

LONDON NOTICE No. 3297

ISSUE DATE: 24 June 2010
EFFECTIVE DATE: 25 June 2010

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

INTRODUCTION OF ADDITIONAL SERIES IN LLOYDS BANKING GROUP PLC INDIVIDUAL EQUITY OPTION CONTRACTS

Executive Summary

This Notice advises Members of the introduction of additional series for Lloyds Banking Group plc Individual Equity Option Contracts on and from 25 June 2010. Members should ensure that their clients are made aware of the contents of this Notice.

1. In keeping with the revised approach for the introduction of new series in Individual Equity Option Contracts that have been the subject of recent corporate actions, as outlined in London Notice No. 3227, issued on 1 December 2009, the Exchange has determined to introduce a number of additional series for the Lloyds Banking Group plc Individual Equity Option Contract ("the Contract"), on and from 25 June 2010.
2. The current Corporate Actions Policy determines that, with regard to Individual Equity Option Contracts which have been the subject of a corporate action, existing series with open interest may be the subject of a revised (unusual) contract size. However, the practice was that, subsequently, no new series were introduced within the range of series which had been the subject of the revised contract size. As a consequence of this practice, Members reported a lack of series in the Near The Money area for the affected contract.
3. The additional series in respect of the Contract, which are set out in the Attachment to this Notice, will be introduced with a standard lot size of 1,000 lots. Members should therefore be aware, and should ensure their clients are aware, that the revised approach for introducing new series in the Contract will result in series with a standard lot size interspersed within, and immediately adjacent to, series in the adjusted (unusual contract size) range.
4. Members are advised that the contract size of each series is published via the LIFFE CONNECT[®] API and that series the subject of unusual contract sizes are published on the NSYE Euronext website at www.nyx.com/liffe/corporateactions.
5. Members are reminded that, pursuant to London Notice No. 2492, issued on 25 September 2007, the Exchange will only invalidate trades which are deemed by the Exchange to have been executed at Aberrant prices. Any other errors made in the execution of a trade may only be addressed by way of the mutual consent cancellation facility, described in Trading

Web site: www.nyx.com/liffe

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Procedures 3.5.5 – 3.5.7 inclusive, which requires the consent of the counterparty concerned before such invalidation may be considered by the Exchange, or the Error Correction Facility, which is described in Trading Procedure 3.6.

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

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London Individual Equity Options

Company	Mnemonic	Expiry Month	Exercise Prices	Lot Size
Lloyds Banking Group plc	TSB	Jun-11	48, 56, 60, 64, 72	1000