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SERVICE HOTLINE

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ZERO FEE SCENARIOS AND GUIDELINE TO AVOID MANUAL ZERO FEES

We continue to develop automated functionality to eliminate manual zero fees and solutions already implemented to facilitate seamless trading. We are cognisant of the manual work around required in some scenarios which we will resolve through system enhancements in the future.

The below scenarios are some of the most frequent zero fee requests received:

- Refunds on T+X trade correction;
- Deal Management activity which needs to be reversed or cancelled;
- Zero fees on Roll Trades for Any Days;
- Refunds or zero fees on Client Sub-Account Modification;
- Maker Taker Refunds for Single Stock and Index Options;
- Roll Trades - Calendar Spreads matching against Implied Orders.

Refunds on T+X trade correction requests:

To reduce the dependency on booking equal and opposite trades, members are advised to use the trade cancellation functionality on T+0.

Please note that the T+X refund requests which meet the criteria for a T+X correction will need to be considered. These requests will be considered up to a month after trade date.

Deal Management activity which needs to be reversed/cancelled:

- This is under investigation and further feedback will be provided during the course of the year.

Market / Service:

JSE Derivative Markets

- Equity Derivatives
- Currency Derivatives

Environment(s):

Production

Additional Information:

If you have any queries about this announcement, please contact the Client Service Centre (CSC) on +27 11 520 7777 or e-mail CustomerSupport@jse.co.za

Issued By:

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Director: Capital Markets

Zero fees on Roll Trades for Any Days:

- This scenario has been resolved and is currently accurately implemented.

A 50% discount will be applied on each trade leg on condition that both legs are for an Any-Day expiry contract and meet the normal roll trade criteria.

The below fixes will form part of the RTC Release V1.34, which is going live in July 2021:

- **Maker Taker Refunds (Single Stock Options and Index Options)** - This is a billing model that aims to incentivize on-screen liquidity provision. A 100% Discount is applied to the Liquidity Provider's calculated fee for trades executed on-screen on Single Stock and Index Options. The model was not catered for post ITAC.
- **Roll Trade discounts - Calendar Spreads matching against Implied Orders.** This is a current defect in our billing system whereby a trade occurs on the back of an On-Book Calendar Spread order which matches against an Implied Order.

The following manual zero fees remain:

- Position Transfers - EDM and FXM;
- Cross Currency Pairs - FXM only;
- Refunds/zero fees on client Sub-Account Modification - this is under review and the functionality will be deployed in future RTC release - EDM and FXM.

T+X Corrections will be processed as a refund on the day post the correction. The refund process is up to 3 working days to clearing members.

Please see attached appendix detailing criteria used in assessing the remaining manual zero fee and/or refund requests.

N.B - With regards to a manual zero fee request, if the legs are deal managed, we will not be able to do a manual zero fee request on the day and will therefore process a refund the following day. This is due to the current setup in our billing system.