JSE

Johannesburg
Stock Exchange

Tel: +27 11 520 7000
www.jse.co.za

MARKET NOTICE

Number:	**349/2018**
Relates to:	☐ Equity Market
	☒ Equity Derivatives
	☐ Commodity Derivatives
	☐ Interest Rate and Currency Derivatives
Date:	10 September 2018

SUBJECT:	**LISTING NEW STRIKE RESETTING PUT SPREAD OPTION (XS29)**
Name and Surname:	Valdene Reddy
Designation:	Head - Equities and Equity Derivatives

The following instrument has been added to the list with immediate effect and will be available for trading as from today. 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	Timer Put Option (strike resets monitored discretely)
Can-Do Name	Can-Do XS29
Can-Do Code	XS29
Contract Size (Multiplier)	100 (for the avoidance of doubt, this means that each option references the Underlying, multiplied by 100 ZAR)
Minimum Price Movement	One one-hundredth of one Rand (i.e. 0.01)
Quotations	Of the underlying Stock, the value to two decimal places
Clearing House Fees	See Can-Do Booking Fee Schedule – Fee Model EXO: https://www.jse.co.za/content/JSEPricingItems/MPL/JSE%20Price%20List%202018%20-%20Issuers,%20Services%20and%20Trading.pdf
Initial Margin	R 7,800.00

Class Spread Margin	R 3,900.00
V.S.R.	8.00
Trade Date	7 September 2018
Business Day	Any day on which banks are open for a normal trading day in Johannesburg and the Stock is published by the JSE.
Option Style	European
Underlying	Naspers Limited (Bloomberg code: NPN SJ Equity <Stock>)
Final Reset Date	19 September 2019
Initial Underlying Reference Level	R 3,109.80
Strike Price Reset Event	Means, in respect of the Stock, if, at a Strike Price Reset Valuation Time on a Strike Price Reset Determination Day, the level of the Stock (as published by the JSE) is equal to or greater than: a) Strike Price Reset Level 1, the Strike Prices of both Options are increased to Strike Price Reset Value 1 b) Strike Price Reset Level 2, the Strike Prices of both Options are increased to Strike Price Reset Value 2 For the avoidance of doubt: a) the Strike Price can only reset upwards, never downwards; and b) a Strike Price Reset Event can only occur once in respect of any given Strike Price Reset Level.
Strike Price Reset Levels	1. 115.00% (ZAR 3 576.27) of the Initial Underlying Reference Level
Strike Price Reset Values	1. **Option 1** – 111.55% (ZAR 3 468.98) and **Option 2** – 92.00% (ZAR 2 861.02) of the Initial Underlying Reference Level respectively
Strike Price Reset Determination Days	Means each scheduled Trading Day from (and including) the Trade Date, to (and including) the Final Reset Date.
Strike Price Valuation Time	The Scheduled Closing Time on the JSE.

TERMS & CONDITIONS – OPTION 1	
Type	Put
Buyer	Is the party that is the Long Party to the Can-Do option
Seller	Is the party that is the Short Party to the Can-Do option
Strike Price	97% (ZAR 3 016.51) of the Initial Underlying Reference Level

TERMS & CONDITIONS – OPTION 2	
Type	Put
Buyer	Is the party that is the Short Party to the Can-Do option
Seller	Is the party that is the Long Party to the Can-Do option
Strike Price	80% (ZAR 2 487.84) of the Initial Underlying Reference Level

PROCEDURE FOR EXERCISE	
Expiration and Valuation Date	19 September 2019
Expiration and Valuation Time	12:15 on the Expiration and Valuation Date
Reference Price	The level of the Underlying (as published by the JSE) at the Valuation Time on the Expiration Date(s)
Automatic Exercise	Applicable. For the avoidance of doubt, Option 1 and Option 2 will be automatically exercised (either together or separately) where the Strike Price Differential for that Option is greater than zero.
Cash Settlement	Applicable, both for Option 1 and Option 2. If the Strike Price Differential for a given Option is greater than zero, the Short Party shall pay to the Long Party the Cash Settlement Amount for the number of Options held at the Expiration and Valuation Date.
Cash Settlement Amount	Means an amount equal to the number of options exercised on the Expiration and Valuation Date multiplied by the Strike Price Differential, multiplied by the Multiplier.
Strike Price Differential	For any given Option, means an amount equal to the greater of: a) the Strike Price minus the Reference Price (after adjustment due to any Strike Price Reset); and b) zero.

*The JSE reserves the right to amend the levels of the Initial Margin, Class Spread Margin and V.S.R.

FOR OFFICE USE ONLY	
Can-Do Type	EXO - Exotic Option
Can-Do Underlying Type (Index/Stock/Bask/Other)	Stock
Underlying Code	Naspers Ltd (NPN SJ Equity)
Non-Linear Flag (Y/N)	Yes
Zero fee OTM Flag (Y/N)	No

Should you have any queries regarding this notice, please contact **edm@jse.co.za**

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