

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

CONTRACT TERMS - Issue Date: 16 May 2008

ADMINISTRATIVE PROCEDURES - Issue Date: 18 January 2008

Effective Date: 21 May 2008

Please refer to London Notice No. 3034, issued on 16 May 2008, updating the Statement in relation to Equity Related Security Contracts.

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On the market day following the day Contracts are registered with the Clearing House, being a day on which banks in London are open for business

In respect of Contracts to be settled by the transfer of securities through the Relevant Settlement System, on the Relevant Settlement System business day following the making of a Contract

In respect of Contracts to be settled by the transfer of securities through the Relevant Settlement System, on the Settlement Day

## EQUITY SECURITY CONTRACT

### THE LONDON INTERNATIONAL FINANCIAL FUTURES AND OPTIONS EXCHANGE

#### Terms of Exchange Contract No. 211

1. Interpretation

1.01 Save as otherwise specified herein, words and phrases defined in the Rules shall have the same meanings in these terms.

1.02 In these terms and the Administrative Procedures:

“Administrative Procedures” means all procedures from time to time implemented by the Board pursuant to the Rules for the purposes of this Exchange Contract.

“Assured Payment” means, in the case of securities transferred through the Relevant Settlement System, a system-generated payment instruction which is binding on:

- (a) the Clearing House’s settlement bank in favour of the Transferor’s settlement bank in the case of a transfer of securities from the Transferor to the Clearing House; and
- (b) the Transferee’s settlement bank in favour of the Clearing House’s settlement bank in the case of the transfer of securities from the Clearing House to the Transferee,

of an amount equal to the settlement amount for such securities.

“Buyer” in respect of a Contract means the person who is obliged under such Contract to take delivery of each lot the subject of such Contract (including, except where the context otherwise requires, the Clearing House as buyer under a registered Contract).

“CHF” denotes the lawful currency of Switzerland known, at the date of issue of these terms, as the “Swiss Franc”.

“company” means a body corporate whose share capital includes shares (as defined below).

“Conditional Contract” has the meaning attributed to it in term 2A.01.

“Contract” means a contract made expressly or impliedly in the terms of this Exchange Contract for the sale and purchase of one or more lots and  
“registered Contract” means a Contract registered by the Clearing House.

“Conversion Date” means the date on which pursuant to Economic and Monetary Union in the European Union the conversion rate for Sterling against the euro is “irrevocably fixed”.

“Corporate Action” has the meaning attributed to it in term 11.01.

“CREST” means the computerised settlement system operated by CRESTCo.

“CREST business day” means a day when CREST is operational for business.

“CREST Member” means a member of CREST with a CREST Member Account in his name.

“CREST Member Account” means a member account (as defined in the CREST Rules) maintained by CREST for the transfer of securities.

“CREST Rules” means those parts of the rules, reference manual, procedures, practices and any other document from time to time in force of CRESTCo which apply to the settlement of transactions by participants in CREST.

“CRESTCo” means CRESTCo Limited.

“Cum Entitlement” in respect of a security, means with the right, before a date determined and published from time to time by the Relevant Stock Exchange, to any Relevant Entitlement relating thereto.

“Delivery Notice” means the notice to be given by the Clearing House to a Seller and to a Buyer under term 6.01.

“Depository Receipts” means certificates representing certain shares.

“DKK” denotes the lawful currency of the Kingdom of Denmark known, at the date of issue of these terms, as the “Danish Kroner”.

“\$” and “USD” denote the lawful currency of the United States of America known, at the date of issue of these terms, as the “dollar”.

“EC Treaty” means the treaty establishing the European Community.

“EMU legislation” means legislative measures of the European Council, and as appropriate a Member State, for the introduction of, changeover to or

operation of the euro pursuant to implementation of Economic and Monetary Union including such legislative measures as are enacted in contemplation of such Member State introducing the euro as its lawful currency.

“euro”, “€” and “eurocents” denote the single currency of the European Union introduced in a Member State arising out of its participation in Economic and Monetary Union.

“Euroclear” means the computerised settlement system operated by Euroclear Bank SA/NV.

“Euroclear Member” means a member of Euroclear with a Euroclear settlement account in his name.

“Euroclear business day” means a day when Euroclear is open for business.

“Euroclear Member Account” means a member account (as defined in the Euroclear Rules) maintained by Euroclear for the transfer of securities.

“Euroclear Rules” means those parts of the rules, reference manual, procedures, practices and any other document from time to time in force of Euroclear SA/NV which apply to the settlement of transactions by participants in Euroclear.

“Ex Entitlement” in respect of a security, means without the right, on or after a date determined and published from time to time by the Relevant Stock Exchange, to any Relevant Entitlement relating thereto.

“ETF shares” means shares in an Exchange Traded Fund.

“List” means the List of securities that may be the subject of a Stock Contingent Trade in respect of Exchange Contract No. 211.

“listed” means admitted to official listing by the relevant listing authority and admitted to trading by the Relevant Stock Exchange.

“lot” means 1 security (or such other number as may be specified in a Notice from time to time) designated by the Exchange in the List in accordance with term 2.02.

“market day” means a day on which the market and the Clearing House are open for business.

“Member State” means a member of the European Union.

“NKK” denotes the lawful currency of the Kingdom of Norway known, at the date of issue of these terms, as the “Norwegian Krone”.

“Pounds”, “£”, “Pence” and “p” denote the lawful currency of the United Kingdom, known at the date of issue of these contract terms as “Sterling”.

“Price” has the meaning attributed to it in term 3.01.

“proprietary or equitable interest” means any proprietary or equitable interest or right whatsoever including, without limitation, any such interest or right arising under or by virtue of any disposition made or purporting to be made by way of security or by way of loan and any other lien, pledge, encumbrance or equity of any kind.

“Regulations” means the General Regulations and Default Rules from time to time in force of the Clearing House.

