
Market Notice

20 May 2015

London Stock Exchange Derivatives

MARKET NOTICE 2015/042

ADJUSTMENT FOR BUYBACK IN URALKALI (URKA) GDR DERIVATIVES

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| CONTRACTS TO BE ADJUSTED | Stock option and futures contracts on Uralkali GDR. |
| DETAILS OF THE CORPORATE ACTION | Buyback, as explained in Market Notice 2015/029 (available here). |
| DATE OF THE ADJUSTMENT | At the close of the trading session on 20 May 2015. |
| ADJUSTMENT INTERVENTION | According to rule 2.9 of the Corporate Actions Policy (available here) LSEDM will adjust all open positions on Uralkali GDR derivatives. |
| DESCRIPTION OF THE ADJUSTMENT | <p>The adjustment intervention shall be done by applying the coefficient K, rounded to six decimals, according to the following formula:</p> $K = \frac{P_{ex}}{P_{cum}} = 0.986379$ <p>where:</p> <p>Theoretical price ex buyback (P_{ex}):</p> $P_{ex} = \frac{P_{cum} - (\% \text{ of shares to be purchased}) * (\text{buyback price})}{1 - (\% \text{ of shares to be purchased})}$ <p>P_{ex} = Theoretical price of the underlying instrument ex buyback P_{cum} = Underlying instrument closing price on the day before the ex-date</p> |



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| ADJUSTMENT OF THE STRIKE AND DAILY SETTLEMENT PRICES | $X_{ex} = X_{cum} \times K$ <p>where: X_{ex} = Exercise price and daily settlement price after adjustment X_{cum} = Exercise price and daily settlement price before adjustment</p> <p>Strike price shall be rounded to four decimal places.</p> |
| ADJUSTMENT OF THE NUMBER OF SHARES (LOT) UNDERLYING THE STOCK OPTION AND FUTURES CONTRACTS | $A_{ex} = lot \times \frac{1}{K} = 101$ <p>where: A_{ex} = number of GDRs (lot) after the adjustment</p> |
| ADJUSTED SERIES | All stock option and futures series on Uralkali GDR open for trade at the close of trading session on 20 May 2015. |
| ISIN CODE | The adjusted option and futures contracts will be assigned new ISIN codes and marked with the letter X for deviating contract specifications. Starting from 21 May 2015, new series on stock option and futures contracts on Uralkali GDR will have 100 lot size. |

If you have any questions, please call the London Stock Exchange Derivatives Market on +44 (0) 207 797 3617.

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