

LONDON NOTICE NO. 3671

Issue Date: 10 December 2012

Effective Date: 13 December 2012

OPTION CONTRACT ON EQUITY RELATED SECURITIES (INCLUDING COMPANY SHARES AND EXCHANGE TRADED FUND SHARES) (EXCHANGE CONTRACT NO. 201)

EQUITY RELATED SECURITY CONTRACT (INCLUDING COMPANY SHARES, DEPOSITARY RECEIPTS AND EXCHANGE TRADED FUND SHARES) (EXCHANGE CONTRACT NO. 211)

INTRODUCTION OF ADDITIONAL INDIVIDUAL EQUITY OPTION CONTRACTS

Executive Summary

This Notice informs Members of the introduction of additional Individual Equity Option Contracts based on the company shares of Barratt Developments Plc and Fresnillo Plc (listed on the London Stock Exchange) which will be made available on LIFFE CONNECT[®] on and from 13 December 2012.

1. Introduction

- 1.1 On and from 13 December 2012, the Exchange will make available additional Individual Equity Option (the "Contracts") based on the company shares of Barratt Developments Plc and Fresnillo Plc (listed on the London Stock Exchange ("the LSE")) via LIFFE CONNECT[®].

2. Details of the Contracts to be made available on LIFFE CONNECT[®]

- 2.1 On and from 13 December 2012, the Contracts, and for the purpose of Stock Contingent Trades Equity Shares Contracts, will be made available for trading via LIFFE CONNECT[®] under the terms of Exchange Contracts No. 201 and No. 211 respectively, on Barratt Developments Plc and Fresnillo Plc Ordinary shares.
- 2.2 The first three quarterly expiry months from the March, June, September and December cycle will be made available for trading. The initial expiry months available will be **March 2013** and **June 2013**. On the first business day following the December 2012 expiry (Monday 24 December 2012), the **September 2013** expiry month will also be made available for trading.
- 2.3 The Contracts shall be included in the Exchange's Block Trade Facility with effect from 13 December 2012. The Block Trade minimum volume threshold for the Contracts shall be **500 lots**.
- 2.4 The necessary additions to the List of Contract Details in respect of Exchange Contracts No. 201 and No. 211 are set out, respectively, in Attachments 1 and 2 to this Notice.

3. Liquidity Provider Programmes

- 3.1 Members who would like to apply for a Liquidity Provider role in respect of the Contracts should complete the Application Form available on the NYSE Euronext website: www.nyx.com/elps (under the Stock Options and London headings). The Application Form should be sent to the EMS Liquidity Provision department via fax (+31 (0)20 550 5101) or email (ELPS@nyx.com) by no later than midday on **12 December 2012**.
- 3.2 The Contracts will be part of the “Non-Target Group”. NYSE Liffe will select up to five Primary Liquidity Providers (“PLPs”) and up to five Competitive Market Makers (“CMMs”) for Non-Target Group option classes on the basis of applications received from Members.
- 3.3 The relevant Spread Group and Minimum Order Size will be as follows:

Company	UCP Contract Code	Spread Group	Minimum Order Size
Barratt Developments Plc	BDV	2	10
Fresnillo Plc	FRN	3	3

- 3.4 Members will recall that the maximum spreads per group depend on the option bid price set out in the “Current Spreads and Size Obligations for Liquidity Providers” document in respect of market making programmes for the London market. A summary of maximum spreads per group is set out in the table below:

Maximum Spreads per Group				
Option Bid Price	Group 1	Group 2	Group 3	Group 4
≤15p	5p	7p	10p	15p
≤ 30p	6p	8p	12p	20p
≤ 60p	7p	9p	15p	25p
≤ 100p	8p	10p	15p	30p
≤ 150p	15p	20p	30p	40p
≤ 1000p	15p	40p	60p	60p
>1000p	20p	60p	100p	100p

- 3.5 Members are reminded that the appointment of each PLP/CMM will be subject to a binding contract (“the Agreement”) between the successful applicant and the Exchange. A completed Application Form does not constitute such an Agreement. Furthermore, a successful applicant’s Liquidity Provider status, and therefore the period for which the Liquidity Provider may receive financial benefits, may not be deemed to have commenced until the Agreement is completed and signed by all parties.

- 3.6 For further information in respect of the PLP/CMM roles and the Liquidity Provider Programmes in general, Members should refer to London Info-Flash No. [LO12/39](#), issued on 15 June 2012.

4. U.S. Regulatory Position

- 4.1 The Contracts will be “Approved Options” (as defined in General Notice No. [436](#), issued on 16 June 1992) in respect of the transaction of business with certain U.S. entities. Members should also refer to London Notice No. [3254](#), issued on 24 February 2010, which explains the procedure for offering and selling Approved Options in the United States.
- 4.2 By extension, the arrangements set out in the aforementioned Notices also apply to the offer and sale in the U. S. of the corresponding Equity Shares Contract given that an Equity Shares Contract has to be executed as part of a Stock Contingent Trade.
- 4.3 The revised list of Approved Options will be available on the NYSE Euronext website (www.nyx.com/liffe) in due course.

5. Stamp Duty on Transfer of UK Securities

- 5.1 Members who wish to receive stamp duty relief should note that a recognised Options Intermediary on LIFFE taking delivery from the LSE of Barratt Developments Plc and Fresnillo Plc shares would not be subject to stamp duty.

6. Additional Information

- 6.1 Updated Lists of Contract Details in respect of Exchange Contracts No. 201 and No. 211 will be made available in the London Market Handbook and on the NYSE Euronext website (www.nyx.com/londonmarkethandbook) in due course.
- 6.2 A separate Notice will be issued shortly informing Members of the introduction of flexible contracts based on the company shares of Barratt Developments Plc and Fresnillo Plc within Bclear.

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

Equity Derivatives Product Management

+44 (0)20 7379 2200

equities@nyx.com

**List of Company Shares that may be the subject of a Lot Trade
in respect of Exchange Contract No. 201**

Company	Share	Contract Code	Expiry months	Tick Size
Barratt Developments Plc	GB0000811801	BDV	3, 6, 9 (Mar, Jun, Sep, Dec)	0.25p
Fresnillo Plc	GB00B2QPKJ12	FRN	3, 6, 9 (Mar, Jun, Sep, Dec)	0.25p

**List of Company Shares that may be the subject of a Stock Contingent Trade
in respect of Exchange Contract No. 211**

Company	Share	Settlement Day	Minimum Price Fluctuation
Barratt Developments Plc	GB0000811801	Third business day after trade date	0.01p
Fresnillo Plc	GB00B2QPKJ12	Third business day after trade date	0.01p