

LONDON NOTICE NO. 3785

Issue Date: 13 January 2014

Effective Date: 13 January 2014

PRE-NEGOTIATION OF BUSINESS IN GILT FUTURES CONTRACTS

Executive Summary

This Notice informs Members that, with immediate effect, the requirements set out in General Notice No. [2515](#) which relate to the pre-negotiation of LIFFE business will no longer apply to Gilt Futures Contracts.

1. General Notice No. [2515](#), issued on the 17 September 2004, advised Members of new requirements in relation to the pre-negotiation of LIFFE business for all Exchange Contracts other than equity products. These requirements stipulate that, during pre-negotiation discussions, a Relevant Person shall not request or make contingent quotes or agree to facilitate contingent orders from a client in the same series, delivery month or strategy which would have the effect of achieving a transaction at an aggregate or average price inside the minimum price movement of the Contract concerned.
2. As a result of feedback from Members, the Exchange has now determined that the above requirements will no longer apply to Gilt Futures Contracts, namely the Short Gilt Futures Contract, the Medium Gilt Futures Contract, the Long Gilt Futures Contract and, once introduced, the Ultra Long Gilt Futures Contract. Members are therefore advised that in respect of Gilt Futures Contracts, they will be permitted to offer their clients or negotiate with other Members an aggregate or average price inside the minimum price movement (which requires execution at two or more price levels to achieve the desired price) provided, where relevant, the client is made aware of the legging risk involved in executing such business and such business is conducted in compliance with all relevant Euronext Rules and NYSE Liffe Trading Procedures.
3. For the avoidance of doubt, the requirements set out in General Notice No. [2515](#) remain in place for all Exchange Contracts other than equity products and Gilt Futures Contracts.

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

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