

LONDON NOTICE No. 3176

ISSUE DATE: 22 July 2009
EFFECTIVE DATE: 27 July 2009

INTRODUCTION OF TWO YEAR MID-CURVE OPTIONS ON THE THREE MONTH EURO (EURIBOR) AND THREE MONTH STERLING (SHORT STERLING) INTEREST RATE CONTRACTS

Executive Summary

This Notice informs Members of the introduction of Two Year Mid-Curve Options on the Three Month Euro (EURIBOR) and Three Month Sterling (Short Sterling) Interest Rate Contracts.

1. Introduction

- 1.1 In response to demand from Members, the Exchange has decided to launch Two Year Mid-Curve Options on Three Month Euro (EURIBOR) and Three Month Sterling (Short Sterling) Interest Rate Contracts (“the Two Year Mid-Curve Option Contracts”). This Notice informs Members that the Two Year Mid-Curve Option Contracts will be made available for trading on LIFFE CONNECT[®] on and from **Monday 27 July 2009**.
- 1.2 This Notice provides Members with the following information with respect to the introduction of the Two Year Mid-Curve Option Contracts:
- (a) summary and full legal Contract Specifications;
 - (b) Trading Licence;
 - (c) Minimum Volume Thresholds for Block Trades;
 - (d) Guaranteed Cross arrangements;
 - (e) Business Days and trading hours;
 - (f) fees;
 - (g) statement in relation to Options on Short Term Interest Rate, Swapnote[®] and Government Bond Contracts;
 - (h) the regulatory position in the United States; and
 - (i) market making arrangements.

Web site: www.nyx.com/liffe

The **Euronext Derivatives Markets** 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. Contract Details

2.1 On and from Monday 27 July 2009, the Two Year Mid-Curve Option Contracts shall be made available under the terms of Exchange Contract No. 901, the full legal Contract Specification for which forms Attachment 1 to this Notice. The summary Contract Specifications form Attachment 2 to this Notice.

3. Trading Licence

3.1 Members wishing to execute trades in the Two Year Mid-Curve Option Contracts on LIFFE CONNECT[®] must hold a valid LIFFE CONNECT[®] Financial Options trading subscription.

3.2 To claim trades only, Members will need to have the appropriate entitlement set up in the membership database.

3.3 To clear trades in the Two Year Mid-Curve Option Contracts, Members will require the relevant clearing status (General Clearing Member or Individual Clearing Member) and access to the Financials Trade Registration System.

4. Minimum Volume Thresholds for Block Trades

4.1 The Minimum Volume Thresholds for Block Trades for the Two Year Mid-Curve Option Contracts shall be as follows:

Euro (EURIBOR) Two Year Mid-Curve Options	Outrights in all months	500 lots
	Strategies involving all months	1,000 lots in aggregate
Short Sterling Two Year Mid-Curve Options	Outrights in all months	500 lots
	Strategies involving all months	1,000 lots in aggregate

5. Guaranteed Cross

5.1 Matching business in Two Year Mid-Curve Option Contracts may be submitted to the Trading Host either by submission to the Central Order Book or as a Guaranteed Cross. Where business is submitted as a Guaranteed Cross, the price of the matching orders may be at the best bid or best offer price in the Central Order Book if the differential between such best bid and offer is the minimum price movement of the Contract concerned, subject to each order within the Guaranteed Cross satisfying the following minimum volume thresholds:

Euro (EURIBOR) Two Year Mid-Curve Options	Outrights in all months	500 lots
	Strategies involving all months	1,000 lots in aggregate
Short Sterling Two Year Mid-Curve Options	Outrights in all months	500 lots
	Strategies involving all months	1,000 lots in aggregate

6. Business Days and Trading Hours

- 6.1 The Two Year Mid-Curve Options Contracts will be available for trading on week days in 2009, apart from the following days:

Euro (EURIBOR) Two Year Mid-Curve Options	25 December
Short Sterling Two Year Mid-Curve Options	31 August 25 December 28 December

- 6.2 Detailed session times for the trading of Two Year Mid-Curve Options Contracts are as follows:

	Session Start	Pre-Open	Open	Settlement	Pre-Close	Close	Session Close
Euro (EURIBOR) Two Year Mid-Curve Options	00:30	06:03	07:02	16:15	17:58	18:00	22:00
Short Sterling Two Year Mid-Curve Options	00:30	06:03	07:32	16:15	17:58	18:00	22:00

7. Fees

- 7.1 Transaction Fees will be charged on a per lot, per side basis at £0.22. Clearing fees will be set at £0.03 per lot, per side.

