

LONDON NOTICE No. 2914

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**UNIVERSAL STOCK FUTURES CONTRACT
(EXCHANGE CONTRACT NO. 56)**

**UNIVERSAL STOCK FUTURES CONTRACT (PHYSICAL DELIVERY)
(EXCHANGE CONTRACT NO. 58)**

DESIGNATED MARKET MAKER SCHEME

Executive Summary

This Notice informs members of an extension of the Designated Market Maker (“DMM”) Scheme in respect of those Universal Stock Futures Contracts that are available for trading in the Central Order Book and invites members to apply for DMM status in those Universal Stock Futures Contracts which currently have only one DMM.

1. Introduction

- 1.1 This Notice informs members of an extension to the DMM Scheme in certain Universal Stock Futures Contracts (“USFs”) until 30 November 2007 (subject to the completion of legal agreements). Details of the DMMs, and their market obligations, can be found at www.euronext.com/usf/marketmakers. In addition, this Notice invites members to apply for DMM status in those USFs that currently have only one DMM.
- 1.2 Members are reminded that the appointment of each DMM is subject to a binding contract (“the Agreement”) between the successful applicant and the Exchange. An application does **not** constitute such an Agreement. Furthermore, a successful applicant’s DMM status, and therefore the period for which they may receive financial benefits, may not be deemed to have commenced until such Agreement is completed, signed and received by the Exchange. All DMM appointments are subject to standard contractual terms (e.g. in respect of early termination).

2. Application

- 2.1 Members who wish to apply to become a DMM, either in their own right or on behalf of clients, should contact Niall Haughian at Liffe on +44 (0)20 7379 2974.

Web site: www.euronext.com/derivatives

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

- 2.2 A list of all of the USFs in which members can apply for DMM status (i.e. those USFs which currently have only one DMM), can be found in Attachment 1 to this Notice. Members are invited to apply for DMM status in one or more of those USFs. Members who wish to apply to participate in the DMM Scheme must be able to match or improve upon the obligations of the current DMM for that particular USF, i.e. match or improve upon:
- (a) the maximum bid-offer spread the current DMM is obliged to make and the associated minimum order size for each delivery month; and
 - (b) the maximum bid-offer spread and the minimum order size in calendar spreads in response to Requests For Quotes (“RFQs”).
- 2.3 Details of current DMM obligations are available from Niall Haughian (niall.haughian@liffe.com) or can be found on the Euronext website at (www.euronext.com/usf/marketmakers).
- 2.4 Members should note that under the DMM Scheme a maximum of two DMMs can be appointed in respect of each USF. As a result, the Exchange can only accept one additional DMM in respect of each of the USFs listed in Attachment 1 to this Notice. **In light of this fact, applicants are advised to submit their applications without delay in order to avoid missing an opportunity to participate.**
- 2.5 For the avoidance of doubt, the Exchange’s decision about the selection of DMMs is final.

3. Bandwidth

- 3.1 In order to make the most efficient use of network capacity, the Exchange has determined that automated price injection in each USF will be restricted to the DMM(s) in that Contract. Furthermore, a DMM may not use a price injection model without the prior approval of the Exchange. In addition, the DMM will be allocated a maximum daily number of messages for each USF in which the member acts as DMM. The number of messages assigned to the DMM(s) in each USF has been determined by taking into account the volatility of the relevant underlying stock and the number of updates required to USF quotes to reflect intra-day movements in the underlying share price.
- 3.2 Full details of the daily message allocation that will be granted to DMMs in the relevant USFs are contained in Attachment 2 to this Notice.
- 3.3 Those members who wish to apply for DMM status in USFs should note that these daily message allocations are firm limits. Once DMM status has been allocated, DMMs may use their total DMM message allocation as they see fit, provided that their DMM commitments are met and their total maximum message allocation is not exceeded.

4. The DMM Scheme

- 4.1 There will be no trade priority advantages provided by the Exchange to DMMs.
- 4.2 DMM appointments will be effective until the close of business on **Friday 30 November 2007**. The Exchange will monitor the performance of DMMs throughout this period.
- 4.3 In respect of DMMs who fail to comply with their obligations, the Exchange may determine a course of action to reduce or remove any entitlement due to the DMM including, but not limited to: a reduction or removal of compensation payments; re-charging Exchange transaction charges in part or in full; reallocation of one or more specific groups of USFs to another DMM; and/or termination of the Agreement.

4.4 At the discretion of the Exchange, the Agreement may be terminated with immediate effect in the event of a change in ownership or structure of the member or the Exchange or a fundamental change to the nature of either party's business and operations.

