

## **LONDON NOTICE No. 2983**

ISSUE DATE: 21 December 2007

EFFECTIVE DATE: 21 December 2007

### **CHANGES TO FINANCIAL REPORTING REQUIREMENTS**

#### **Executive Summary**

This Notice informs Members that the requirement to submit audited accounts on an annual basis has been removed.

#### **1. Introduction**

- 1.1 The purpose of this Notice is to advise Members that the ongoing requirement to submit annual audited accounts to the Exchange has been removed, with immediate effect, and as such LIFFE Rule 3.26 (Rules, Book II) has been deleted.
- 1.2 Notwithstanding this change, Members are advised that the Exchange still maintains the right to request Members and Applicants for membership to furnish such financial information as it deems appropriate.
- 1.3 Members are also reminded of the continuing obligation, pursuant to Rule 2802/1 (Book I), to notify the Exchange in the event of insolvency or other similar event occurring.

#### **2. Background**

- 2.1 The Exchange has reviewed its financial reporting requirements and has determined that in order to reduce the burden of reporting on Members and to bring the London market in line with other Liffe markets, the requirement to submit annual audited accounts to the Exchange should be removed. Furthermore, this decision is consistent with the Exchange's policy of seeking to avoid duplication of activity that is more appropriately and/or comprehensively carried out by others.
- 2.3 As a consequence of the above, Members who, in lieu of providing the Exchange with audited financial statements, have deposited a minimum of £25,000 of collateral with their General Clearing Member are no longer required to do so **for this purpose**. Notwithstanding this, Members are reminded that pursuant to Rule 2501/2 (Book I) all Non-Clearing Members must ensure that they lodge adequate collateral with their Clearing Member in relation to margin liabilities and similarly, pursuant to Rule 2501/3, Clearing Members must notify Liffe immediately if any Member for whom it clears fails to comply with Rule 2501/2.

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

### **3. Further Information**

The revised Rules will be made available on the Liffe website ([www.nyseuronext.com/liffe](http://www.nyseuronext.com/liffe)) and in the London Handbook ([www.nyseuronext.com/londonhandbook](http://www.nyseuronext.com/londonhandbook)) in due course.

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

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