8. Statement in relation to Options on Short Term Interest Rate, Swapnote[®] and Government Bond Contracts

- 8.1 The Exchange draws the following statement to the attention of potential users of its Options on Short Term Interest Rate, Swapnote[®] and Government Bond Contracts. Members should ensure that their clients are made aware of the statement.

“Potential users of the Options on Short Term Interest Rate, Swapnote[®] and Government Bond Contracts made available on the London International Financial Futures and Options Exchange should familiarise themselves with the terms of these contracts and with the terms of the Underlying Futures Contract.”

9. U.S. Regulatory Position

- 9.1 The Two Year Mid-Curve Option Contracts will be made available to Members and their Affiliates who are based in the United States, on and from the launch date of 27 July 2009.

10. Market Making arrangements

- 10.1 The majority of Designated Market Makers (“DMMs”) in the STIR Options DMM Scheme have agreed to extend their DMM obligations to include the Two Year Mid-Curve Option Contracts. A list of STIR Options DMMs forms Attachment 3 to this Notice.

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

Fixed Income Derivatives + 44 (0)20 7379 2222 stirs@liffe.com

EXCHANGE CONTRACT NO. 901

IN RESPECT OF

OPTIONS ON SHORT TERM INTEREST RATE, SWAPNOTE[®]

AND GOVERNMENT BOND CONTRACTS

CONTRACT TERMS

(Issue Date: 22 July 2009)

CONTRACT DETAILS SPECIFIED BY THE BOARD

(Issue Date: 22 July 2009)

Expiry Months

Three Month Sterling:	May 2003 onwards
Three Month Euro Swiss Franc:	June 2003 onwards
Three Month Euro (EURIBOR):	April 2002 onwards
Three Month Eurodollar:	April 2004 onwards
Three Month Sterling One Year Mid-Curve:	April 2002 onwards
<u>Three Month Sterling Two Year Mid-Curve:</u>	<u>August 2009 onwards</u>
Three Month Euro (EURIBOR) One Year Mid-Curve:	April 2002 onwards
<u>Three Month Euro (EURIBOR) Two Year Mid-Curve:</u>	<u>August 2009 onwards</u>
Three Month Eurodollar One Year Mid-Curve:	April 2004 onwards
Two Year Euro Swapnote [®] :	April 2002 onwards
Five Year Euro Swapnote [®] :	April 2002 onwards
Ten Year Euro Swapnote [®] :	April 2002 onwards
Long Gilt:	May 2002 onwards

Swapnote[®] is a registered trademark of ICAP plc.

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Contract Details Specified By The Board

- For Options on Government Bond Contracts
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- For Options on Short Term Interest Rate Contracts

THE LONDON INTERNATIONAL FINANCIAL FUTURES AND OPTIONS
EXCHANGE

Terms of Exchange Contract No. 901

1. Definitions

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:

“associated delivery month” means:

- (i) in respect of a Contract (other than a Mid-Curve Contract) for an expiry month which is:
 - (a) a quarterly expiry month, a delivery month which is the same month as the expiry month: and
 - (b) a serial expiry month, the quarterly delivery month immediately following such expiry month, and
- (ii) in respect of a One Year Mid-Curve Contract for an expiry month which is:
 - (a) a quarterly expiry month, a delivery month which is the same calendar month as the expiry month but one year subsequent; and
 - (b) a serial expiry month, the same calendar month as the quarterly delivery month immediately following such expiry month but one year subsequent.
- (iii) in respect of a Two Year Mid-Curve Contract for an expiry month which is:
 - (a) a quarterly expiry month, a delivery month which is the same calendar month as the expiry month but two years subsequent; and

- (b) a serial expiry month, the same calendar month as the quarterly delivery month immediately following such expiry month but two years subsequent.

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

“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).

“cabinet transaction price” means the price specified as such by the Board.

“call option” means a right, upon the exercise of which the Buyer of the call option becomes the buyer and the Seller of the call option becomes the seller under a contract for one lot in the terms of the relevant Underlying Futures Contract specified by the Board in the Contract Details and for the associated delivery month.

