bclear:
- (a) flexible Mondadori (Arnoldo) Editore SpA Universal Stock Futures Contracts, under the terms of Exchange Contract No. 66F;
  - (b) standard Mondadori (Arnoldo) Editore SpA Universal Stock Futures Contract, under the terms of Exchange Contract No. 56; and
  - (c) flexible Mondadori (Arnoldo) Editore SpA Individual Equity Option Contracts, under the terms of Exchange Contract No. 201F. In addition, Mondadori (Arnoldo) Editore SpA Equity Shares Contracts will be made available under the terms of Exchange Contract No. 211 for the purposes of Stock Contingent Trades.
- 4.2 The necessary additions to the List of Contract Details in respect of Exchange Contracts No. 66F and No. 201F are set out in the Attachment to this Notice. Each will be made available in the London Market Handbook and on the Euronext web site ([www.euronext.com](http://www.euronext.com)) in due course, along with an updated List of Company Shares in relation to Exchange Contract No. 211.
- 4.3 Additional information, including business days and hours, Bclear fees and other information with respect to the operation of Bclear, can be found on the Euronext website at the following address: [www.euronext.com/bclear/contracts](http://www.euronext.com/bclear/contracts).
- 4.4 Members are reminded that U.S. persons are not permitted to engage in transactions which are confirmed via Bclear prior to approval by the relevant U.S. regulatory authorities. The Exchange will advise members in due course if and when such approval is granted.

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

Equity Product Management

+44 (0)20 7379 2200

[equities@liffe.com](mailto:equities@liffe.com)

ADDITIONS TO THE LIST OF CONTRACT DETAILS IN RESPECT OF EXCHANGE CONTRACT NO 201F  
OPTION CONTRACT ON EQUITY SHARES

KEY:

<sup>1</sup> A business day in the context of the settlement period (i.e T+4) is described as a day on which a particular security can be settled in CREST or Euroclear, irrespective of a currency holiday in the local market.  
 AMR American Style Exercise  
 EUR European Style Exercise  
 CSH Cash Settled contracts  
 PHY Physical Delivery contracts  
 All times are London times

RELEVANT STOCK EXCHANGE: BORSA ITALIANA

Company	ISIN Code	TRS Code				Underlying Currency	Relevant Currency	Minimum Price Fluctuation	Minimum EDSP Price Increment	Lot Size (number of shares)	Last trading day			Reference Day	Daily Reference Price	Expiry Reference Price		Settlement Day <sup>1</sup>			
		AMR/ CSH	AMR/ PHY	EUR/ CSH	EUR/ PHY						Cash Settled Contracts	Physical Delivery Contracts	Time trading ceases on the Last Trading Day			Cash Settled Contracts	Physical Delivery Contracts	AMR/CSH	AMR/PHY	EUR/CSH	EUR/PHY
Mondadori (Amoldo) Editore SpA	IT0001469383	n/a	KOQ	KOJ	KOV	EUR	EUR	0.0001	0.0001	1000	Business day before Expiry Day	Expiry Day	16:30	Expiry Day	Official Closing Price	Official Opening Auction Price	Official Closing Price	n/a	Fourth Business Day after Expiry Day	Market day immediately following the Reference Day	Fourth Business Day after Expiry Day

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

RELEVANT STOCK EXCHANGE: BORSA ITALIANA

Company	ISIN Code	TRS Code		Underlying Currency	Relevant Currency	Minimum Price Fluctuation	Minimum EDSP Price Increment	Lot Size (number of shares)	Time trading ceases on Last Trading Day ("LTD")	Reference Day	Relevant Reference Price	Settlement Day <sup>1</sup>	
		Cash Settlement	Physical Delivery									Cash Settlement	Physical Delivery
Mondadori (Amoldo) Editore SpA	IT0001469383	KOY	KOZ	EUR	EUR	0.0001	0.0001	1000	17:00	Business day immediately following LTD	Official Opening Auction Price	Market day immediately following the Reference Day	Fourth Business Day after the Reference Day