

## LIFFE NOTICE NO. 3842

Issue Date: 25 June 2014

Effective Date: 6 October 2014

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

**OPTION CONTRACT ON EQUITY RELATED SECURITIES (INCLUDING COMPANY SHARES, DEPOSITARY RECEIPTS AND EXCHANGE TRADED FUND SHARES) (EXCHANGE CONTRACT NO. 201F)**

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

**UNIVERSAL STOCK FUTURES CONTRACT AND DIVIDEND ADJUSTED SINGLE STOCK FUTURES CONTRACT (BASED ON COMPANY SHARES, DEPOSITARY RECEIPTS AND EXCHANGE TRADED FUND SHARES) (EXCHANGE CONTRACT NO. 66F)**

### INTRODUCTION OF T+2 STANDARD SETTLEMENT LIFECYCLE

#### Executive Summary

This Notice informs Members of the shortening of the standard settlement lifecycle for certain physically delivered single stock contracts on and from 6 October 2014.

#### 1. Introduction

- 1.1 In view of the forthcoming Central Securities Depository Regulation (CSDR) taking effect across the European Economic Area, the Exchange plans to shorten the standard settlement lifecycle for certain physically delivered single stock contracts on and from 6 October 2014 in order to reflect the shortening of the stock settlement lifecycles at relevant European stock exchanges.

#### 2. Amendments to the List of Contract Details

- 2.1 The current settlement day for Liffe's physically delivered single stock futures and options contracts based on European underlyings is the fourth business day after the expiry/exercise day ("E+4"). The stock leg of stock contingent (delta neutral) trades follows a T+3 standard settlement lifecycle.
- 2.2 On and from 6 October 2014, all physically delivered single stock contracts whose underlyings are listed on stock exchanges moving to a T+2 cycle will be adjusted to a standard settlement lifecycle of the third business day after the expiry/exercise day ("E+3"). Furthermore, the standard settlement lifecycle for the stock leg of stock contingent trades will be shortened to T+2.

- 2.3 The Table below sets out the current and new standard settlement lifecycles for relevant Liffe contracts per underlying Exchange.

Current and New Settlement Day for Physically Delivered Liffe Single Stock Contracts

Underlying Exchange	<u>Current Settlement Day</u>	<u>New Settlement Day</u>	Date of change
Borsa Italiana	Fourth Business Day after Expiry Day/Exercise	<u>Third Business Day after Expiry Day/Exercise</u>	<u>06-Oct-14</u>
Copenhagen Stock Exchange	Fourth Business Day after Expiry Day/Exercise	<u>Third Business Day after Expiry Day/Exercise</u>	<u>06-Oct-14</u>
Deutsche Boerse	Fourth Business Day after Expiry Day/Exercise	<u>Third Business Day after Expiry Day/Exercise</u>	<u>06-Oct-14</u>
Euronext Amsterdam	Fourth Business Day after Expiry Day/Exercise	<u>Third Business Day after Expiry Day/Exercise</u>	<u>06-Oct-14</u>
Euronext Brussels	Fourth Business Day after Expiry Day/Exercise	<u>Third Business Day after Expiry Day/Exercise</u>	<u>06-Oct-14</u>
Euronext Lisbon	Fourth Business Day after Expiry Day/Exercise	<u>Third Business Day after Expiry Day/Exercise</u>	<u>06-Oct-14</u>
Euronext Paris	Fourth Business Day after Expiry Day/Exercise	<u>Third Business Day after Expiry Day/Exercise</u>	<u>06-Oct-14</u>
Helsinki Stock Exchange	Fourth Business Day after Expiry Day/Exercise	<u>Third Business Day after Expiry Day/Exercise</u>	<u>06-Oct-14</u>
Irish Stock Exchange	Fourth Business Day after Expiry Day/Exercise	<u>Third Business Day after Expiry Day/Exercise</u>	<u>06-Oct-14</u>
London Stock Exchange	Fourth Business Day after Expiry Day/Exercise	<u>Third Business Day after Expiry Day/Exercise</u>	<u>06-Oct-14</u>
London Stock Exchange (IOB)	Fourth Business Day after Expiry Day/Exercise	<u>Third Business Day after Expiry Day/Exercise</u>	<u>06-Oct-14</u>
Oslo Stock Exchange	Fourth Business Day after Expiry Day/Exercise	<u>Third Business Day after Expiry Day/Exercise</u>	<u>06-Oct-14</u>
Stockholm Stock Exchange	Fourth Business Day after Expiry Day/Exercise	<u>Third Business Day after Expiry Day/Exercise</u>	<u>06-Oct-14</u>
Madrid Stock Exchange	Fourth Business Day after Expiry Day/Exercise	<u>Third Business Day after Expiry Day/Exercise</u>	<i>To be confirmed</i>
SIX Swiss Exchange	Fourth Business Day after Expiry Day/Exercise	<u>Third Business Day after Expiry Day/Exercise</u>	<u>06-Oct-14</u>
Vienna Stock Exchange	Fourth Business Day after Expiry Day/Exercise	<u>Third Business Day after Expiry Day/Exercise</u>	<u>06-Oct-14</u>

- 2.3 For the avoidance of doubt, contracts based on underlyings listed on Borsa Istanbul, NASDAQ and NYSE are not impacted.

### 3. Additional information

- 3.1 Necessary amendments to the contract specifications and the Lists of Contract Details in respect of Exchange Contract No. 201, No. 201F, No. 211 and No. 66F will be made available on the website in due course.

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

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