“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.

“Contract” means a contract made expressly or impliedly in these terms 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.

“day of exercise” shall have the meaning ascribed to it in term 5.01.

“delivery month” in respect of an Underlying Futures Contract, means each month specified as such by the Board pursuant to the Rules.

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

“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.

“euro” means the single currency of the European Union introduced in the relevant Member State pursuant to its participation in Economic and Monetary Union in the European Union pursuant to EMU legislation.

“exercise deadline” in respect of an expiry month and a business day, means the time specified as such by the Board applicable to a Contract for an option in respect of the relevant Underlying Futures Contract.

“Exercise Notice” means a notice from a Buyer to the Clearing House, in a form from time to time prescribed by the Clearing House, notifying the Clearing House that the Buyer thereby exercises one or more options against the Clearing House.

“exercise price” in respect of an expiry month, means a price authorised as such by the Exchange in respect of which a Contract for an option for such expiry month in respect of the relevant Underlying Futures Contract can be made.

“expiry month” means a month specified as such by the Board for which a Contract for an option in respect of the relevant Underlying Futures Contract can be made.

“expiry time” in respect of an expiry month, means the time specified as such by the Board for a Contract for an option in respect of the relevant Underlying Futures Contract.

“Last Trading Day” in respect of an expiry month, means, subject to term 9 or 10 as applicable, the day specified as such by the Board for a Contract for an option in respect of the relevant Underlying Futures Contract.

“last trading time” means the time, specified as such by the Board for a Contract for an option in respect of the relevant Underlying Futures Contract, at which trading for Contracts for an expiry month ceases on the Last Trading Day for such expiry month.

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

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

“price unit” means the unit specified as such by the Board for a Contract for an option in respect of the relevant Underlying Futures Contract.

“price unit value” in respect of a price unit, means the value specified as such by the Board for a Contract for an option in respect of the relevant Underlying Futures Contract.

“Procedures” means one or more documents issued by the Clearing House from time to time for the purposes of these terms.

“put option” means a right, upon the exercise of which the Buyer of the put option becomes the seller and the Seller of the put option becomes the buyer under a contract for one lot in the terms of the relevant Underlying Futures Contract specified by the Board in the Contract Details and for the associated delivery month.

“quarterly delivery month” means a delivery month being March, June, September or December.

“quarterly expiry month” means an expiry month being March, June, September or December.

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

“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).

“serial expiry month” means an expiry month other than a quarterly expiry month.

“Underlying Futures Contract” means a Futures Contract specified as such by the Board.

“Underlying Short Term Interest Rate Contract” means an Underlying Futures Contract which is a Short Term Interest Rate Contract.

“Underlying Swapnote[®] Contract” means an Underlying Futures Contract which is a Swapnote[®] Contract.

“Underlying Government Bond Contract” means an Underlying Futures Contract which is a Government Bond Contract.

1.03 References to a “term” refer to terms hereof, references to a “Rule” refer to a rule of the Exchange’s Rules and references to “specified as such by the Board” mean as published by the Board from time to time in respect of these terms in the Contract Details to apply to existing as well as new Contracts as the Board may determine. Save where the context otherwise requires references herein to the singular include the plural, and vice versa.

2. Contract Terms

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 on a contract in the terms of the relevant Underlying Futures Contract specified by the Board in the Contract Details and for the expiry month and at the exercise price agreed.

3. Price

3.01 Bids and offers shall be quoted in whole numbers of price units except in the case of:

- (i) a cabinet transaction, which shall be made at the cabinet transaction price; and
- (ii) a Contract in respect of which the Board has specified, in the Contract Details, circumstances in which such Contract shall have a minimum price movement of less than one price unit, in which case bids and offers shall be quoted in accordance with the Contract Details.

3.02 One price unit shall have a value equal to the price unit value.

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

4.01 A Buyer may exercise an option for an expiry month on any business day up to and including the Last Trading Day for the expiry month by the exercise deadline for such business day and shall do so by giving to the Clearing House an Exercise Notice, in respect of a registered Contract for such expiry month or a Contract for such expiry month submitted to the Clearing House for registration, in a manner from time to time prescribed by the Clearing House. An Exercise Notice received on a business day at or after the exercise deadline for such business day will be invalid.