“Relevant Entitlement” means any one or more of a cash dividend, scrip dividend, bonus issue, scrip issue, rights issue, or any other right or entitlement, attaching or accruing to, or otherwise affecting, from time to time, a security or ownership of a security.

“Relevant Delivery Procedures” means one or more documents issued by the Clearing House from time to time relating to the settlement of securities under a Contract through the Relevant Settlement System.

“Relevant Settlement System” means CREST or Euroclear as the context may require, or such other settlement system as specified from time to time by the Exchange by means of one or more Notices in respect of securities, through which such securities are to be transferred under a Contract.

“Relevant Settlement System Member Account” means:

- (a) in the case of CREST, a member account (as defined in the CREST Rules) maintained by CREST for the transfer of securities; and
- (b) in the case of Euroclear, a settlement account (as defined in the Euroclear Rules) maintained by Euroclear for the transfer of securities.

“Relevant Settlement System business day” means a day when the Relevant Settlement System is open for business.

“Relevant Settlement System Rules” means those parts of the rules, reference manual, procedures, practices and any other document from time to time in force of the Relevant Settlement System which apply to the settlement of transactions by participants in the Relevant Settlement System.

“Relevant Stock Exchange” means the stock exchange specified in the List in relation to each security which may be the subject of a lot.

“securities” means shares or Depositary Receipts as the case may be.

“SEK” denotes the lawful currency of the Kingdom of Sweden known, at the date of issue of these terms, as the “Swedish Krona”.

“Seller” in respect of a Contract means the person who is required to make delivery in respect of each lot the subject of such Contract (including, except where the context otherwise requires, the Clearing House as seller under a registered Contract).

“Settlement Account” means, in the case of CREST, a CREST Member Account and, in the case of Euroclear, a Euroclear Member Account.

“Settlement Agent” means:

- (a) in respect of the transfer of securities under a Contract through CREST, a CREST Member; and
- (b) in respect of the transfer of securities under a Contract through Euroclear, a Euroclear Member

“settlement amount” in respect of a Contract, means the product of the price and the number of securities comprised in the lot the subject of such Contract or, as the case may be, the product of the price and the number of securities delivered at any time under such Contract.

“Settlement Day” in respect of a Contract means the day specified as such in the List for the settlement of Contracts.

“shares” means securities which form part of the share capital of a company or which are ETF shares, as the case may be, which in each case are listed or are the subject of when issued dealing.

“Stock Contingent Trade” means a transaction designated as a Stock Contingent Trade by the Board consisting of:

- (i) a Contract; and
- (ii) a contract in the terms of the Option Contract on Equity Related Securities (Including Company Shares and Exchange Traded Fund Shares) (Exchange Contract No. 201) or the Option Contract on Equity Related Securities (Including Company Shares, Depositary Receipts and Exchange Traded Fund Shares) (Exchange Contract No. 201F) from time to time in force,

made pursuant to the Rules and procedures made under the Rules.

“Stock Exchange Rules” means the rules, regulations, procedures and practices from time to time in force of the Relevant Stock Exchange.

“suspension of dealings” has the meaning attributed to it in term 12.02.

“Transferee” means a person appointed under term 9.01(a)(i) to take a transfer of securities in respect of a Contract.

“Transferor” means a person appointed under term 8.01(a)(i) to transfer securities in respect of a Contract.

“when issued dealing” means transactions in shares which are the subject of an application for listing, entered into before and conditional upon listing becoming effective.

- 1.03 Subject to term 20, in these terms references to “lawful currency” shall be construed to include units of value of the euro which may be used validly to discharge payment obligations pursuant to the laws of a Member State once such Member State has introduced the euro as its lawful currency pursuant to EMU legislation and notwithstanding that such units of value of the euro may not at all material times following the Conversion Date constitute legal tender in such Member State.
- 1.04 References to a “term” refer to a term hereof and references to a “Rule” refer to a rule of the Exchange’s Rules. Save where the context otherwise requires references herein to the singular include the plural, and vice versa.
- 1.05 References to a person in these terms shall be construed to include references to its successors and its permitted assigns unless the Board otherwise notifies by Notice.

2. Contract Specification

- 2.01 Contracts shall only be made on these terms in association with contracts in the terms of the Option Contract on Equity Related Securities (Including Company Shares and Exchange Traded Fund Shares) (Exchange Contract No. 201) or the Option Contract on Equity Related Securities (Including Company Shares, Depositary Receipts and Exchange Traded Fund Shares) (Exchange Contract No. 201F) as part of Stock Contingent Trades pursuant to the Rules and procedures made under the Rules.
- 2.02 Each Contract shall be for one or more lots in respect of securities which have been designated for this purpose by the Board. The Board shall publish a list of such securities by means of a Notice. The Board may from time to time determine that additions to or removals from such list shall be made

and any such additions thereto or removals therefrom shall be published by means of a Notice.

2.03 In respect of a Contract, the Seller is obliged to make delivery of each lot the subject of such Contract on the Settlement Day and the Buyer is obliged to take delivery thereof and to make payment of the settlement amount in accordance with term 10 and the Administrative Procedures, subject to these terms and the Administrative Procedures which shall apply thereto.

2A. When Issued Dealing

2A.01 Where shares are the subject of when issued dealing pursuant to Stock Exchange Rules, a Contract may be entered into in respect of such shares if such shares have been designated for this purpose by the Board pursuant to term 2.02. Such a Contract shall be a Conditional Contract until such time as the shares are listed.

2A.02 If the shares the subject of a Conditional Contract are not listed, such Contract shall be void.

2A.03 If the listing of shares the subject of a Conditional Contract is delayed for any reason, the first Relevant Settlement System business day on which such shares are listed following the day which would have been the Settlement Day had listing occurred on the anticipated day shall be the Settlement Day for such Contract.

3. Price

3.01 Bids and offers shall be quoted in the Relevant Currency and prices shall be a whole number multiple of the minimum price fluctuation as specified in the List or such other amount as may be notified by the Exchange from time to time by means of a Notice.

