

SERVICE HOTLINE

REFERENCE NUMBER: 13/2015

3 February 2015

CURRENCY DERIVATIVES ZERO FEES GUIDELINES

Introduction

This notice sets to outline the scenarios or circumstances under which zero fees would be applied to trades in the Currency Derivatives Market on the JSE provided requests from the member firm is received within the required time frame.

All zero requests are to be submitted to the JSE (zerofee@jse.co.za) within one hour of the trade being captured. Where trades are captured within the last hour of the trading day then all zero fee requests are to be submitted by 17h30 at the latest. Unless zero fees are requested on the day of the transaction, no zero fees will be applied retrospectively. Please see a list of trades that qualify for zero fees below:

1. Error Trades

Trade booked in error and reversed

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

2. Allocations and Assigns

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

What to zero:	Exclude from stats
The reversal leg of the initial client or member to which the trade was allocated or assigned	Yes

3. Roll Trades via Report Only

Rolling from one Expiry to a further dated Expiry

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

Market / Service:

JSE Derivative Market

- Currency Derivatives

Environment(s):

Production

Additional Information:

If you have any queries about this announcement, please contact the Client Services Centre:

+27 11 520 77 77 or e-mail

CustomerSupport@jse.co.za

Issued By:

Currency Derivatives, Capital Markets

4. Position Transfers

Transfer of client positions for the same legal entity from one member to another or from a registered account to another within the same member firm

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

5. Intra Day Trades

A client trades in and out on the same day, in the same contract and expiry

What to zero:	Exclude from stats
One leg is zero rated; this will be the lesser in quantity of the two legs.	No

6. Cross Market Trades (Currency and Commodity Derivatives Market)

Trades in the Commodity Derivatives Market and hedged in the Currency Derivatives market

What to zero:	Exclude from stats
When exiting the strategy, the trade leg will be zero rated	No

7. Clearing Member Deal Management

Clearing member accepts, assigns and allocates trades on behalf of member clients

What to zero:	Exclude from stats
Deal managed leg on principle account will be zero rated	No

8. Cross Currency Trades

Cross Currency trade consisting of two different currency contracts in the same expiry.

What to zero:	Exclude from stats
One leg is zero rated; this will be the lesser in quantity of the two legs.	No

9. Structure Trades

Where there are more than two legs traded to construct a structure. This could include both futures and options.

What to zero:	Exclude from stats
As close to half the total structure fees will be zero rated.	No

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

- 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;
- Zero fee requests cannot be requested on behalf of third parties;
- Zero fee requests must be sent to the exchange within one hour of the trade booking time;
- Zero fee requests for trades booked between 17:00 and 17:30 should be sent to the exchange immediately;
- The cut off time for zero fee requests is 17:30;
- All zero fee requests should be sent to **Client Services Centre**: **zerofee@jse.co.za**; +27 11 520 7777.