

London Stock Exchange Derivatives

MARKET NOTICE 2017/016

ADJUSTMENT FOR DIVIDEND IN FRONTLINE (FRO)

Further to [Market Notice 2017/012](#) London Stock Exchange Derivatives Market (LSEDM) informs member firms that The Board of Frontline has determined to distribute a cash dividend of USD 0.15 per share with ex-date March 10th

As FRO belongs to the AD class (100% adjusted for dividends), standardised derivatives listed on LSEDM have been adjusted for the full dividend.

Company:	Frontline (FRO)
Dividend:	USD 0.15/ NOK 1.28601
Exchange rate:	8.5734 - from Norges Bank March 9th 1600 CET
Adjustment date:	March 09th after close
Ex-date:	March 10 th
Adjustment factor:	0.977685
Adjusted contract size:	102 (X) and 103 (Y)

Stock option strike, future price and contract size have been adjusted according to Section 3 of the [LSEDM Corporate Actions Policy](#).

The derivative series have been assigned new ISIN and marked with the letter X (Y for series already marked with X) for deviating contract specifications. New series will be uploaded to the website.

Members are encouraged to ensure that clients are aware of this adjustment.

Adjustment factor

$$A = \frac{P_{cum}^{vwap} - D}{P_{cum}^{vwap}} \quad \mathbf{0.977685}$$

P_{cum}^{vwap} = Volume-weighted average price of the stock prior to the ex-date = **57.62893122**

D = Dividend (NOK) = 1.28601

New exercise and future price

$$X_{ex} = X_{cum} * A$$

X_{cum} = Strike price or future price prior to adjustment

New contract size

$$N_{ex} = \frac{N_{cum}}{A}$$

N_{ex} = Adjusted contract size = **102 (X) and 103 (Y)**

N_{cum} = Contract size prior to adjustment = 100 and 101 (X)

Adjustment factors are rounded to six decimals, adjusted exercise prices are rounded to two decimals and future prices are rounded to four decimals. Adjusted contract sizes are rounded to the nearest whole integer.

If you have any questions please call Derivatives Corporate Actions Team on +44 (0) 207 797 3660.

Derivatives Corporate Actions Team
London Stock Exchange
Capital Markets, LSEG

Telephone: +44 (0)207 797 3660
ETD.corporateactions@lseg.com

10 Paternoster Square, London, EC4M 7LS
www.lseg.com



London
Stock Exchange Group