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**MARKET NOTICE**Johannesburg  
Stock ExchangeTel: +27 11 520 7000  
[www.jse.co.za](http://www.jse.co.za)**Number:** 467/2022**Relates to:**

- Equity Market
- Equity Derivatives Market
- Commodity Derivatives Market
- Currency Derivatives Market
- Interest Rate Derivatives Market
- Bond Market
- Bond ETP Market

**Date:** 19 September 2022**SUBJECT:** TREATMENT OF COMPAGNIE FIN RICHEMONT (CFR) CORPORATE ACTION – SPECIAL  
DIVIDEND AND CASH DIVIDEND - 21 SEPTEMBER 2022 (EX-DATE)**Name and Surname:** Matthias Kempgen**Designation:** Chief Operating Officer – JSE Clear

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Members 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

**Compagnie Fin Richemont (CFR)** has declared a special dividend of 178.7 cents per share and a cash dividend of 402.075 cents per share. With regards to this corporate action, the following adjustments will be made to CFR positions on 21 September 2022 (**Ex-date**). The adjustments will be made to positions held as at close of business on 20 September 2022 (**LDT**).

**Please note:**

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

<b>Contract Code</b>	<b>JSE Instrument Type</b>
15DEC22 CFR PHY DN	Dividend Neutral
20OCT22 CFR CSH	Single Stock
15DEC22 CFR CSH DN	Dividend Neutral
20OCT22 CFR PHY	Single Stock
17NOV22 CFR CSH	Single Stock
17NOV22 CFR PHY	Single Stock
15DEC22 CFR CSH	Single Stock
15DEC22 CFR PHY	Single Stock
19JAN23 CFR CSH	Single Stock
19JAN23 CFR PHY	Single Stock
16MAR23 CFR PHY DN	Dividend Neutral
16MAR23 CFR CSH DN	Dividend Neutral
16FEB23 CFR CSH	Single Stock
16FEB23 CFR PHY	Single Stock
16MAR23 CFR CSH	Single Stock
16MAR23 CFR PHY	Single Stock
20APR23 CFR CSH	Single Stock
20APR23 CFR PHY	Single Stock
16MAR23 CFR CSH CFD RODI	CFD
16MAR23 CFR CSH CFD SABOR	CFD
15JUN23 CFR PHY DN	Dividend Neutral
15JUN23 CFR CSH DN	Dividend Neutral
18MAY23 CFR CSH	Single Stock
18MAY23 CFR PHY	Single Stock
15JUN23 CFR CSH	Single Stock
15JUN23 CFR PHY	Single Stock
20JUL23 CFR CSH	Single Stock
20JUL23 CFR PHY	Single Stock
15DEC22 CFR CSH 139.68P	Single Stock
15DEC22 CFR CSH 152.51C	Single Stock

15DEC22 CFR CSH 186.86C	Single Stock
21SEP23 CFR PHY DN	Dividend Neutral
21SEP23 CFR CSH DN	Dividend Neutral
17AUG23 CFR CSH	Single Stock
17AUG23 CFR PHY	Single Stock
21SEP23 CFR CSH	Single Stock
21SEP23 CFR PHY	Single Stock
15DEC22 CFR PHY 185P	Single Stock
15DEC22 CFR CSH 209.03C	Single Stock
15DEC22 CFR PHY 200P	Single Stock
19OCT23 CFR CSH	Single Stock
19OCT23 CFR PHY	Single Stock
21DEC23 CFR PHY DN	Dividend Neutral
21DEC23 CFR CSH DN	Dividend Neutral
16NOV23 CFR CSH	Single Stock
16NOV23 CFR PHY	Single Stock

## 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 **20 September 2022 (LDT) – 4.02075 (Cash Dividend)**

**Adjusted price** = Spot price – **1.787 (Special Dividend)**.

Example: If the official closing price of the underlying shares on 20 September 2022 (**LDT**) is 191.55, the following would apply:

Spot price = 191.55 – 4.02075 = **187.52**

Adjusted price = 187.52 – 1.787

= **185.73**

Futures factor = 187.52 / 185.73

= **1.009637**

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.

## 2. OPTION CONTRACTS

- a. The options position will be increased by the same factor as the futures above.
- b. The option strikes will be adjusted by the following factor:

Calculation of options factor (based on the example above):

### Adjusted price / spot price

$$\begin{aligned} \text{Options factor} &= 185.73 / 187.52 \\ &= \mathbf{0.990454} \end{aligned}$$

E.g. if the old strike is 191.00 the following would apply: -

$$\begin{aligned} \text{New strike} &= \text{Old strike} * \text{options factor} \\ &= 191.00 * 0.990454 \\ &= \mathbf{189.17} \end{aligned}$$

Existing positions will be closed out at a 0 value and new positions opened at the new strike with a 0 value.

## 3. CFD CONTRACTS

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 Market Notice, please contact [clearops@jse.co.za](mailto:clearops@jse.co.za)

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