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Number:	**300/2022**
Relates to:	☐ Equity Market
	☒ Equity Derivatives Market
	☐ Commodity Derivatives Market
	☐ Currency Derivatives Market
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Date:	9 June 2022
SUBJECT:	**TREATMENT OF EOG RESOURCES INC (EOGI) CORPORATE ACTION – SPECIAL DIVIDEND AND CASH DIVIDEND 14 JUNE 2022 (EX. DATE)**
Name and Surname:	Matthias Kempgen
Designation:	Chief Operating Officer – JSE Clear

Member's notice is drawn to section 13 of the contract specifications of Individual Equity Futures and options, which states:

"13.   Corporate Events

The JSE reserves the right to adopt any procedure or to adjust any single stock future or option on a single stock future, in a manner it deems fit, to deal with any extraordinary corporate events that may occur from time to time in relation to a share that is the underlying instrument of the equity option and to notify position holders, derivatives members and any other interested parties, of such event and the procedure or adjustment adopted. Such events include, for example, mergers, take-overs, unbundlings, capitalisation issues and rights issues.

The implication of this is that anybody trading in Single Stock futures or options on Single Stock futures in which the underlying stock is the subject of an extraordinary corporate event should be aware that the JSE may make adjustments to the Single Stock futures and options.

Special and Cash Dividend

EOG Resources Inc (EOGI) has declared a special dividend of USD **1.8** per share and a cash dividend of USD **0.75** per share. (The special and cash dividend will be converted to ZAR using the JSE determined 5pm USD/ZAR closing spot price based on ZAR D3 at EOD on LDT). With regards to this corporate action, the following adjustments will be made to EOGI positions on 14 June 2022 **(Ex-date)**. The adjustments will be made to positions held as at close of business on 13 June 2022 **(LDT).**

Please note:

Adjustments will be made to all contracts where EOGI is the underlying share. These contracts include:

Contract Code	JSE Instrument Type
13JUN22 EOGI CSH	INTERNATIONAL EQUITY
13JUN22 EOGI CSH DN	International Dividend Neutral
19SEP22 EOGI CSH	INTERNATIONAL EQUITY
19SEP22 EOGI CSH DN	International Dividend Neutral
19DEC22 EOGI CSH	INTERNATIONAL EQUITY
19DEC22 EOGI CSH DN	International Dividend Neutral
13MAR23 EOGI CSH	INTERNATIONAL EQUITY
13MAR23 EOGI CSH DN	International Dividend Neutral
19JUN23 EOGI CSH	INTERNATIONAL EQUITY
19JUN23 EOGI CSH DN	International Dividend Neutral

1. **FUTURES CONTRACTS**

The futures position will be increased by the following factor:

Calculation of futures factor:

Spot price / adjusted price

Where:

Spot price = the official closing price of the underlying share on **13 June 2022 (LDT) – 11.984475 (Cash Dividend Rate Converted to ZAR)**

Adjusted price = Spot price – **28.76274** (**Special Dividend Rate Converted to ZAR**)

Example: If the official closing price of the underlying shares on 13 June 2022 **(LDT)** is 2225.22, the following would apply:

Spot price   = 2225.22 – 11.98448 **= 2213.23**

Adjusted price   = 2213.23 **–** 28.76274

                  = **2184.47**

Futures factor   = 2213.23 / 2184.47

                  = **1.013167**

I.e. Current positions*****factor (rounded to nearest whole contract) = the number of total contracts. Additional contracts will be created at an initial value of zero.

TREATMENT FOR ALLOCATION ON ADDITIONAL CONTRACTS

With the implementation of ITaC, the JSE has enhanced the position adjustment process.

Please see link below to the Guidance Note issued on treatment of corporate actions as distributed in October 2018 and specifically refer to Section 8 for details of the position adjustment process:

https://clientportal.jse.co.za/content/guidance%20notes/itac%20guidance%20note%20on%20corporate%20actions.pdf

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

This Market Notice is available on the website at **https://clientportal.jse.co.za/communication/jse-market-notices**