



London
Stock Exchange

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15 March 2010

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

N05/10

STOCK EXCHANGE NOTICE

Consultation on the International Order Book Trading Service and proposed Rule Amendments

Introduction

1. The International Order Book ("IOB") is the London Stock Exchange's ("the Exchange") dedicated trading service for international depository receipts. The Exchange has launched a market wide consultation regarding the handling of optional benefit distributions and stock situations in those IOB securities that are cleared through the central counterparty ("CCP"). The consultation also asks for feedback from market participants regarding the overall IOB service. The full consultation document is provided in Attachment 1 and is also available to download at:

<http://www.londonstockexchange.com/traders-and-brokers/products-services/trading-services/international-order-book/iob-consultation-march-2010.pdf>

Rule amendments

2. If the proposal in the market consultation receives a positive response from market participants, a number of minor changes within the Settlement, Clearing, and Benefit rules would be required in order for the proposal to be implemented. These rule amendments, which include a proposed new rule cross referencing to the rules (and therefore deadlines) of the CCP, are provided in Attachment 2 of this Notice. In order to streamline the consultation process the rule amendments are being consulted upon simultaneously to the market consultation regarding the IOB service provision.

Consultation

3. The consultation document on the IOB service should be read by member firms trading on the IOB. It is also useful for prospective participants who may wish to commence trading on the IOB. Firms are invited to respond to the specific questions in that document, provide feedback on the proposed rule amendments, and comment more widely on the IOB service.
4. Any queries regarding the content of the market consultation paper itself should be addressed to Helen Jeeves, telephone +44 (0)20 7797 4366 (STX 34366) or email hjeeves@londonstockexchange.com. Any queries regarding the content of the proposed rule amendments should be addressed to Dagmar Banton, UK Regulation, telephone +44 (0)20 7797 1210 (STX 31210) or email dbanton@londonstockexchange.com.

Responses

5. Any comments on the market consultation and proposed rule amendments should be submitted by close of business on Friday 16 April 2010. It is requested that firms collate their comments from all relevant departments (compliance, front and back office) in order to submit a single consolidated response to both the consultation paper and rule amendments. Responses should be sent by email to job@londonstockexchange.com.

Nick Bayley
Head of UK Regulation

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.