4. Entitlement

4.01 If securities the subject of a Contract are Cum Entitlement on the day that the Contract is made, the Buyer shall be entitled to receive, or to exercise, or to direct the exercise of, the Relevant Entitlement in respect of such securities which are to be delivered to him under the Contract.

5. Settlement Agent

5.01 Only a Settlement Agent with a Settlement Account at the Relevant Settlement System may be used for the purposes of making or taking delivery of securities under a Contract by transfer of securities through such Relevant Settlement System and making or receiving payment of the settlement amount under a Contract in accordance with these terms, unless these terms otherwise require or permit.

6. Clearing House Delivery Notice

6.01 On the market day immediately following the making of a Contract, and by the time specified for that purpose in the Administrative Procedures, the Clearing House shall give a Delivery Notice:

- (a) to the Buyer specifying the Contracts to which he is party with the Clearing House and details of the Contracts which shall be submitted in accordance with the Relevant Delivery Procedures by or on behalf of the Buyer and by the Clearing House to CRESTCo or Euroclear as the case may be, in respect of Contracts which are due to be settled by the transfer of securities through the Relevant Settlement System; and
- (b) to the Seller specifying the Contracts to which he is party with the Clearing House and details of the Contracts which shall be submitted in accordance with the Relevant Delivery Procedures by or on behalf of the Seller and by the Clearing House to CRESTCo or Euroclear as the case may be, in respect of Contracts which are due to be settled by the transfer of securities through the Relevant Settlement System.

7. Submission of details to the Relevant Settlement System

7.01 In respect of Contracts to be settled by transfer of securities through the Relevant Settlement System, on the Relevant Settlement System business day following the day a Contract was made and by the time specified for that purpose in respect of the Relevant Settlement System in the Administrative Procedures, the details of the Contract notified to the Buyer and to the Seller pursuant to terms 6.01(a) and 6.01(b) respectively and such other details as may be required by the Relevant Delivery Procedures shall have been submitted, as required by such terms, to CRESTCo or Euroclear as the case may be, so as to enable the Relevant Settlement System:

- (a) in the case of the Buyer, to match the details of the Contract submitted to it by or on behalf of the Buyer with the details of the Contract submitted to it by the Clearing House; and
- (b) in the case of the Seller, to match the details of the Contract submitted to it by or on behalf of the Seller with the details of the Contract submitted to it by the Clearing House,

in order that settlement of Contracts is effected through the Relevant Settlement System on the Settlement Day.

8. Seller's Delivery Details

- 8.01 (a) Where the Relevant Delivery Procedures so require, a clearing member shall give to the Clearing House, in accordance with such Relevant Delivery Procedures, details of:
- (i) the names of persons conforming with the Relevant Delivery Procedures and paragraph (b) of this term (who may include the clearing member himself) who are appointed by the clearing member to transfer securities to the Clearing House in accordance with these terms in respect of Contracts which may be entered into by such clearing member as Seller; and
  - (ii) the names of the Settlement Agents (who may include the Transferor himself) who will be used by each such person to transfer such securities and to receive payment of the settlement amount for such securities and details of their Settlement Accounts,
- together with the acknowledgement described in term 8.03, if required by that term and each Transferor so appointed (other than the clearing member himself) and each Settlement Agent so appointed (whether or not the Transferor) shall act as agent for the clearing member in transferring such securities or receiving payment of the settlement amount for such securities, notwithstanding that settlement of such securities shall be made through the Settlement Account of the Settlement Agent.
- (b) The Exchange may from time to time restrict the persons or categories of persons which may be appointed as Settlement Agents or as Transferors or the types of Settlement Accounts to be used for making a transfer of securities and shall publish the details of such restrictions by means of a Notice.
- (c) The details given to the Clearing House in accordance with paragraph (a) of this term may be amended from time to time in accordance with the Relevant Delivery Procedures.

8.02 Although the Seller may under term 8.01 appoint a person other than himself as Transferor, the Seller shall himself remain responsible in respect of a Contract for delivery of the securities and the performance of all other obligations under such Contract expressed to be imposed upon the Transferor in these terms and in the Administrative Procedures. However, performance by the Transferor of those obligations expressed to be imposed upon him (including the obligation to transfer securities) in accordance with these terms and in the Administrative Procedures shall constitute due performance of the Seller's obligations under such Contract.

8.03 Except where the Seller is also the Transferor, the Seller shall by the day specified in and in accordance with the Relevant Delivery Procedures deliver to the Clearing House an irrevocable acknowledgement, in a form from time to time prescribed by the Clearing House, addressed to the Clearing House by each Transferor, acknowledging amongst other things that the obligations of the Clearing House with regard to all sums payable by it in respect of securities to be delivered by the Transferor in respect of any Contract from time to time entered into by the Seller with the Clearing House and in respect of which he is appointed Transferor are owed to the Seller alone, and that the Transferor has no rights whatsoever against the Clearing House.

9. Buyer's Delivery Details

9.01 (a) Where the Relevant Delivery Procedures so require, a clearing member shall give to the Clearing House, in accordance with such Relevant Delivery Procedures, details of:

- (i) the names of persons conforming with the Relevant Delivery Procedures and paragraph (b) below (who may include the clearing member himself) who are appointed to take a transfer of securities from the Clearing House in accordance with these terms in respect of Contracts which may be entered into by such member as Buyer; and
- (ii) the names of the Settlement Agents (who may include the Transferee himself) who will be used by each such person to take a transfer of such securities and to make payment of the settlement amount for such securities and details of their Settlement Accounts,

together with the acknowledgement described in term 9.03, if required by that term and each Transferee so appointed (other than the clearing member himself) and each Settlement Agent so appointed (whether or not the Transferee) shall act as agent for the clearing member in taking a transfer of such securities or making payment of the settlement amount for such securities, notwithstanding that the transfer of such securities shall be made through the Settlement Account of the Settlement Agent.

