



**London**  
**STOCK EXCHANGE**

**EDX London Limited**

**Rule Consultation Notice**

**16 December 2008**

**EDX London Limited**

10 Paternoster Square  
London  
EC4M 7LS  
T +44 (0)20 7797 1000

[www.edxlondon.com](http://www.edxlondon.com)

**Consultation concerning the proposed amendment to the Rules of EDX London, Rule EDX.4.9.20.4.6, Corporate Action recalculation rules regarding dividends that are considered excessive in relation to IOB DR Contracts.**

EDX London wishes to inform Members of the following amendment it proposes to make to its Rules in connection with the recalculation of derivative contracts due to excessive dividend payments in relation to IOB DR Options and Futures Contracts at Rule EDX.4.9.20.4.6 in response to Member demand.

Currently, any dividend that is in excess of 5% of the relevant DR's VWAP on the IOB Trading Day prior to the Ex day will normally be deemed by EDX London to be excessive. Where a regular dividend is deemed excessive, EDX London shall effect a recalculation as described in Rule EDX.4.9.20.4.6.

EDX London proposes that it no longer effects recalculation of derivative products as a result of the payment of regular dividends, and only effects a recalculation as a result of the payment of extraordinary dividends. An extraordinary dividend is any dividend deemed by the DR Issuer to be a special dividend or where the dividend is not distributed within the normal pattern for the relevant DR. Extraordinary dividends will be adjusted in full.

This Consultation Notice is being sent to all Members of EDX London for formal consultation. Any comments on the enclosed draft rules should be directed to Mike Eaton on + 44(0)20 7797 4680 or Jon Garner on + 44(0)20 7797 4681. Alternatively please send an email with your comments to [legal@edxlondon.com](mailto:legal@edxlondon.com). Any such comments should be sent to EDX London on or before 6 January 2009. EDX London will publish a Rule Amendment Notice confirming the rules to be adopted on 16 January 2009 subject to confirmation.

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