



London
Stock Exchange

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8 April 2010

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

N08/10

STOCK EXCHANGE NOTICE

Confirmation on Proposed Amendments to the Default Rules

Introduction

1. Stock Exchange Notice N04/10 invited comments on the proposed amendments to the default section of the Rules of the London Stock Exchange ("the default rules") which would allow the London Stock Exchange ("the LSE") to handle any future instances of default more effectively.

Rule amendments

2. The LSE received a limited number of responses to the consultation, mainly to seek clarity on particular rules. All respondents to the consultation were supportive of the proposal and therefore, the proposed amendments are adopted unchanged.
3. In addition to the proposal, guidance on central counterparty contracts and on Exchange contracts cleared by RepoClear has been amalgamated into the existing guidance to rule D020. It was an oversight that this piece of guidance was not carried forward when the Rules were reviewed and confirmed in Stock Exchange Notices N67/07.

Effective date of rule changes

4. The confirmed rule amendments are detailed in Attachment 1 to this Notice and will become effective from 15 April 2010. An updated version of the rules will be available from this date on the LSE'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 Karen Wu, UK Regulation, telephone +44 (0)20 7797 3523 (STX 33523) or email: kwu@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.