4.02 The Clearing House shall give to the Buyer, by the time specified by the Clearing House from time to time in the Procedures, a notice in a form from time to time prescribed by the Clearing House, confirming which options specified in an Exercise Notice given by such Buyer to the Clearing House have been validly exercised by the Buyer in accordance with these terms.

- 4.03 On the day on which the Buyer has validly exercised an option and immediately upon such exercise, a contract for one lot in the terms of the relevant Underlying Futures Contract shall arise:
- (a) in the case of a call option, between the Clearing House and the Buyer as seller and the buyer respectively;
 - (b) in the case of a put option, between the Clearing House and the Buyer as buyer and seller respectively,
- for the associated delivery month and at a price being the exercise price of the option.

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

5.01 As soon as is practicable after an option referred to in an Exercise Notice is exercised by a Buyer in accordance with term 4.01, 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 month and shall exercise such option in a form and manner from time to time prescribed by the Clearing House. The Seller against which the Clearing House exercises an option under this term 5.01 shall be selected by such method as the Clearing House may specify from time to time in the Procedures. A valid exercise of such option by the Clearing House, as described herein, shall be deemed to have taken place on the day on which the option was exercised by the Buyer in accordance with term 4.01 and such day shall be referred to in these terms as the day of exercise.

5.02 In respect of each option exercised by the Clearing House against a Seller under term 5.01, the Clearing House shall give to the Seller a Clearing House Notice of Exercise by the time specified by the Clearing House for this purpose and in a manner from time to time prescribed by the Clearing House in the Procedures.

- 5.03 On the day of exercise of an option by the Clearing House and immediately upon such exercise, a contract for one lot in the terms of the relevant Underlying Futures Contract shall arise:
- (a) in the case of a call option, between the Clearing House and the Seller as buyer and seller respectively;
 - (b) in the case of a put option, between the Clearing House and the Seller as seller and buyer respectively,
- for the associated delivery month and at a price being the exercise price of the option.

6. Expiry

6.01 Subject to terms 10.01(b) and 12, an option in respect of an expiry month which has not been validly exercised in accordance with term 4 or 5, as applicable:

- (a) to which the Clearing House is party as Seller, shall expire on the Last Trading Day at the expiry time;
- (b) to which the Clearing House is party as Buyer, shall expire on the business day following the Last Trading Day by the time specified by the Board from time to time.

7. Last Trading Day

7.01 Trading in Contracts in respect of an expiry month shall cease at the last trading time on the Last Trading Day for Contracts in respect of that expiry month.

8. Payment

8.01 The Buyer shall pay the option price in respect of an option to the Clearing House not later than the time specified by the Clearing House on the business day following the day of exercise or the day on which the option expires.

8.02 In respect of an option to which the Clearing House is party as Buyer, the Clearing House shall pay the option price to the Seller on:

- (a) the business day following the day of exercise; or
- (b) in the case of an option that has expired, the business day following the Last Trading Day.

9. Emergency Provisions in respect of Options on contracts in the terms of Underlying Swapnote and Short Term Interest Rate Contracts

9.01 In respect of serial and all Mid-Curve Contract expiry months:

- (a) if at any time after the close of trading two business days prior to the anticipated Last Trading Day for Contracts in respect of a particular serial expiry month or Mid-Curve Contract expiry month (whether serial or quarterly), it becomes known to the Exchange that such day

will not be a business day, then the next business day following such day shall be the Last Trading Day for Contracts in respect of that expiry month and the Exchange shall publish such change by means of a notice posted in the market;

- (b) if at any time after the close of trading two business days prior to the day which is the Last Trading Day for Contracts in respect of a particular serial expiry month or Mid-Curve Contract expiry month (whether serial or quarterly) as specified as such by the Board, it becomes known to the Exchange that the day immediately following the Last Trading Day will not be a business day, the Last Trading Day for Contracts in respect of that expiry month shall not be altered (except where term 9.01(a) applies) and shall remain the same day.

10. Emergency Provisions in respect of Options on contracts in the terms of Underlying Government Bond Contracts

10.01 If at any time after the close of trading two business days prior to the anticipated Last Trading Day for Contracts in respect of a particular expiry month, it becomes known to the Exchange that such day will not be a business day, then the business day immediately before that day shall be the Last Trading Day for Contracts in respect of that expiry month (even if such business day has already past), provided that, notwithstanding that the day which was anticipated to be the Last Trading Day is not a business day:

- (a) options in respect of that expiry month may be exercised on that day in the manner provided for in terms 4 and 5; and
- (b) options in respect of that expiry month shall expire at the expiry time on that day and not on the revised Last Trading Day.

