X-pand into the Future

eurex circular 296/08

Date: Frankfurt, December 10, 2008

Recipients: All Trading Members of Eurex Deutschland and Eurex Zürich and Vendors

High priority

HBOS PLC: Capital Increase

Contact: Functional Helpdesk Equity and Equity Index Products, tel. +49-69-211- 12 10

Content may be most important for:	**Attachments:**
➲ Front Office/Trading ➲ Middle + Backoffice ➲ Auditing/Security Coordination	none

Summary:

On October 13, 2008, the company HBOS PLC announced a capital increase.

The capital increase will be achieved by means of an open offer, in which HBOS PLC shareholders will be entitled to purchase 1.3839 new HBOS shares at 113.60 pence per share for each existing share they hold.

As a consequence of the capital increase, an adjustment to the Eurex stock futures contract on HBOS PLC (HBOG) will become necessary. However, adjustment will only be made in case subscription rights have a positive value.

Ex date will be **December 15, 2008.**

This circular describes the adjustment procedure.

Eurex Deutschland
Neue Börsenstraße 1
60487 Frankfurt/Main
Mailing address:
60485 Frankfurt/Main
Germany

T +49-69-211-1 17 00
F +49-69-211-1 17 01
customer.support@
eurexchange.com
Internet:
www.eurexchange.com

Management Board:
Thomas Book, Thomas Lenz,
Michael Peters, Andreas Preuß,
Peter Reitz, Jürg Spillmann

ARBN: 101 013 361

HBOS PLC: Capital Increase

Measure:
Capital increase with subscription rights for shareholders of HBOS PLC

Subscription Ratio: 1:1.3839
i.e. one old share of HBOS PLC entitles to subscribe to 1.3839 new shares of HBOS PLC

Subscription Price:
113.60 pence

Last cum trading day:
December 12, 2008

Ex date:
December 15, 2008

Start of Subscription Period:
December 15, 2008

Affected Products:
HBOG

Reference to underlying Eurex Rules & Regulations:
Contract Specifications for Futures Contracts and Options Contracts at Eurex Deutschland and Eurex Zürich, Sections 1.6.7 (3)

The updated Contract Specifications will be available on the Eurex website as of the ex date under:

www.eurexchange.com > Documents > Rules and Regulations

ISIN:
The ISIN of the HBOS PLC share (GB0030587504) will remain unchanged.

Procedure

Determination of Adjustment Factor (R-Factor)

The official closing auction price of the HBOS PLC share at the London Stock Exchange on December 12, 2008 will be the basis for determination of the R-factor.

The R-factor will be determined with eight decimal places. It is calculated in the following way:

R = ((number of existing shares / number of new shares) * (1 - (issue price of new shares / closing auction price))) + (issue price of new shares / closing auction price)

R = ((1 / 2.3839) * (1 - (113.60 / closing auction price))) + (113.60 / closing auction price)

1. Adjustment of Contract Size and Variation Margin

To adjust the calculation of the Variation Margin of the following day, settlement prices of the last cum trading day will be multiplied by the R-factor.

The new contract size will be calculated as follows:

Contract size new = contract size old / R-factor

All outstanding orders and quotes will be deleted after close of trading on the last cum trading day.

2. Introduction of a new Contract

Due to the coming takeover by Lloyds TSB Group PLC no new stock futures contract on HBOS PLC will be introduced.

As soon as there is no more open interest in the stock futures contract HBOG, trading in this contract will be set on “HALT” and discontinued.

signed: Thomas Lenz

signed: Richard Heizmann

Frankfurt, December 10, 2008