



London
Stock Exchange

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25 March 2009

**For the attention of the
chairman/senior partner/compliance officer,
all member firms**

N19/09

STOCK EXCHANGE NOTICE

CONFIRMATION OF RULE AMENDMENTS FOR THE INTRODUCTION OF CENTRAL COUNTERPARTY CLEARING ON THE INTERNATIONAL ORDER BOOK

Introduction

- 1 Stock Exchange Notice N08/09 invited comments on the proposed amendments to the Rules of the London Stock Exchange ("the rules") required for the implementation of a central counterparty clearing service for trades in the most liquid securities on the International Order Book ("IOB").

Rule amendments

- 2 All the proposed rule changes are contained within the Settlement, Clearing and Benefit chapter of the rulebook with a minor change to a definition. These amendments relate to the processing of optional benefit distributions and stock situations in those IOB securities clearing through the central counterparty.

Feedback

- 3 The Exchange received no comments regarding the proposed rule amendments but did, however, receive feedback regarding the level of service being provided in relation to optional benefit distributions and stock situations and those events which have options. As a result of this feedback the Exchange will, in conjunction with the central counterparty, investigate ways in which the level of corporate action processing may be improved following implementation of the service. The Exchange will communicate its progress in due course.

- 4 Following the consultation period the proposed amendments are adopted unchanged. Attachment 1 to this Notice contains the confirmed rule amendments which will come into effect on 30 March 2009. A revised version of the rules reflecting these changes will be available on this date on the Exchange's website at <http://www.londonstockexchange.com/traders-and-brokers/rules-regulations/rules-regulations.htm>
- 5 Any comments or queries on this Notice should be addressed to Dagmar Banton, Trading Services, telephone +44 (0)20 7797 1210 (STX 31210) or email: dbanton@londonstockexchange.com

Nick Bayley
Head of Trading Services

This Stock Exchange Notice will be available on the website at <http://www.londonstockexchange.com/en-gb/products/membershiptrading/rulesreg/stockexnoticesnew/>

Calls to London Stock Exchange plc may be recorded to enable the Exchange to carry out its regulatory responsibilities.