

MARKET NOTICE

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Subject: Initial Margin Requirements for SSFs on Liquidity Level 3 Equities

Please take note that the following equities have been classified as liquidity level 3; in line with the policy which can be found in the link at the end of this document. As such, the JSE will increase the Initial Margin Requirements (IMRs) on all derivatives on these equities to 100% in the increments described below:

Underlying Alpha	Long Name	Affected SSFs
OCE	Oceana Group Limited	OCEQ
JDG	JD Group Limited	JDGQ
CSB	Cashbuild Limited	CSBQ

The schedule for the IMR increases will be as per the below:

Alpha	Current	15-Oct-14	22-Oct-14	29-Oct-14	10-Nov-14
OCEQ	14.54%	20.00%	40.00%	70.00%	100%
JDGQ	18.14%	25.00%	40.00%	70.00%	100%
CSBQ	11.26%	15.00%	35.00%	70.00%	100%

The JSE will not automatically list new expiries on the abovementioned set of equities post the Dec-14 futures closeout. However, market participants can contact the JSE to evaluate whether any of these underlying securities are eligible for listing at 100% initial margin.

<https://www.jse.co.za/services/post-trade-services/risk-management/derivative-market> .