MARKET NOTICE

Johannesburg
Stock Exchange

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www.jse.co.za

Number: **31/2019**

Relates to:
- ☐ Equity Market
- ☒ Equity Derivatives
- ☐ Commodity Derivatives
- ☐ Interest Rate and Currency Derivatives

Listing Date: 29 January 2019

SUBJECT: **CAN-DO COLLAR OPTION (XC45) - OUT OF CURRENCY SETTLEMENT**

Name and Surname: Valdene Reddy
Designation: Head - Equity and Equity Derivatives

The following **Collar Option** has been listed with immediate effect and is available for trading. Insofar as any contractual provision set out below is inconsistent with the rules and regulations ("Rules") of the JSE Limited ("JSE"), the Rules will prevail unless the JSE expressly permits the Parties to give effect to their contractual provisions.

Summary Contract Specifications:

GENERAL TERMS	
Description	Out of Currency Settlement Option
Option Style	European
Underlying	SPDR S&P 500 ETF (Bloomberg Code: SPY US Equity)
Underlying ISIN	US78462F1030
Underlying Currency	USD
Underlying listed at:	NYSE
Expiry Date	18 March 2019 (Further expiration dates may be added upon request)
Settlement Type	Cash
Contract Size	10
Minimum Price Movement	(0.0001 in the ETF price)
Quotations	Price per future to four decimal places (i.e. 0.0001)
Spot Price Reference	Underlying ETF: SPDR S&P 500 ETF

Initial Index Reference Level	n/a
Business Days	Johannesburg and New York
Business Day Convention	Following (Cash flows that fall on a non-business day are assumed to be distributed on the following business day).
RISK PARAMETERS	
Initial Margin*	2810
Class Spread Margin*	n/a
V.S.R.*	4.5
**The JSE reserves the right to amend the levels of the Initial Margin, Class Spread Margin and V.S.R.*	
TERMS & CONDITIONS – OPTION 1	
Type	Put
Buyer	The Long Party to the Can-Do Option
Seller	The Short Party to the Can-Do Option
Strike Price	USD 249.95
TERMS & CONDITIONS – OPTION 2	
Type	Call
Buyer	The Short Party to the Can-Do Option
Seller	The Long Party to the Can-Do Option
Strike Price	USD 289.41
PROCEDURE FOR EXERCISE	
Expiration and Valuation Time	Official closing time as published by the Underlying Exchange (NYSE) on the Final Valuation Date. Note: If the official closing time of the underlying exchange falls outside the JSE trading hours, the contract will close-out on the following JSE business day using the previous day's official closing price.
Final Valuation	15 March 2019
Expiry Date	18 March 2019 (Further expiration dates may be added upon request)
Reference Price	Official closing price as published by the Underlying Exchange (NYSE) on the Final Valuation Date.
Expiration Currency Reference (FX)	Arithmetic average of 10 iterations of the Underlying Currency spot price taken every 30 seconds for a period of 5 minutes on the **Expiration Date**, commencing 09:55am ending at 10:00am New York time.
Automatic Exercise	Applicable.

Cash Settlement	Applicable
Settlement Currency	ZAR
Cash Settlement Amount	The amount determined on the Valuation Date at the Valuation Time, in accordance with the following formula: *Number of Option Contracts* * *Multiplier* **max*$(0,Strike\text{-}Index_{final})$* $-max(0,Index_{final}\text{-}Strike_C)$ **FX*
Cost Implications	
JSE Trading Fees	*See Can-Do Booking Fee Schedule – Fee Model EXO:* https://www.jse.co.za/content/JSEPricingItems/MPL/JSE%20Price%20List%202019%20-%20Issuers,%20Services%20and%20Trading.pdf

Can-Do instruments are loaded into the Nutron system as simple futures. The value displayed is the fair market value of the instrument with its correct valuation (in the case of an option, the instrument valuation is the option premium).

Should you have any queries regarding Can-Do instruments, please contact the Can-Do Team on 011 520-7981 or EDM@jse.co.za

For Office Use Only	
Can-Do Type	Out of Currency Settlement Option - EXO
Can-Do Underlying Type	Index/ETF
Can-Do Underlying Code	SPY US Equity
Non-Linear Flag (Y/N)	Yes
Contract Size	10
Zero Fee OTM Flag (Y/N)	No

Should you have any queries regarding this notice, please contact structuredproducts@jse.co.za.
This Market Notice will be available on the website at https://www.jse.co.za/redirects/market-notices-and-circulars