X-pand into the Future

e u r e x *circular 273/08*

Date: Frankfurt, November 7, 2008

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

High priority

Royal Bank of Scotland: Capital Increase

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

Summary:

On October 13, 2008, Royal Bank of Scotland announced a capital increase. The capital increase will be achieved by an open offer in which shareholders of Royal Bank of Scotland are entitled to purchase, at 65.50 pence per share, 18 new RBS shares for each 13 old RBS shares they hold. As a consequence of the capital increase, an adjustment to the Eurex stock futures contracts on Royal Bank of Scotland (RBSF/RBSG) will become necessary. However, the adjustment will only be made, if subscription rights have a positive value.

Ex date will be **November 10, 2008**.

This circular describes the adjustment procedure.

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Royal Bank of Scotland: Capital Increase

Measure:
Capital increase with subscription rights for the shareholders of Royal Bank of Scotland

Subscription Ratio: 13:18
i.e. thirteen old shares of Royal Bank of Scotland entitle to subscribe to eighteen new shares of Royal Bank of Scotland

Subscription Price:
65.50 pence

Last Cum Trading Day:
November 7, 2008

Ex date:
November 10, 2008

Start of Subscription Period:
November 10, 2008

Affected Products:
RBSF/RBSG

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

Adjustment of ISIN:
The ISIN of the Royal Bank of Scotland share (GB0007547838) will remain unchanged.

Procedure

Determination of Adjustment Factor (R-Factor)

The official closing auction price of the Royal Bank of Scotland share at London Stock Exchange on November 7, 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 = ((13 / 31) * (1 - (65.50 / closing auction price))) + (65.50 / 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

Presently, there is no open interest in the stock futures contract RBSG. Should this continue to be so also after end of the last cum trading day, no new contract on Royal Bank of Scotland will be introduced.

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

signed: Thomas Lenz

signed: Richard Heizmann

Frankfurt, November 7, 2008