4.5 The Exchange reserves the right to terminate the DMM Scheme in its entirety upon seven days' notice.

5. Obligations of the DMMs

5.1 Following the acceptance of the application and the conclusion of an Agreement between the member and the Exchange, **the obligations set out in the Agreement will be firm and binding.**

5.2 DMM participation in the market shall be mandatory throughout each and every market day, subject to the exemptions set out in Attachment 3 to this Notice.

6. Benefits

6.1 DMMs will receive a 100% rebate of LIFFE transaction and LCH.Clearnet clearing charges in respect of business transacted by them in a market-making capacity in those USFs in which they act as a DMM.

6.2 In addition, DMMs will receive a level of compensation for their investment in developing the Exchange's USF market. The compensation for each DMM will represent a value based on 25% of the Exchange's net fee revenue generated in the USFs for which the market-maker acts as a DMM (this does not include fee revenue generated from USF Block Trades or Bclear trades transacted by members other than the DMM). For those USFs where DMM status is allocated to more than one member, this compensation level will be shared equally between the DMMs.

7. Use of Market Maker ("M") accounts

7.1 Members participating in the DMM Scheme will be issued with an "M" account in respect of those USFs in which they hold DMM status. **Members will not be able to allocate trades to the "M" account until their DMM status for a particular USF under the renewed DMM Scheme becomes effective.**

8. Further Information

8.1 A full list of the existing DMM obligations and exemptions in respect of each USF under the renewed DMM Scheme can be found on the Euronext website at www.euronext.com/usf/marketmakers.

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

Niall Haughian

+44 (0)20 7379 2974

niall.haughian@liffe.com

Universal Stock Futures Contracts for which prospective DMMs may tender:

Underlying Share	LIFFE TRS code	Existing DMM
Abertis Infraestructuras SA	ABE	SIS
ABN Amro Holdings NV	AA	SIS
Accor SA	AC	SIS
Aegon NV	AGN	SIS
Air Liquide SA	AI	SIS
Akzo Nobel NV	AKZ	SIS
Alcatel-Lucent SA	CGE	SIS
Allianz AG	ALV	SIS
Altadis SA	ALT	SIS
Amgen Inc	AGX	SIS
Arcelor Mittal	LOR	SIS
ASML Holding NV	ASL	SIS
AT&T Inc	SBX	SIS
Atlantia SpA	AUT	CSL
AXA SA	AXA	SIS
Banco de Sabadell SA	SBA	SIS
Banco Popular Espanol SA	POP	SIS
BASF AG	BAS	SIS
Bayer AG	BYA	SIS
Bayerische Motoren Werke (BMW) AG	BMW	SIS
BNP Paribas SA	BNP	SIS
Bouygues SA	EN	SIS
Carrefour SA	CA	SIS
Cisco Systems Inc	COX	SIS
Citigroup Inc	CCX	SIS
Commerzbank AG	CBK	SIS
Compagnie de Saint Gobain	SGO	SIS
Compagnie Financiere Richemonth AG	CFR	SIS
Compania Espanola de Petroleos SA (CEPSA)	CEP	SIS
Credit Agricole SA	ACA	SIS
Credit Suisse Group	CSG	SIS
Daimlerchrysler AG	DCY	SIS
Danske Bank A/S	DNX	SIS
Deutsche Bank AG	DBK	SIS
Deutsche Post AG	DPW	SIS
Deutsche Telekom AG	DTE	SIS
Dexia	DEI	SIS
E.ON AG	EOA	SIS
Electricite de France	EDF	SIS
Endesa SA	ELE	SIS
European Aeronautic Defence and Space Company	EDA	SIS
Exxon Mobil Corp	XOX	SIS
Fortis	FOR	SIS

Underlying Share	LIFFE TRS code	Existing DMM
France Telecom SA	FTE	SIS
Gas Natural SDG SA	GAS	SIS
General Electric Company	GEX	SIS
Groupe Danone SA	BN	SIS
Heineken NV	HEI	SIS
Hennes & Mauritz AB	HNM	SIS
Hypo Real Estate Holding AG	HRH	SIS
Iberdrola SA	IBE	SIS
Inbev SA	INB	SIS
Industria De Diseno Textil SA (Inditex)	IT	SIS
Infineon Technologies AG	IF	SIS
ING Groep NV	ING	SIS
Intel Corporation	INX	SIS
International Business Machines Corporation	IBX	SIS
Intesa Sanpaolo SpA	BIN	SIS
Johnson & Johnson	JNX	SIS
KBC Bankverzekeringsholding	KBB	SIS
Koninklijke Ahold NV	AHL	SIS
Koninklijke DSM NV	DSM	SIS
Koninklijke KPN NV	KPN	SIS
Koninklijke Philips Electronics NV	PHI	SIS
Lafarge SA	LG	SIS
Lagardere Sca	MMB	SIS
L'Oreal SA	OR	SIS
LVMH Moet Hennessy Louis Vuitton SA	MC	SIS
Merck & Co. Inc	MRX	SIS
Metro AG	MEO	SIS
Microsoft Corp	MFJ	SIS
Munchener Ruckversicherungs Gesellschaft AG	MUV	SIS
Nestle SA	NES	SIS
Nokia OYJ	NOX	SIS
Nordea AB	NDA	SIS
Norsk Hydro Asa	NHX	SIS
Novartis AG	NOV	SIS
Novo-Nordisk A/S	NNX	SIS
Pernod Ricard SA	RI	SIS
Peugeot SA	UG	SIS
Pfizer Inc	PFJ	SIS
Pinault-Printemps-Redoute SA	PP	SIS
Porsche AG	POR	SIS
Reed Elsevier	REN	SIS
Renault SA	RNO	SIS
Repsol YPF SA	REP	SIS
Roche Holding AG	ROG	SIS
Royal Dutch Shell plc A share euro	RD	SIS
Royal Dutch Shell plc B share euro	SDB	SIS
RWE AG	RWE	SIS
Sanofi-Aventis SA	SSL	SIS

