

2. **Background:** A&L has received a takeover offer proposal from Banco Santander SA (“Santander”) whereby shareholders will receive one new Santander share for every three A&L shares held (“the Offer”). Prior to the Effective Date, A&L intends to declare an interim dividend of 18 pence per share. The Offer will be effected by way of a Scheme of Arrangement (“the Scheme”).
3. **Conditions:** The Scheme is subject to shareholder approval of both companies and Sanction of the Court at Hearings.
4. **Effective Date:** To Be Announced.
5. **Ratio:** 3.00000.
6. **Contract Adjustments:**

Provided that the Offer becomes Effective, the Contracts shall be adjusted using the ratio-method. Subsequently the Contracts shall be re-designated as contracts based on the new Banco Santander shares.

(a) **Individual Equity Option Contracts:**

- (i) **Adjusted Lot Size:** At the close of business on the day prior to the Effective Date, the lot size shall be adjusted by being divided by the ratio.
- (ii) **Adjusted Exercise Prices:** At the close of business on the day prior to the Effective Date, exercise prices shall be adjusted by being multiplied by the ratio.

(b) **Flexible Individual Equity Option Contracts**

- (i) **Adjusted Lot Size:** If there is open interest at the close of business on the business day prior to the Effective Date, the lot size of series in which trading has taken place shall be adjusted by being divided by the ratio.
- (ii) **Adjusted Exercise Prices:** At the close of business on the day prior to the Effective Date, exercise prices of series with open interest shall be adjusted by being multiplied by the ratio.

(c) **Universal Stock Futures Contracts:**

- (i) **Adjusted Lot Size:** If there is open interest at the close of business on the business day prior to the Effective Date, the lot size of delivery months in which trading has taken place shall be adjusted by being divided by the ratio.
- (ii) **Variation Margin:** Daily Settlement Prices on the day prior to the Effective Date shall be multiplied by the ratio to generate reference prices for the purpose of variation margin calculations at the close of business on the Effective Date.

(d) **Flexible Universal Stock Futures Contracts:**

- (i) **Adjusted Lot Size:** If there is open interest at the close of business on the business day prior to the Effective Date, the lot size of maturities in which trading has taken place shall be adjusted by being divided by the ratio.

- (ii) **Variation Margin:** Daily Settlement Prices on the day before the Effective Date shall be multiplied by the ratio to generate reference prices for the purpose of variation margin calculations at the close of business on the Effective Date.

7. **Miscellaneous:** Members will be advised of more details regarding the Scheme after the receipt of the formal Scheme document.
8. **Further Series/Delivery Months/Maturities:** No further series/delivery months/maturities shall be made available for trading on and from the Effective Date.

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

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