(b) The Exchange may from time to time restrict the persons or categories of persons which may be appointed as Settlement Agents or as Transferees or the types of Settlement Accounts to be used for taking a transfer of securities and shall publish the details of such restrictions by means of a Notice.

(c) The details given to the Clearing House in accordance with paragraph (a) of this term may be amended from time to time in accordance with the Relevant Delivery Procedures.

9.02 Although the Buyer may under term 9.01 appoint a person other than himself as Transferee, the Buyer shall himself remain responsible in respect of a Contract for the acceptance of a transfer of securities and the payment of the settlement amount for such securities and for the performance of all other obligations expressed to be imposed upon the Transferee in these terms and in the Administrative Procedures in respect of such Contract. However, performance by the Transferee of those obligations expressed to be imposed upon him (including the obligations to accept transfer of securities and to pay the settlement amount) in accordance with these terms and the Administrative Procedures shall constitute due performance of the Buyer's obligations under such Contract.

9.03 Except where the Buyer is also the Transferee, the Buyer shall by the day specified in and in accordance with the Relevant Delivery Procedures deliver to the Clearing House an irrevocable acknowledgement, in a form from time to time prescribed by the Clearing House, addressed to the Clearing House by each Transferee, acknowledging amongst other things that the Transferee has no claims whatsoever against the Clearing House in respect of any delay on its part in transferring, or any failure on its part to transfer, the securities to be transferred in respect of any Contract from time to time entered into by the Buyer with the Clearing House and in respect of which he is appointed Transferee, or in respect of any other matter whatsoever concerning those securities.

## 10. Delivery

10.01 All securities to be transferred in respect of a Contract shall be transferred free of any proprietary or equitable interest of any person.

10.02 In respect of Contracts to be settled by the transfer of securities through the Relevant Settlement System, a transfer of securities in respect of a Contract shall be made through the Relevant Settlement System in accordance with the Relevant Settlement System Rules, these terms and the Administrative Procedures, or as otherwise required or permitted by these terms and payment for such securities shall be made in accordance with these terms, the Administrative Procedures and the Relevant Settlement System Rules, and the provisions of this term 10 shall be subject to the Relevant Settlement System Rules where applicable.

10.03 Subject to term 10.05, on the Settlement Day at or by the time specified in respect of the Relevant Settlement System in and in accordance with the Administrative Procedures:

- (a) the Transferor shall, in respect of Contracts to be settled by the transfer of securities through the Relevant Settlement System, have transferred securities through the Relevant Settlement System from the Relevant Settlement System Member Account of the Relevant Settlement System Member notified to the Clearing House in accordance with term 8.01(a) to the Relevant Settlement System Member Account of the Clearing House and payment of the settlement amount for such securities transferred through the Relevant Settlement System shall have been satisfied by an Assured Payment; and
- (b) the Clearing House shall, in respect of Contracts to be settled by the transfer of securities through the Relevant Settlement System, have transferred the securities through the Relevant Settlement System from its Relevant Settlement System Member Account to the Relevant Settlement System Member Account of the Relevant Settlement System Member notified to the Clearing House in accordance with term 9.01(a) for the account of the Transferee and payment of the settlement amount for such securities transferred through the Relevant Settlement System shall have been satisfied by an Assured Payment.

10.04 In respect of Contracts to be settled by transfer of securities through the Relevant Settlement System:

- (a) whether or not the Seller appoints a Transferor other than himself, and notwithstanding that such a Transferor is the Seller's agent, an Assured Payment arising upon the transfer of securities to the Relevant Settlement System Member Account of the Clearing House pursuant to term 10.03(a) shall discharge the Clearing House's liability to pay the settlement amount for such securities to the Seller;
- (b) an Assured Payment arising upon the transfer of securities pursuant to term 10.03(b) to the Relevant Settlement System Member Account of the Relevant Settlement System Member notified to the Clearing House in accordance with term 9.01(a) for the account of the Transferee shall discharge the Buyer's liability to pay the settlement amount for such securities to the Clearing House; and
- (c)
  - (i) the transfer of securities by the Clearing House to or to the order of the Transferee shall discharge the Clearing House's liability to transfer such securities to the Buyer; and
  - (ii) the transfer of securities by the Transferor to the Clearing House shall discharge the Seller's liability to transfer such securities to the Clearing House.

10.05 (a) Subject to term 12, if any transfer of securities required by term 10.03 cannot be or has not been fully accomplished on the Settlement Day at or by the time specified in respect of the Relevant Settlement System in the Administrative Procedures, due to any event occurring which is outside the control of the Transferor or of the Transferee or of the Clearing House, as the case may be, which, without prejudice to the generality of the foregoing, may include:

- (i) a failure by a seller of securities to the Transferor to make transfer of such securities by the due time so as to enable the Transferor to fulfil his obligations to transfer the securities to the Clearing House in accordance with term 10.03(a);
- (ii) a failure by the Transferor to transfer securities to the Clearing House in accordance with term 10.03(a) so as to enable the Clearing House to fulfil its obligations to transfer securities to a Transferee in accordance with term 10.03(b);
- (iii) an error, failure, closure or suspension of the Relevant Settlement System or of other systems operated by or on behalf of the Relevant Settlement System;
- (iv) a failure or termination of the Transferor's or the Transferee's or the Clearing House's access to its Settlement Agent;
- (v) a failure of the Transferor's or Transferee's Settlement Agents or the Clearing House's access to the Relevant Settlement System for any reason, including, without limitation, as a result of any fault or failure of any computer or communication system;
- (vi) any action taken by CRESTCo or Euroclear as the case may be, whether pursuant to the Relevant Settlement System Rules or otherwise; or
- (vii) any failure of, or any action or failure to take action by, a settlement bank, appointed by the Transferor, the Clearing House or the Transferee from time to time in connection with the settlement of securities through the Relevant Settlement System, which prevents the transfer of securities to the Transferor or to the Clearing House or to the Transferee, as the case may be,

then, without prejudice to paragraphs (d)(i) and (d)(ii) of this term, such transfer or transfers shall be made as soon as possible through the Relevant Settlement System and in accordance with the Relevant Delivery Procedures in order fully to perform a Contract or, if an

event occurs which prevents a transfer of securities through the Relevant Settlement System, in accordance with any instructions which may be given by the Clearing House, which may require delivery by a means other than through the Relevant Settlement System. In the case of any disagreement between the Clearing House and the Transferor or between the Clearing House and the Transferee as to whether any particular transfer can be or has been accomplished the determination of the Clearing House shall be final.