Underlying Share	LIFFE TRS code	Existing DMM
Santander Central Hispano SA	SCH	SIS
SAP AG	SAP	SIS
Schneider Electric SA	SU	SIS
Siemens AG	SIE	SIS
Societe Generale SA	GLE	SIS
Societe Television Francaise (T.F.1)	TFI	SIS
Sodexho Alliance SA	SWA	SIS
Solvay SA	SOB	SIS
Statoil ASA	SLX	SIS
Stora Enso OYJ	STX	SIS
Suez SA	SZE	SIS
Svenska Handelsbanken	SHB	SIS
Swiss Reinsurance AG	RUK	SIS
Swisscom AG	SCM	SIS
Telefonaktiebolaget LM Ericsson AB	ERC	SIS
Telefonica SA	TEF	SIS
Teliasonera AB	TLI	SIS
ThyssenKrupp AG	TKA	SIS
Time Warner Inc	AOX	SIS
TNT NV	TPG	SIS
Total SA	TZT	SIS
UBS AG	UBS	SIS
Unibail	RCE	SIS
Unilever NV	UNA	SIS
Union Fenosa SA	UNF	SIS
UPM-Kymmene OYJ	UPX	SIS
Vivendi SA	VIV	SIS
Volkswagen AG	VOW	SIS
Wal-Mart Stores Inc	WMX	SIS
Wolters Kluwer NV	WLS	SIS
Zurich Financial Services AG	ZUR	SIS

Daily Message Allocations for DMMs in Universal Stock Futures Contracts

TRS Code	Underlying Share	Daily message allocation
ABE	Abertis Infraestructuras SA	2000
AA	ABN Amro Holdings NV	2000
AC	Accor SA	5000
AGN	Aegon NV	2000
AI	Air Liquide SA	9000
AKZ	Akzo Nobel NV	4000
CGE	Alcatel-Lucent SA	2000
ALV	Allianz AG	10000
ALT	Altadis SA	2000
AGX	Amgen Inc	8000
LOR	Arcelor Mittal	5000
ASL	ASML Holding NV	2000
SBX	AT&T Inc	3000
AUT	Atlantia SpA	2000
AXA	AXA SA	3000
SBA	Banco de Sabadell SA	2000
POP	Banco Popular Espanol SA	2000
BAS	BASF AG	9000
BYA	Bayer AG	6000
BMW	Bayerische Motoren Werke (BMW) AG	5000
BNP	BNP Paribas SA	9000
EN	Bouygues SA	6000
CA	Carrefour SA	4000
COX	Cisco Systems Inc	3000
CCX	Citigroup Inc	3000
CBK	Commerzbank AG	3000
SGO	Compagnie de Saint Gobain	7000
CFR	Compagnie Financiere Richemonth AG	2000
CEP	Compania Espanola de Petroleos SA (CEPSA)	3000
ACA	Credit Agricole SA	3000
CSG	Credit Suisse Group	2000
DCY	Daimlerchrysler AG	7000
DNX	Danske Bank A/S	2000
DBK	Deutsche Bank AG	10000
DPW	Deutsche Post AG	2000
DTE	Deutsche Telekom AG	2000
DEI	Dexia	2000
EOA	E.ON AG	10000
EDF	Electricite de France	9000