10.02 If, at any time after the close of trading two business days prior to the day which is the Last Trading Day for Contracts in respect of a particular expiry month as specified by the Board or pursuant to term 10.01, it becomes known to the Exchange that any of the days which would have been business days in the period commencing on the business day after the Last Trading Day and ending on the business day immediately preceding the first day of that expiry month will not be a business day, then this shall not affect the Last Trading Day for Contracts in respect of that expiry month, which shall not be altered and shall remain the same day.

11. Default

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

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

11.02 Subject to the default rules of the Clearing House, in the event of a default by a Buyer or 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 to which that Buyer or Seller, as applicable, is party, 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 or to the Buyer or Seller as appropriate.

12. Force Majeure

12.01 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 a lot comprised in a Contract by the due time therefor, notwithstanding that he may be or is likely to be prevented from doing so 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, 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 in respect of any expiry month by the expiry time therefor, by any event beyond his reasonable control including, without limitation, any of the events specified in term 12.01(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 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 expiry time for an option specified in the notice; and

- (ii) (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.

13. Articles, Rules and Regulations

13.01 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.

13.02 In case of any conflict between these terms and the Rules, the Rules shall prevail.

14. Arbitration

14.01 Subject to term 14.02 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.

14.02 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.

15. Governing Law

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

16. Non-registered Contracts

16.01 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 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 as such by the Board. 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.

17. Economic and Monetary Union

17.01 Any amendment made by the Board pursuant to the terms of Exchange Contract No. 801 to the last trading day of the Underlying Short Term Interest Rate Contract specified in a Contract for an option for a serial expiry month or Mid-Curve Contract expiry month (whether serial or quarterly) shall apply equally to the Last Trading Day of such Contract.

17.02 For the purposes of this term 17.02, “affected contract” means a contract in the terms of an Underlying Short Term Interest Rate Contract in respect of an interest rate for a deposit in a currency of a Member State which has been affected by automatic conversion of obligations into the euro pursuant to EMU legislation. Following any such automatic conversion, the Board may, taking due heed of the interests of the market and particularly of those members using a Contract for hedging in relation to possible changes in interest rates, amend the terms of this Exchange Contract to allow for the discharge, by cash-settlement or otherwise, of rights and obligations under each Contract in respect of an affected contract prior to the Last Trading Day for such Contract.

17.03 Any determination by the Board to amend the terms of this Exchange Contract pursuant to term 17.02 shall be the subject of a General Notice.

18. Statement in relation to Options on Short Term Interest Rate, Swapnote[®] and Government Bond Contracts

18.01 The Exchange draws the following statement to the attention of potential users of its Options on Short Term Interest Rate, Swapnote[®] and Government Bond Contracts. Members should ensure that their clients are made aware of the statement.

“Potential users of the Options on Short Term Interest Rate, Swapnote[®] and Government Bond Contracts made available on the London International Financial Futures and Options Exchange should familiarise themselves with the terms of these contracts and with the terms of the Underlying Futures Contract.”

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Issue Date: 22 July 2009

**CONTRACT DETAILS SPECIFIED BY THE BOARD FOR
OPTIONS ON GOVERNMENT BOND CONTRACTS**

Contract	Option on Long Gilt
Known as Exchange Contract No.	107
Underlying Futures Contract	Long Gilt
Expiry Months¹	2 Quarterly 2 Serial
Last Trading Day	Sixth business day prior to the first day of the expiry month
Last Trading Time	10:00 hrs
Exercise Deadline:	
(a) Business days other than Last Trading Day	17:00 hrs
(b) Last Trading Day	10:45 hrs
Expiry Time²	10:45 hrs
Price Unit	1/100 of a Point
Price Unit Value	£10
Cabinet Transaction Price	1/1000 of a Point

¹ The expiry months available for trading will be the relevant number of nearest quarterly expiry months and the relevant number of nearest serial expiry months. A new expiry month is available for trading the business day after the Last Trading Day of an expiry month.