- (b) Any instructions given by the Clearing House under paragraph (a) above shall be binding and failure by the Seller or the Buyer to comply or ensure compliance with such instructions shall constitute a default under term 13.01 by such Seller or, as the case may be, such Buyer.
- (c) Where the Clearing House is unable to transfer securities in respect of a Contract to the Transferee in accordance with term 10.03 as a result of any event (other than an event referred to in term 12, which, for the avoidance of doubt, shall be dealt with under term 12) occurring which is outside the control of the Clearing House, the rights of the Buyer shall consist solely of the right to have transfer of the securities made to the Transferee as soon as possible through the Relevant Settlement System and in accordance with the Relevant Delivery Procedures or otherwise as required by these terms and as soon as possible after the Clearing House has received a transfer of such securities from the Transferor or acquired them from another person.
- (d)
  - (i) If any transfer of securities to the Clearing House in respect of a Contract required to be made by the Transferor under term 10.03(a) or under paragraph (a) of this term is not made by the relevant time specified in the Relevant Delivery Procedures as a consequence of the occurrence of an event referred to in paragraph (a)(i) of this term; or
  - (ii) if an event referred to in paragraph (a)(vii) of this term occurs which prevents a transfer of securities to the Transferor or a transfer of securities by the Clearing House to the Transferee; or
  - (iii) notwithstanding the occurrence (if any) of an event referred to in paragraph (a) of this term or in term 12 at any time, if the Clearing House, in consultation with the Exchange, determines that the Seller (or the Buyer) has not used its best endeavours to transfer (or to take transfer of) securities or to procure the Transferor to transfer (or to procure the Transferee to take a transfer of) securities, as the case may

be, on the Settlement Day or in accordance with paragraph (a) of this term; or

- (iv) if any transfer of securities to the Clearing House in respect of a Contract required to be made under paragraph (a) of this term (other than as a consequence of an event referred to in paragraph (a)(i) or (a)(vii) of this term) is not made as soon as possible after the Settlement Day,

then the Clearing House shall be entitled to treat the Seller or the Buyer as in default and, without prejudice to its rights under term 14 and to its powers under the Regulations, the Clearing House shall be entitled, at its absolute discretion, to take steps to acquire securities in accordance with the Relevant Delivery Procedures in order to fulfil its obligations under a Contract in whole or in part to make delivery of securities to a Buyer or to dispose of securities (where possible) delivered to it by the Seller and the Seller or the Buyer (as the case may be) in default shall indemnify the Clearing House in respect of any losses, costs, taxes or expenses suffered or incurred by it in taking any such steps or in exercising any such rights or powers (including any losses determined in accordance with term 14.03). The Seller or the Buyer (as the case may be) who is in default shall comply with any directions given by the Clearing House.

- 10.06 (a) If as a result of any event contemplated by term 10.05(a) there is a delay in the transfer of securities in respect of a Contract and the benefit of a Relevant Entitlement to which the Transferee would have been entitled if transfer to him had taken place in accordance with term 10.03(b) (and he had retained beneficial title to the securities), is received by the Clearing House (or by the Transferor, if transfer is not made to the Clearing House by the Transferor in accordance with term 10.03(a)) then:
- (i) if the Clearing House has received the benefit of such Relevant Entitlement, or receives the benefit of such Relevant Entitlement under sub-paragraph (ii) of this term, the Clearing House shall pass on the benefit of such Relevant Entitlement which it receives to the Buyer and shall deliver to the Buyer such documents (if any) as it receives in connection therewith; and
  - (ii) if the Transferor has received the benefit of such Relevant Entitlement, the Seller shall pass on or procure that the Transferor passes on the benefit of such Relevant Entitlement which it receives to the Clearing House and shall deliver to the Clearing House such documents (if any) as it receives in connection therewith.

- (b) Any act required by paragraph (a) of this term shall be done at such time and in such manner as the Clearing House may specify.
- 10.07 If any event contemplated by term 10.05(a) occurs, the Seller or the Buyer, as applicable, shall provide to the Clearing House documentary evidence satisfactory to the Clearing House that he has complied with his obligations under a Contract to which he is party by the time and in the manner prescribed.
- 10.08
  - (a) The Clearing House shall give notice to the Exchange of any instructions given by it under term 10.05(a) forthwith upon giving such instructions and of any event contemplated by term 10.05(a) which may prevent or has prevented a transfer of securities in respect of a Contract upon becoming aware of any such event.
  - (b) If any event contemplated by term 10.05(a) occurs, the provisions of term 10 shall apply and the provisions of term 15 shall not apply unless, after consultation with the Clearing House, the Board determines that such circumstances have continued or are likely to continue for such duration that the provisions of term 10.05 shall no longer apply and that the provisions of term 15 shall apply. The Board's determination shall be final and binding.
- 10.09 Any provision of this term 10 or of any other of these terms or of the Administrative Procedures relating to procedures for settlement may be varied, or substituted by different procedures for settlement, by the Board from time to time. Any such variation or substitution shall have such effect with regard to existing and/or new Contracts as the Board may determine.
- 11. Corporate Actions
- 11.01 In this term 11, "Corporate Action" shall mean:
  - (a) a cash and/or scrip dividend, a bonus or scrip issue, a rights issue, a share split, subdivision or consolidation, a demerger or any other event affecting or giving rise to a right or entitlement attaching or accruing to the securities or
  - (b) a takeover, merger or any arrangement, transaction or series of transactions which will or may result in the acquisition by any person or persons or any associated person or persons of a substantial proportion of the shares of a company; or
  - (c) any other event which, in the opinion of the Board, necessitates an amendment to be made to the terms of an Option Contract in respect of the securities.