TRS Code	Underlying Share	Daily message allocation
ELE	Endesa SA	2000
EDA	European Aeronautic Defence and Space Company	3000
XOX	Exxon Mobil Corp	5000
FOR	Fortis	2000
FTE	France Telecom SA	2000
GAS	Gas Natural SDG SA	6000
GEX	General Electric Company	2000
BN	Groupe Danone SA	5000
HEI	Heineken NV	3000
HNM	Hennes & Mauritz AB	10000
HRH	Hypo Real Estate Holding AG	5000
IBE	Iberdrola SA	5000
INB	Inbev SA	6000
IT	Industria De Diseno Textil SA (Inditex)	4000
IF	Infineon Technologies AG	2000
ING	ING Groep NV	2000
INX	Intel Corporation	3000
IBX	International Business Machines Corporation	6000
BIN	Intesa Sanpaolo SpA	2000
JNX	Johnson & Johnson	4000
KBB	KBC Bankverzekeringsholding	9000
AHL	Koninklijke Ahold NV	2000
DSM	Koninklijke DSM NV	4000
KPN	Koninklijke KPN NV	2000
PHI	Koninklijke Philips Electronics NV	3000
LG	Lafarge SA	10000
MMB	Lagardere Sca	5000
OR	L'Oreal SA	5000
MC	LVMH Moet Hennessy Louis Vuitton SA	6000
MRX	Merck & Co. Inc	4000
MEO	Metro AG	5000
MFX	Microsoft Corp	2000
MUV	Munchener Ruckversicherungs Gesellschaft AG	10000
NES	Nestle SA	3000
NOX	Nokia OYJ	3000
NDA	Nordea AB	9000
NHX	Norsk Hydro Asa	2000
NOV	Novartis AG	2000
NNX	Novo-Nordisk A/S	2000
RI	Pernod Ricard SA	10000
UG	Peugeot SA	7000
PFX	Pfizer Inc	2000

TRS Code	Underlying Share	Daily message allocation
PP	Pinault-Printemps-Redoute SA	9000
POR	Porsche AG	10000
REN	Reed Elsevier	2000
RNO	Renault SA	10000
REP	Repsol YPF SA	3000
ROG	Roche Holding AG	2000
RD	Royal Dutch Shell plc A share euro	2000
SDB	Royal Dutch Shell plc B share euro	3000
RWE	RWE AG	8000
SSL	Sanofi-Aventis SA	6000
SCH	Santander Central Hispano SA	2000
SAP	SAP AG	3000
SU	Schneider Electric SA	8000
SIE	Siemens AG	10000
GLE	Societe Generale SA	10000
TFI	Societe Television Francaise (T.F.1)	3000
SWA	Sodexo Alliance SA	4000
SOB	Solvay SA	10000
SLX	Statoil ASA	2000
STX	Stora Enso OYJ	2000
SZE	Suez SA	3000
SHB	Svenska Handelsbanken	10000
RUK	Swiss Reinsurance AG	2000
SCM	Swisscom AG	2000
ERC	Telefonaktiebolaget LM Ericsson AB	3000
TEF	Telefonica SA	2000
TLI	Teliasonera AB	4000
TKA	ThyssenKrupp AG	5000
AOX	Time Warner Inc	2000
TPG	TNT NV	2000
TZT	Total SA	4000
UBS	UBS AG	2000
RCE	Unibail	10000
UNA	Unilever NV	2000
UNF	Union Fenosa SA	4000
UPX	UPM-Kymmene OYJ	2000
VIV	Vivendi SA	2000
VOW	Volkswagen AG	10000
WMX	Wal-Mart Stores Inc	4000
WLS	Wolters Kluwer NV	2000
ZUR	Zurich Financial Services AG	3000

**Exemptions to DMM obligations in respect of
Universal Stock Futures Contracts**

1. Subject to the prior approval of a senior Exchange Official, there is no requirement to meet the maximum bid-offer spread obligations in a USF in which the stock is deemed to be unavailable or difficult/prohibitively expensive to borrow. RFQs must still be responded to on a Best Endeavours basis.
2. There is no requirement to quote in a USF where trading in the underlying stock is in auction mode, subject to a trading halt, or suspended by the Relevant Stock Exchange.
3. A DMM may, subject to notifying a senior Exchange Official in advance, relax its commitment if it has breached internal trading limits. In such circumstances the Exchange may require evidence to support such action, and may additionally, at its discretion, review and/or amend benefits accordingly.
4. From the Effective Date in relation to a Corporate Action as published by the Exchange, there is no requirement to quote continuously in delivery months that are subject to a “package” delivery approach.
5. A DMM may, subject to the prior approval of a senior Exchange Official, relax his commitment in periods of increased underlying stock market volatility. In this event, the DMM may widen the maximum bid-offer spreads to which the DMM has committed, but must quote continuously.
6. A DMM may, subject to notifying a senior Exchange Official in advance, relax or suspend its market-making activity in a specific contract or all contracts in the event of a failure of any computer hardware or software of the DMM or the Exchange or any telecommunications connections, lines or devices between them which prevents the DMM from fulfilling its obligations. In such circumstances the Exchange may require evidence to support such action, and may additionally, at its discretion, review and/or amend benefits accordingly.