

APPROVED AMENDMENTS TO THE JSE DERIVATIVES RULES

General explanatory notes:

1. Words underlined with a solid line (___) indicate the insertions in the existing rules and directives
2. Words in bold and in square brackets ([]) indicate deletions from the existing rules

Approved amendments to the JSE Derivatives rules:**7.170 Rules of trading that are particular to [the] physical delivery [of agricultural products]**

- 7.170.1 The contract specification of **[an agricultural]** commodity derivatives futures contracts may provide for performance by means of physical delivery and may set out the conditions and terms under which physical delivery shall be effected.
- 7.170.2 The JSE may issue directives in respect of delivery procedures, settlement and delivery agents, delivery locations, inspections of **[agricultural products]** commodities sold and delivered and other matters relating to trading in commodity **[agricultural]** derivatives and may appoint settlement agents on such terms as it may deem fit to facilitate performance of commodity [agricultural] derivatives.
- 7.170.3 Unless otherwise specified in the contract, the holder of every short position in **[an agricultural]** a commodity derivatives futures contract shall on expiry have an obligation to make delivery of the underlying **[agricultural product]** commodity at the expiry price, and the holder of every long position on expiry shall have an obligation to take delivery of the underlying **[agricultural product]** commodity at the expiry price.
- 7.170.4 JSE Clear shall, unless otherwise specified in the contract specification, have the sole discretion in allocating delivery to long position holders.
- 7.170.5 In the event of a default by a party to **[an agricultural]** a commodity derivatives futures contract, the contract may be closed out by the non-defaulting party by booking the quantity in default back to the defaulting party at a market price determined by the JSE.

7.170 amended with effect from 24 December 2008.

7.170.1 amended with effect from 24 December 2008.

7.170.2 amended with effect from 24 December 2008.

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7.170.5 amended with effect from 24 December 2008.