- 11.02 Where any Corporate Action occurs with respect to securities, or which affects securities which are the subject of a Contract, the Board, in its absolute discretion, may, but shall not be obliged to, determine:
- (a) to make adjustments to the size of the lot the subject of a Contract; or
  - (b) to vary, substitute or remove any of, or add to, these terms to make provision for the effect of such Corporate Action. Any such variation, substitution, removal or addition may, without limitation, be made to make provision for securities, other than the securities originally the subject of the Contract, or one or more entitlements pertaining to the securities, or a cash amount to be transferred in addition to or in substitution for some or all of such securities to form the subject of a lot.
- 11.03 Subject to term 20.01, any adjustment, variation, substitution or removal of or addition to these terms determined upon under term 11.02 will be determined in accordance with the policy of the Board from time to time in relation to Corporate Action unless the Board, in its absolute discretion, determines otherwise. The Board's policy relating to Corporate Action will be published from time to time by means of one or more Notices. Any adjustment, variation, substitution, removal of or addition to these terms made under this term 11 shall be published in one or more Notices and shall have such effect with regard to existing and/or new Contracts as the Board may determine.
12. Stock Suspension
- 12.01 In this term 12, "suspended securities" shall mean securities which are the subject of a suspension of dealings or securities which have been suspended from settlement through the Relevant Settlement System.
- 12.02 If dealings in securities the subject of a Contract are suspended or prohibited by the Relevant Stock Exchange or are otherwise not permitted to be made under Stock Exchange Rules ("suspension of dealings") or securities the subject of a Contract are otherwise suspended securities, any such Contract shall be performed in accordance with this term 12 and otherwise in accordance with these terms and the Administrative Procedures.
- 12.03 Subject to term 12.04, securities which are the subject of suspension of dealings which are required to be delivered in respect of a Contract shall be delivered through the Relevant Settlement System on the Settlement Day in accordance with these terms.
- 12.04 (a) If settlement of suspended securities the subject of a Contract cannot be made on or after the Settlement Day for such Contract through the Relevant Settlement System, such securities shall be delivered in

accordance with any instructions which may be given by the Clearing House, which shall be final and binding, save that where the Board determines that such Contract shall be invoiced back, such Contract shall be invoiced back at a price fixed by the Board in consultation with the Clearing House. It shall not, subject to term 10.05(d)(iii), be an event of default under these terms if settlement of suspended securities is not effected on the Settlement Day, but failure by the Seller or the Buyer to comply or ensure compliance with any instructions given by the Clearing House under this term shall constitute a default under term 13.01 by such Seller or, as the case may be, such Buyer.

- (b) The Board's determination under paragraph (a) of this term shall be final and binding and shall be published by means of a Notice.

13. Delivery Default

13.01 The Buyer or the Seller, as the case may be, shall be in default where:

- (a) subject to term 10, he fails to fulfil his obligations under a Contract by the time and in the manner prescribed and in accordance with these terms, the Rules and the Administrative Procedures;
- (b) he fails to pay any sum due to the Clearing House in respect of a registered Contract by the time specified in these terms and the Administrative Procedures;
- (c) the "bad delivery" rules or any other rules set forth in the Rules of the Relevant Settlement System are invoked with respect to the transfer of securities to the Clearing House by the Transferor appointed by the Seller to make such transfer or in respect of the transfer of securities by the Clearing House to the Transferee appointed by the Buyer to accept such transfer which may lead or leads to the reversal of one or more transfers of securities; or
- (d) in the reasonable opinion of the Clearing House he is otherwise in default under a Contract.

For the avoidance of doubt, the Seller shall be held to be in default if the "bad delivery" or such other rules referred to in paragraph (c) of this term are invoked with respect to the transfer of securities by the Transferor to the Clearing House or the transfer of securities by the Clearing House to the Transferee and notwithstanding that the Seller may not be responsible for any circumstance which leads to such "bad delivery" or such other rules being invoked.

13.02 Obvious clerical errors in any notice to be given hereunder and which can be readily rectified shall not be treated as constituting a default.

13.03 Notwithstanding a default under term 13.01, the Clearing House may in its absolute discretion determine not to exercise or to delay in exercising any of its rights under term 14, and no failure by the Clearing House to exercise nor any delay on its part in exercising any of such rights shall operate as a waiver of the Clearing House's rights upon that or upon any subsequent occasion, nor shall any single or partial exercise of such rights prevent any further exercise thereof or of any other right.

14. Effect of Delivery Default

14.01 The provisions of terms 14.02 to 14.05 inclusive shall be subject to the Default Rules from time to time in force of the Clearing House.

14.02 If there appears to the Clearing House to be a default by the Buyer or the Seller, as the case may be, under term 13.01 in respect of any lot comprised in a registered Contract the Clearing House may take such steps as it deems appropriate to facilitate a mutually acceptable resolution of the default:

- (a) where the Buyer appears to be in default, between such Buyer and the Clearing House; or
- (b) where the Seller appears to be in default, between such Seller and the Clearing House.

14.03 (a) In addition to any steps taken under term 14.02 the Clearing House may, if it appears to it that a clearing member as Seller or a clearing member as Buyer is in default under term 13.01, in its sole discretion take any steps whatsoever which may appear desirable to the Clearing House for the protection of the Clearing House or of a Seller or Buyer not in default including, without prejudice to the generality of the foregoing, the steps referred to in paragraph (b) or (c) below. Any action taken by the Clearing House pursuant to this term 14 or term 10.05 shall be without prejudice to any rights, obligations or claims of a Buyer, a Seller, or the Clearing House and any costs, claims, losses, taxes or expenses of whatsoever nature suffered or incurred by the Clearing House in connection with taking such action or such default (or, without limitation, following the "bad delivery" or such other rules referred to in paragraph (c) of term 13.01 being invoked) shall be paid by the Buyer or the Seller in default.

