
MARKET NOTICEJohannesburg
Stock ExchangeTel: +27 11 520 7000
www.jse.co.za**Number:** 268/2022**Relates to:**
 Equity Market
 Equity Derivatives Market
 Commodity Derivatives Market
 Currency Derivatives Market
 Interest Rate Derivatives Market
 Bond Market
 Bond ETP Market**Date:** 24 May 2022**SUBJECT:** TREATMENT OF INVESTEC LIMITED (INL) CORPORATE ACTION – UNBUNDLING 26 MAY 2022
(EX. DATE)**Name and Surname:** Matthias Kempgen**Designation:** Chief Operating Officer – JSE Clear

Member's notice is drawn to section 13 of the JSE Derivatives Directives, Equity Derivatives Contract Specifications, 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, unbundling, capitalization issues and rights issues.

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

Unbundling

Investec Limited (INL) shareholders will receive 0.13751 **Ninety One Limited (NY1)** shares for every 1 **Investec Limited (INL)** share held.



With regards to this corporate action, the following adjustments will be made to all contracts with the underlying of INL on Thursday, **26 May 2022 (Ex-date)**. The adjustments will be made to positions as at close of business on Wednesday, **25 May 2022 (LDT)**.

Affected Contracts:

Contract Code	JSE Instrument Type
15JUN22 INL PHY DN	Dividend Neutral
15JUN22 INL CSH	Single Stock
15JUN22 INL PHY	Single Stock
15SEP22 INL PHY DN	Dividend Neutral
15SEP22 INL CSH	Single Stock
15SEP22 INL PHY	Single Stock
15JUN22 INL CSH DN	Dividend Neutral
15DEC22 INL PHY DN	Dividend Neutral
15DEC22 INL CSH	Single Stock
15DEC22 INL PHY	Single Stock
15SEP22 INL CSH DN	Dividend Neutral
15JUN22 INL CSH 54.88P	Single Stock
15JUN22 INL CSH 66.51C	Single Stock
15JUN22 INL CSH 75.03C	Single Stock
16MAR23 INL PHY DN	Dividend Neutral
16MAR23 INL CSH	Single Stock
16MAR23 INL PHY	Single Stock
15DEC22 INL CSH DN	Dividend Neutral
16MAR23 INL CSH CFD RODI	CFD
16MAR23 INL CSH CFD SABOR	CFD
15JUN23 INL PHY DN	Dividend Neutral
15JUN23 INL CSH	Single Stock
15JUN23 INL PHY	Single Stock
16MAR23 INL CSH DN	Dividend Neutral

Please note:

The new basket future contract **BSK117** will be created during the EOD batch process on LDT 25 May 2022 and will be available for trading on Ex-date 26 May 2022.

1. Futures positions.

- The JSE will list the new basket future contract **BSK117** which will contain the following constituents:
Investec Limited (INL) / Ninety One Limited (NY1)

- Positions in Investec Limited (INL) as held on close of business on Wednesday, 25 May 2022 (LDT) will be closed out at a value of zero and new positions will be created in the new basket future contract at a value of zero on 26 May 2022 (Ex-date).

E.g. If you had 10 futures contracts in Investec Limited (INL), the JSE will close out this position at a value of zero and open a new position of 10 futures contracts in the new basket created.

- The new basket futures contract will comprise of INL and NY1 shares in the following ratio: -

$$\underline{1 \text{ New Basket Future Contract} = (1 \text{ INL Contracts} + 0.13751 \text{ NY1 contract}) \times \text{Nominal (100)}}$$

- The MTM price of the new basket future contract will be determined by calculating the fair value of: -

$$\underline{\text{A notional basket containing 1 INL contracts} + 0.13751 \text{ NY1 contract}}$$

- At expiry date the future will be physically settled according to the following ratio: -

$$\underline{1 \text{ New Basket Futures Contract} = (1 \text{ INL shares} + 0.13751 \text{ NY1 share})}$$

- The final settlement price of the new basket futures contract at expiry will be determined as follows: -

$$\underline{(1 * \text{INL share price}) + (0.13751 * \text{NY1 share price}).}$$

2. **Option positions.**

- The JSE will make the same adjustments to option positions as made to futures positions above.
- Strike prices will remain unaffected.

3. **ECFD Contracts**

- For every 1 Investec Limited (INL) ECFD you will receive 0.13751 Ninety One Limited (NY1) ECFD.

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-notice>