

## Market Notice

Number F4723

Date 13 April 2011

### Treatment of Mvelaphanda Resources Limited (MVL) Corporate Action – Unbundling 15 April 2011

Members notice is drawn to section 13 of the JSE Derivatives Directives, the contract specifications of Individual Equity Futures and options, which states:

**“13. Corporate Events**

The Executive Committee reserves the right to adopt any procedure or to adjust any individual equity future or option on an individual equity future (Single Stock futures or options on Single Stock futures), 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, members and any other interested parties, of such event and the procedure or adjustment adopted. Such events include, for example, mergers, take-overs, unbundlings, capitalisation issues and rights issues.”

The implication of this is that anybody trading in Single Stock futures or options on Single Stock futures 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.**

Mvelaphanda Resources Limited (MVL) shareholders will receive 83.523 Northam Platinum Limited (NHM) shares for every 100 MVL shares held.

With regard to this corporate action the following adjustments will be made to positions on Friday, 15<sup>th</sup> April 2011 (**Ex date**). The adjustments will be made to the positions held in MVLQ, as at close of business on Thursday, 14<sup>th</sup> April 2011 (**LDT**).



**JSE Limited Registration Number: 2005/022939/06**

One Exchange Square, Gwen Lane, Sandown, South Africa.  
Private Bag X991174, Sandton, 2146, South Africa. Telephone:  
+27 11 520 7000, Facsimile: +27 11 520 8584, www.jse.co.za

Member of the World Federation of Exchanges

**Executive Directors:** RM Loubser (CEO), JH Burke, FM Evans  
NF Newton-King, LV Parsons **Non-Executive Directors:** HJ  
Borkum (Chairman), AD Botha, MR Johnston, DM Lawrence, W  
Luhabe, A Mazwai, NS Nematswerani, N Payne, G Serobe,  
**Company Secretary:** GC Clarke

## 1. Futures positions.

- The JSE will list a new contract i.e. Mvelaphanda Resources Limited (MVL) / Northam Platinum Limited (NHM) basket (MXNQ).
- Positions in MVLQ as held on close of business on Thursday, 14<sup>th</sup> March 2011 (**LDT**) will be closed out at a value of zero and new positions will be created in the new contract at a value of zero.

**E.g.** If you had 10 futures contracts in the MVLQ 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 (MXNQ).

- The new MXNQ future will comprise of a basket of MVL and NHM shares in the following ratio: -

$$\underline{1 \text{ New MXNQ future} = 100 \text{ MVL shares} + 83.523 \text{ NHM shares.}}$$

- The MTM price of the new MXNQ basket will be determined by calculating the fair value of: -

$$\underline{(1 * \text{MVL share price}) + (0.83523 * \text{NHM share price}).}$$

- At expiry date the future will be physically settled according to the following ratio: -

$$\underline{1 \text{ New MXNQ future} = 100 \text{ MVL shares} + 83.523 \text{ NHM shares.}}$$

- The final settlement price of the MXNQ basket at expiry will be determined as follows: -

$$\underline{(1 * \text{MVL share price}) + (0.83523 * \text{NHM share price}).}$$

## 2. Option positions.

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

Should you have any queries please contact Imraan Hendrix on (011) 520-7349

### **Allan Thomson**

Director: Trading

Tel: +27 11 520 7082

Fax: +27 11 520 7551

E-mail Address [allant@jse.co.za](mailto:allant@jse.co.za)

**Distributed by the Company Secretariat +27 11 520 7591**