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**MARKET NOTICE**Johannesburg  
Stock ExchangeTel: +27 11 520 7000  
[www.jse.co.za](http://www.jse.co.za)**Number:** 430/2018Relates to:  Equity Market  
 Equity Derivatives  
 Commodity Derivatives  
 Interest Rate and Currency Derivatives**DATE** 16 November 2018**SUBJECT:** TREATMENT OF IMPERIAL HOLDINGS LTD (IPL) CORPORATE ACTION - UNBUNDLING 22  
NOVEMBER 2018 (EX-DATE)**Name and Surname:** Matthias Kempgen**Designation:** Head - Derivatives Operations and Post Trade Services

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Members notice is drawn to section 13 of the JSE Derivatives Directives, Equity Derivatives Contract Specifications, which states:

**13. Corporate Events**

The JSE reserves the right to adopt any procedure or to adjust any single stock future or option on a single stock future, in a manner it deems fit, to deal with any extraordinary corporate events that may occur from time to time in relation to a share that is the underlying instrument of the equity option and to notify position holders, derivatives members and any other interested parties, of such event and the procedure or adjustment adopted. Such events include, for example, mergers, take-overs, unbundling, capitalization issues and rights issues.

The implication of this is that anybody trading in Single Stock futures or options in which the underlying stock is the subject of an extraordinary corporate event should be aware that the JSE may make adjustments to the Single Stock futures and options.

**Unbundling**

**Imperial Holdings Ltd (IPL)** shareholders will receive 1 **Motus Holdings Ltd (MTH)** share for every 1 **Imperial Holdings Ltd (IPL)** shares held.

With regard to this corporate action the following adjustments will be made to all contracts with the underlying of IPL on Thursday, 22 November 2018 (**Ex-date**). The adjustments will be made to positions as at close of business on Wednesday, 21 November 2018 (**LDT**).

The JSE will be creating baskets with the below constituents effective as per the table below. The baskets will be available for trading from 22 November 2018:

	IPLQ -> IMHQ	IPLF -> IMHF	IPLS -> IMHS
<b>Constituents effective 22 November 2018</b>	<ul style="list-style-type: none"> <li>Imperial Holdings Ltd (IPL)</li> <li>Motus Holdings Ltd (MTH)</li> </ul>	<ul style="list-style-type: none"> <li>Imperial Holdings Ltd (IPL)</li> <li>Motus Holdings Ltd (MTH)</li> </ul>	<ul style="list-style-type: none"> <li>Imperial Holdings Ltd (IPL)</li> <li>Motus Holdings Ltd (MTH)</li> </ul>

### 1. Futures positions

- The JSE will list new contracts i.e. Imperial Holdings Ltd (IPL) / Motus Holdings Ltd (MTH) baskets (IMHQ, IMHF and IMHS).
- Positions in IPLQ, IPLF and IPLS as held on close of business on Wednesday, 21 November 2018 (**LDT**) will be closed out at a value of zero and new positions will be created in the new basket contracts at a value of zero.

**E.g.** If you had 10 futures contracts in the IPLQ contract, the JSE will close out this position at a value of zero and open a new position of 10 futures contracts in the new contract (IMHQ).

- The new IMHQ future will comprise of a basket of IPL and MTH shares in the following ratio:  
1 New IMHQ Future = (1 IPL Contract + 1 MTH contracts) x Nominal (100)
- The MTM price of the new IMHQ basket will be determined by calculating the fair value of:  
A notional basket containing 1 IPL contract + 1 MTH contract.
- At expiry date the future will be physically settled according to the following ratio:  
1 New IMHQ Future = (100 IPL shares + 100 MTH shares)
- The final settlement price of the IMHQ basket at expiry will be determined as follows:  
(1 \* IPL share price) + (1 \* MTH share price).

### 2. Option positions

- The JSE will make the same adjustments to option positions as made to futures positions above.
- Strike prices will remain unaffected.

### 3. ECFD Contracts

- For every **1 Imperial Holdings Ltd (IPL)** (IPLC) you will receive **1 Motus Holdings Ltd (MTH)** ECFD.

Should you have any queries please contact [Clearops@jse.co.za](mailto:Clearops@jse.co.za) or +27 11 520-7349.

This Market Notice will be available on the website at <https://www.jse.co.za/redirects/market-notice-and-circulars>