

## SERVICE HOTLINE

**REFERENCE NUMBER:** 10/2015

29 January 2015

## EQUITY DERIVATIVES ZERO FEES GUIDELINES - UPDATED

### Introduction

The purpose of this memorandum is to outline the scenarios or circumstances under which zero fees would be applied to trades in the Equity Derivatives Market on the JSE.

#### 1. Error Trades

Trades booked in error which should not exist at all

What to zero	Exclude from stats
Incorrect leg and reversal leg	Yes

Trades booked in incorrect Member or Client Account

What to zero	Exclude from stats
Initial Member or Client leg	Yes

#### 2. Allocations and Assigns

Trades allocated to the incorrect Client or assigned to the incorrect Member

What to zero	Exclude from stats
Initial Client or Member leg to which the trade was allocated or assigned	Yes

#### 3. Roll Trades

Rolling from one Expiry to a further dated Expiry

What to zero	Exclude from stats
Near leg is zero rated	No

#### 4. Position Transfers

\*Transfer of Client positions from one Member to another

What to zero	Exclude from stats
All trades are zero rated	Yes

\*Normally, this is done by transferring Client codes from one Member to another by the exchange. Alternatively, user can book trades from one Client to another which will require a zero fee request to be sent to the exchange.

### Market / Service:

JSE Derivative Market

- Equity Derivatives

### Environment(s):

Production

### Additional Information:

If you have any queries about this announcement, please contact the Client Services Center  
+27 11 520 7777 or  
[customersupport@jse.co.za](mailto:customersupport@jse.co.za)

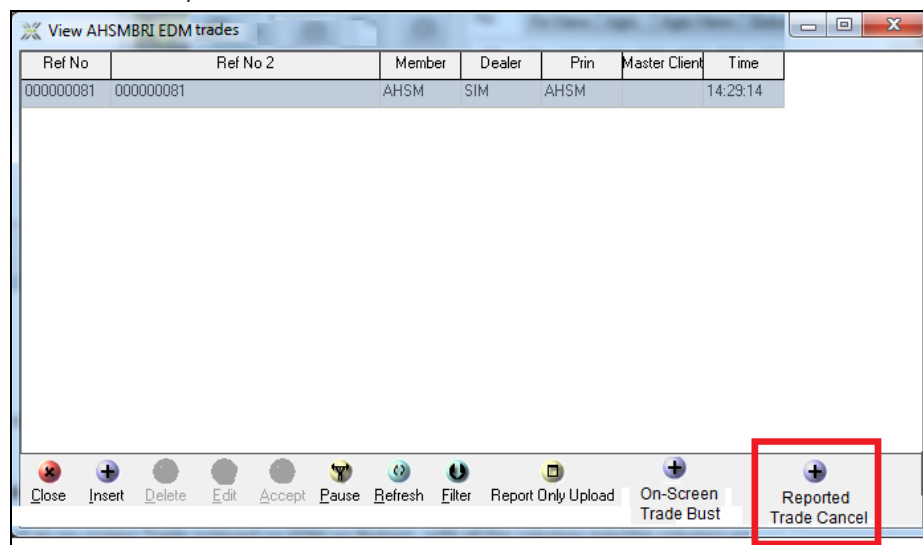
### Issued By:

Equities & Equity Derivatives, Capital Markets

### Trade Cancellation & Correction - Reported Trades

Members now have the ability to Cancel and Correct all Reported Trades including JSE CFDs that have erroneously been reported on the Nutron front end. This process is done by using the Reported Trade Cancel functionality which creates an equal and opposite Trade that will offset the original Trade. This Functionality can only be used on the day the trades are booked.

This functionality is available on the EDM view trades window:



The process is as follows:

1. The Original Reported Trade legs will be cancelled by creating an equal-and-opposite Reported Trade
2. The unmatched equal-and-opposite Reported Trade leg will be created and displayed on the 'View EDM Unmatched Trades' window
3. The Counterparty must accept the unmatched equal-and-opposite Reported Trade Leg on the 'View EDM Unmatched Trades' window, if it is a Member to Member Reported Trade
4. The equal-and-opposite Trade legs will be created and displayed on the 'View EDM Trades' window once the counterparty has accepted the unmatched equal-and-opposite Trade leg.
5. Zero fees will be applied to the trades.

**Members are requested to adhere to the following conditions for zero fee requests:**

- New!** • The Zero Fee Request Form must be completed and attached to an e-mail sent to Client Services Centre;
- The request must include an exchange reference number;
  - All requests must Include a detailed reason or explanation for the request;
  - Zero fees need to be requested on the same day that the trades were booked;
    - Exception will only be accepted if a reasonable explanation as to why the request could not be done or sent on the day of the trade is provided – approval of exception is at JSE discretion;
  - Zero fee requests cannot be requested on behalf of third parties;
- New!** • Zero fee requests must be sent to the exchange within one hour of the trade booking time;
- New!** • Zero fee requests for trades booked between 17:00 and 18:00 should be sent to the exchange immediately;
- New!** • The cut off time for zero fee requests is 18:00; and
- New!** • All zero fee requests should be sent to Client Services Centre: [zerofee@jse.co.za](mailto:zerofee@jse.co.za); +27 11 520 7777.