² An option to which the Clearing House is party as Buyer and which has not been exercised shall expire at 07:00 hrs on the business day following the Last Trading Day.

CONTRACT DETAILS SPECIFIED BY THE BOARD FOR OPTIONS ON SWAPNOTE® CONTRACTS

Contract		Option on Two Year Euro Swapnote®	Option on Five Year Euro Swapnote®	Option on Ten Year Euro Swapnote®
Known as Exchange Contract No.		756	754	755
Underlying Futures Contract		Two Year Euro Swapnote	Five Year Euro Swapnote	Ten Year Euro Swapnote
Expiry Months¹		2 Quarterly 2 Serial	2 Quarterly 2 Serial	2 Quarterly 2 Serial
Last Trading Day	Quarterly expiry months	Day on which trading in the Two Year Euro Swapnote Contract ceases	Day on which trading in the Five Year Euro Swapnote Contract ceases	Day on which trading in the Ten Year Euro Swapnote Contract ceases
	Serial expiry months	Second business day prior to third Wednesday of expiry month	Second business day prior to third Wednesday of expiry month	Second business day prior to third Wednesday of expiry month
Last Trading Time	Quarterly expiry months	10:00 hrs	10:00 hrs	10:00 hrs
	Serial expiry months	10:00 hrs	10:00 hrs	10:00 hrs
Exercise Deadline	Quarterly expiry months	Business days other than Last Trading Day	17:00 hrs	17:00 hrs
		Last Trading Day	10:45 hrs	10:45 hrs
	Serial expiry months	Business days other than Last Trading Day	17:00 hrs	17:00 hrs
		Last Trading Day	10:45 hrs	10:45 hrs
Expiry Time²	Quarterly expiry months	10:45 hrs	10:45 hrs	10:45 hrs
	Serial expiry months	10:45 hrs	10:45 hrs	10:45 hrs
Price Unit		0.01 (Basis Point)	0.01 (Basis Point)	0.01 (Basis Point)
Price Unit Value		€10.00	€10.00	€10.00
Minimum Price Movement		Half of price unit	1 price unit	1 price unit
Cabinet Transaction Price		0.1 Basis Points	0.1 Basis Points	0.1 Basis Points

¹ The expiry months available for trading will be the relevant number of nearest quarterly expiry months and the relevant number of nearest serial expiry months. A new expiry month is available for trading the business day after the Last Trading Day of an expiry month.

² An option to which the Clearing House is party as Buyer and which has not been exercised shall expire at 07:00 hrs on the business day following the Last Trading Day.

CONTRACT DETAILS SPECIFIED BY THE BOARD FOR OPTIONS ON SHORT TERM INTEREST RATE CONTRACTS

Contract			Option on Three Month Eurodollar	Option on Three Month Sterling	Option on Three Month Euro Swiss Franc	Option on Three Month Euro (EURIBOR)
Known as Exchange Contract No.			115	116	133	146
Underlying Futures Contract			Three Month Eurodollar	Three Month Sterling	Three Month Euro Swiss Franc	Three Month Euro (EURIBOR)
Expiry Months ¹			8 Quarterly 2 Serial	8 Quarterly 2 Serial	4 Quarterly	8 Quarterly 2 Serial
Last Trading Day	Quarterly expiry months		Day on which trading in the Eurodollar Futures Contract ceases	Day on which trading in the Short Sterling Futures Contract ceases	Day on which trading in the Euroswiss Futures Contract ceases	Day on which trading in the Euro (EURIBOR) Futures Contract ceases
	Serial expiry months		Second business day prior to third Wednesday of expiry month	Third Wednesday of the expiry month		Second business day prior to third Wednesday of expiry month
Last Trading Time	Quarterly expiry months		11:00 hrs	11:00 hrs	11:00 hrs	10:00 hrs
	Serial expiry months		11:00 hrs	11:00 hrs		10:00 hrs
Exercise Deadline	Quarterly expiry months	Business days other than Last Trading Day	20:00 hrs	17:00 hrs	17:00 hrs	17:00 hrs
		Last Trading Day	11:45 hrs	11:45 hrs	11:45 hrs	10:45 hrs
	Serial expiry months	Business days other than Last Trading Day	20:00 hrs	17:00 hrs		17:00 hrs
		Last Trading Day	11:45 hrs	11:45 hrs		10:45 hrs
Expiry Time ²	Quarterly expiry months		11:45 hrs	11:45 hrs	11:45 hrs	10:45 hrs
	Serial expiry months		11:45 hrs	11:45 hrs		10:45 hrs
Price Unit			0.01 (Basis Point)	0.01 (Basis Point)	0.01 (Basis Point)	0.01 (Basis Point)
Price Unit Value			\$25.00	£12.50	SFr25.00	€25.00
Minimum Price	Price ≥7 price units		Half price unit	Half price unit	Half price unit	Half price unit
Movement	Price <7 price units		Half price unit	Half price unit	Half price unit	Half price unit
Cabinet Transaction Price			0.1 Basis Points	0.08 Basis Points	0.1 Basis Points	0.1 Basis Points