- (b) Where a Buyer appears to be in default under term 13.01 the Clearing House may take steps pursuant to paragraph (a) of this term to sell any or all of the securities delivered to it by a Transferor at such time and place and in such manner and on such terms as may to the Clearing House seem fit. Where the price at which such securities are sold ("the Sale Price") is less than the amount due but

unpaid by the Buyer to the Clearing House in respect of such securities (“the Unpaid Amount”), the difference between the Sale Price and the Unpaid Amount shall forthwith on demand be paid by the Buyer in default to the Clearing House. Where the Unpaid Amount is less than the Sale Price the difference between the Unpaid Amount and the Sale Price shall (if any remain after the deduction so far as possible of such sums as are payable by the Buyer to the Clearing House hereunder or otherwise) be retained by the Clearing House to the order of the Board. The Buyer in default shall forthwith on demand pay to the Clearing House any sums payable by the Buyer pursuant to paragraph (a) of this term.

- (c) Where a Seller appears to be in default under term 13.01, or is treated as being in default under term 10.05, or, without prejudice to the foregoing, paragraph (c) of term 13.01 applies and a step taken by the Clearing House pursuant to paragraph (a) of this term or term 10.05 is to acquire securities at such time and place and in such manner and on such terms as the Clearing House thinks fit from a person other than the Seller in order to meet in whole or in part its obligations to a Buyer to make delivery of securities in respect of a Contract:
- (i) if the total cost incurred by the Clearing House in acquiring securities, including for the avoidance of doubt the cost of any purchase of securities by the Clearing House in order to fulfil any obligations under the arrangements it has made to acquire the securities (“the Acquisition Cost”), is greater than the amount which would have been payable by the Clearing House to the Transferor in respect of the securities to have been delivered to it by the Transferor (or which, but for the application of the “bad delivery” or such other rules referred to in paragraph (c) of term 13.01 had purportedly been delivered to it by the Transferor), the Seller shall forthwith on demand pay the amount of such difference to the Clearing House; or
  - (ii) if the Acquisition Cost is less than the amount which would have been payable by the Clearing House as referred to in sub-paragraph (i) above, the amount of such difference shall (if any remain after the deduction so far as possible of such sums as are payable by the Seller to the Clearing House under sub-paragraph (iii) below or otherwise) be retained by the Clearing House to the order of the Board;
  - (iii) if the Seller delivers or attempts to deliver securities to the Clearing House under a Contract after the Settlement Day, the Clearing House shall be entitled to reject such attempted or actual delivery, or shall be entitled to sell any securities

which are so delivered, as it sees fit, if the Clearing House has made alternative arrangements to acquire securities for delivery to the Buyer; and

(iv) the Seller shall forthwith on demand pay to the Clearing House any sums payable by the Seller pursuant to paragraph (a) of this term.

(d) Any step taken by the Clearing House pursuant to paragraphs (a), (b) or (c) of this term shall be without prejudice to the rights of any party to refer a dispute to arbitration under term 17.

14.04 Without prejudice to its rights under terms 14.02 and 14.03, the Clearing House may refer to the Board any dispute or issue arising between the parties referred to in paragraph (a) or (b) of term 14.02 as a result of a default by a Seller or by a Buyer under term 13.01. If, upon such reference, the Board is of the opinion that the default is of minor significance it shall determine any such dispute or issue upon such evidence as it may deem relevant and convey its findings to the Buyer and the Seller, who shall forthwith accept such determination and shall implement its terms without question, provided that such acceptance and implementation shall be without prejudice to the right of either party to refer the dispute or any related dispute to arbitration.

14.05 If no settlement has been reached pursuant to term 14.02 and if no steps have been taken by the Clearing House pursuant to term 14.03 and any dispute or issue between the parties referred to the Board under term 14.04 is, in the opinion of the Board, not such as may be subject to determination under term 14.04 then the Board in consultation with the Clearing House shall forthwith fix a price for invoicing back each option or Contract in respect of which the dispute or issue has arisen and each option or Contract, as the case may be, shall be invoiced back at that price. Such invoicing back price shall be final and no dispute as to such price may be referred to arbitration. Such price may at the Board's absolute discretion take account of any compensation that the Board may consider should be paid by any party save that where a dispute or issue has arisen in respect of a Contract between a Seller and the Clearing House and a like dispute or issue has arisen in respect of a Contract between a Buyer and the Clearing House which had been matched by the Clearing House with the Contract between the Seller and the Clearing House, and the dispute or issue has in each case been referred to the Board under term 14.04, the Board shall fix the same invoicing back price in respect of each Contract. Any such action taken by the Board under this term shall be without prejudice to the rights of any of the parties to refer any dispute to arbitration under term 17.

15. Force Majeure

- 15.01 Subject to term 10.08(b) and any steps taken at any time by the Board under emergency powers in the Rules, in the event of a Seller or a Buyer, as the case may be, being prevented from performing his obligations in respect of any lot comprised in a Contract by the due time therefor by any cause beyond his reasonable control (other than in circumstances to which term 12 applies) including, without limitation, any act of God, strike, lockout, war, armed conflict, use of force by authority of the United Nations, fire, riot or civil commotion, combination of workmen, act of terrorism, breakdown of machinery, unavailability or restriction of computer or data processing facilities or energy supplies or bank transfer systems such lot shall be invoiced back at a price to be fixed by the Board in consultation with the Clearing House.
16. Rules, Administrative Procedures, etc.
- 16.01 Every Contract shall be subject to the Articles and the Rules and the Regulations insofar as applicable notwithstanding that either or both of the parties to it be not a member of the Exchange or of the Clearing House.
- 16.02 In case of any conflict between the Administrative Procedures and these terms or the Rules, the provisions of these terms and the Rules shall prevail and, in the event of any conflict between these terms and the Rules, the Rules shall prevail.
17. Arbitration
- 17.01 Any dispute arising from or in relation to a Contract shall be referred to arbitration under the Rules relating to arbitration and arbitration shall be held in accordance with the Rules in force at the time of such reference.
- 17.02 No dispute arising from or in relation to any invoicing back price fixed by the Board under these terms shall be referred to arbitration under the Rules.
18. Governing Law
- 18.01 Every Contract shall be governed by and construed in accordance with English law.
19. Non-registered Contracts
- 19.01 In respect of a Contract which is not a registered Contract (“non-registered Contract”) these terms shall be modified by the parties thereto so as to require and allow that a Contract to be registered with the Clearing House under the Rules and the Regulations is capable of being so registered and to facilitate the performance of obligations or the exercise of rights under such registered Contract in accordance with these terms and the Administrative Procedures. Modifications may also be made to the terms of a non-registered Contract to permit performance of obligations or the exercise of rights under such non-registered Contract or any other non-registered