¹ The expiry months available for trading will be the relevant number of nearest quarterly expiry months and the relevant number of nearest serial expiry months. A new expiry month is available for trading the business day after the Last Trading Day of an expiry month.

² An option to which the Clearing House is party as Buyer and which has not been exercised shall expire at 07:00 hrs on the business day following the Last Trading Day.

CONTRACT DETAILS SPECIFIED BY THE BOARD FOR OPTIONS ON SHORT TERM INTEREST RATE CONTRACTS

Contract		One Year Mid-Curve Option on Three Month Eurodollar	One Year Mid-Curve Option on Three Month Sterling	One Year Mid-Curve Option on Three Month Euro (EURIBOR)	Two Year Mid-Curve Option on Three Month Sterling	Two Year Mid-Curve Option on Three Month Euro (EURIBOR)	
Known as Exchange Contract No.		115m	116m	146m	147m	148m	
Underlying Futures Contract		Three Month Eurodollar	Three Month Sterling	Three Month Euro (EURIBOR)	Three Month Sterling	Three Month Euro (EURIBOR)	
Expiry Months ¹		4 Quarterly 2 Serial	4 Quarterly 2 Serial	4 Quarterly 2 Serial	4 Quarterly 2 Serial	4 Quarterly 2 Serial	
Last Trading Day	Quarterly expiry months	Second business day prior to third Wednesday of expiry month	Third Wednesday of expiry month	Second business day prior to third Wednesday of expiry month	Third Wednesday of expiry month	Second business day prior to third Wednesday of expiry month	
	Serial expiry months	Second business day prior to third Wednesday of expiry month	Third Wednesday of expiry month	Second business day prior to third Wednesday of expiry month	Third Wednesday of expiry month	Second business day prior to third Wednesday of expiry month	
Last Trading Time	Quarterly expiry months	11:00 hrs	11:00 hrs	10:00 hrs	11:00 hrs	10:00 hrs	
	Serial expiry months	11:00 hrs	11:00 hrs	10:00 hrs	11:00 hrs	10:00 hrs	
Exercise Deadline	Quarterly expiry months	Business days other than Last Trading Day	20:00 hrs	17:00 hrs	17:00 hrs	17:00 hrs	
		Last Trading Day	11:45 hrs	11:45 hrs	10:45 hrs	11:45 hrs	10:45 hrs
	Serial expiry months	Business days other than Last Trading Day	20:00 hrs	17:00 hrs	17:00 hrs	17:00 hrs	17:00 hrs
		Last Trading Day	11:45 hrs	11:45 hrs	10:45 hrs	11:45 hrs	10:45 hrs
Expiry Time ²	Quarterly expiry months	11:45 hrs	11:45 hrs	10:45 hrs	11:45 hrs	10:45 hrs	
	Serial expiry months	11:45 hrs	11:45 hrs	10:45 hrs	11:45 hrs	10:45 hrs	
Price Unit		0.01 (Basis Point)	0.01 (Basis Point)	0.01 (Basis Point)	0.01 (Basis Point)	0.01 (Basis Point)	
Price Unit Value		\$25.00	£12.50	€25.00	£12.50	€25.00	
Minimum Price	Price ≥7 price units	Half price unit	Half price unit	Half price unit	Half price unit	Half price unit	
	Price <7 price units	Half price unit	Half price unit	Half price unit	Half price unit	Half price unit	
Cabinet Transaction Price		0.1 Basis Points	0.08 Basis Points	0.1 Basis Points	0.08 Basis Points	0.1 Basis Points	

¹ The expiry months available for trading will be the relevant number of nearest quarterly expiry months and the relevant number of nearest serial expiry months. A new expiry month is available for trading the business day after the Last Trading Day of an expiry month.

² An option to which the Clearing House is party as Buyer and which has not been exercised shall expire at 07:00 hrs on the business day following the Last Trading Day.

Summary Contract Specifications**Two Year Mid-Curve Option on Three Month Sterling (Short Sterling) Interest Rate Futures Contract**

UNIT OF TRADING	One Three Month Sterling (Short Sterling) Interest Rate Futures Contract
EXPIRY MONTHS	March, June, September, December, and two serial months, such that six expiry months are available for trading, with the nearest three expiry months being consecutive calendar months
MINIMUM PRICE MOVEMENT (TICK SIZE AND VALUE)	0.005 (£6.25)
EXERCISE	Exercise by 17:00 on any business day prior to the Last Trading Day and until 11:45 on the Last Trading Day
LAST TRADING DAY	Third Wednesday of the expiry month. On the Last Trading Day, trading in the expiring month will cease at 11:00
DELIVERY DAY	Delivery on the first business day after day of exercise
TRADING HOURS	07:32 – 18:00

Two Year Mid-Curve Option on Three Month Euro (EURIBOR) Interest Rate Futures Contract

UNIT OF TRADING	One Three Month Euro (EURIBOR) Interest Rate Futures Contract
EXPIRY MONTHS	March, June, September, December, and two serial months, such that six expiry months are available for trading, with the nearest three expiry months being consecutive calendar months
MINIMUM PRICE MOVEMENT (TICK SIZE AND VALUE)	0.005 (€12.50)
EXERCISE	Exercise by 17:00 on any business day prior to the Last Trading Day and until 10:45 on the Last Trading Day
LAST TRADING DAY	Two business days prior to the third Wednesday of the expiry month. On the Last Trading Day, trading in the expiring month will cease at 10:00
DELIVERY DAY	Delivery on the first business day after the day of exercise
TRADING HOURS	07:02 – 18:00

SHORT TERM INTEREST RATE (“STIR”) OPTIONS CONTRACTS – DESIGNATED MARKET MAKERS (“DMMs”) IN THE STIR OPTIONS DMM SCHEME	
Three Month Euro (EURIBOR) including Mid-Curves	Three Month Sterling (Short Sterling) including Mid-Curves
<ul style="list-style-type: none"> • ADG Market Making LLP • Atlantic Trading LLP • BNP Paribas S.A. • CTC London Limited • DRW Investments (UK) Limited • Investec Bank (UK) Ltd • Liquid Capital Markets Limited • Mako Fixed Income Partnership LLP • Ronin Trading UK LLP • Saen Options BV • Saxon Financials Limited • Sequoia Capital LLP • Société Générale • Tibra Trading Europe Limited • Tradelink Worldwide Ltd • Winchmore Capital LLP • DMM A 	<ul style="list-style-type: none"> • ADG Market Making LLP • Atlantic Trading LLP • CTC London Limited • DRW Investments (UK) Limited • Investec Bank (UK) Ltd • Liquid Capital Markets Limited • Mako Fixed Income Partnership LLP • Ronin Trading UK LLP • Saen Options BV • Saxon Financials Limited • Sequoia Capital LLP • Société Générale • Tibra Trading Europe Limited • Tradelink Worldwide Ltd • Winchmore Capital LLP • DMM A
<p><u>Obligations</u></p> <ol style="list-style-type: none"> 1. For 90% of each trading session (that is, contract opening through to close), each DMM, upon demand, will be required to quote two way competitive prices and order sizes, either: <ul style="list-style-type: none"> (a) over the telephone; or (b) through LIFFE CONNECT®. 2. Upon reasonable demand, each DMM will be required to provide the Exchange with theoretical pricing of Options Contracts to assist the Exchange with intra-day modelling and settlements publication. <p><u>Exemptions</u></p> <ol style="list-style-type: none"> 1. On UK, US and German national holidays, the Exchange will determine which DMM obligations, if any, should be honoured. 2. Where intra-day market conditions prevent a DMM from honouring its obligations, for example over the announcement of significant economic news and during technical issues, the DMM must inform the Exchange at its earliest convenience. 	