Contract if, without such modifications, it may not be possible to perform such obligations or to exercise such rights by the applicable times specified in these terms and Administrative Procedures. In particular, but without prejudice to the generality of the foregoing, all references in these terms to payment or dealing between the Buyer or the Seller, as the case may be, and the Clearing House shall be modified so as to require a similar payment or dealing directly between the Buyer and the Seller, as the case may be, party to such non-registered Contract.

20. Economic and Monetary Union

20.01 The Board in its absolute discretion may from time to time vary, substitute or remove any of, or add to, the terms of this Exchange Contract in any way which the Board considers necessary or desirable:

- (i) arising out of or in connection with, or to reflect changes in market conventions as determined by the Board as a consequence (direct or indirect) of, the introduction of the euro as the lawful currency of a Member State;
- (ii) to facilitate the calculation of and making of payments in euros or to facilitate the calculation of the Price or any settlement amount, in pursuance of this Exchange Contract; or
- (iii) without prejudice to the foregoing, to require bids and offers and the minimum price fluctuation to be quoted in euros or eurocents.

20.02 Any variation, substitution or removal of, or addition to, the terms of this Exchange Contract made pursuant to term 20.01 shall have such effect with regard to existing or new Contracts or both as the Board may determine.

20.03 Any determination by the Board to vary, substitute or remove any of, or add to, the terms of this Exchange Contract pursuant to terms 20.01 and 20.02 shall be the subject of a Notice.

21. Statement in relation to Equity Related Security Contract

21.01 The Exchange draws the following statement to the attention of potential users of its Equity Related Security Contract. Members should ensure that their clients are made aware of the statement.

“Statement in relation to Equity Related Security Contract

Potential users of the Equity Related Security Contract made available on The London International Financial Futures and Options Exchange should familiarise themselves with the relevant contract terms of the Equity Related Security Contract. Potential users should also assess for themselves, or take professional advice in relation to, the risks inherent in any such investment,

and in particular those having possible impact on a Contract's pricing or value.

These include whether or not there is a relevant listing authority (UK or otherwise) which imposes obligations in relation to certain aspects of corporate behaviour or disclosure.”

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Issue Date: 16 May 2008

## EQUITY RELATED SECURITY CONTRACT

Exchange Contract No. 211

Administrative Procedures

### Settlement Procedures

All deliveries under a Contract must be made in accordance with the Rules of the Relevant Settlement System with respect to the settlement of contracts through the Relevant Settlement System and the Contract terms, Administrative Procedures and Relevant Delivery Procedures.

### Delivery Details

Where the Relevant Delivery Procedures so require, clearing members shall have given to the Clearing House in accordance with the Relevant Delivery Procedures the delivery details referred to in terms 8.01 and 9.01 in order to facilitate settlement of Contracts through the Relevant Settlement System.

On the market day following the day Contracts are registered with the Clearing House, being a day on which banks in London are open for business

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| By 07.00 hours | The Clearing House shall give a Member Stock Contingent Trade Report to each of the Buyer and the Seller in a manner from time to time prescribed by the Clearing House.  |
| By 07.00 hours | The Clearing House will issue a Delivery Notice to each of the Buyer and the Seller specifying the Contracts to which he is party with the Clearing House and details of the Contracts which shall be submitted in accordance with the Relevant Delivery Procedures by or on behalf of the Buyer or the Seller, as the case may be, and by the Clearing House to CRESTCo or Euroclear as the case may be, in respect of Contracts which are due to be settled by the transfer of securities through the Relevant Settlement System. |

In respect of Contracts to be settled by the transfer of securities through the Relevant Settlement System, on the Relevant Settlement System business day following the making of a Contract

By 11.30 hours            The details of Contracts shall have been submitted, as required by such terms, to CRESTCo or Eurocelar as the case may be so as to enable the Relevant Settlement System:

- (a)    in the case of the Buyer, to match the details of the Contracts submitted to it by or on behalf of the Buyer with the details of the Contracts submitted to it by the Clearing House, and
- (b)    in the case of the Seller, to match the details of the Contracts submitted to it by or on behalf of the Seller with the details of the Contracts submitted to it by the Clearing House,

in order that settlement of Contracts is effected through the Relevant Settlement System on the Settlement Day.

In respect of Contracts to be settled by the transfer of securities through the Relevant Settlement System, on the Settlement Day

By 09.30 hours            (a)    The Transferor in respect of a Contract shall have transferred securities through the Relevant Settlement System to the Relevant Settlement System Member Account of the Clearing House and payment of the settlement amount for such securities transferred through the Relevant Settlement System shall have been satisfied by an Assured Payment; and

- (b)    the Clearing House shall, in respect of a Contract, have transferred securities through the Relevant Settlement System to the Relevant Settlement System Member Account of the Relevant Settlement System Member notified to the Clearing House in accordance with term 6.01(a) for the account of the Transferee and payment of the settlement amount for such securities transferred through the Relevant Settlement System shall have been satisfied by an Assured Payment.

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Issue Date: 18 January 2008