

MARKET NOTICE

Johannesburg
Stock Exchange

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www.jse.co.za

Number: 497A/2021

Relates to:

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

Date: 22 October 2021

SUBJECT: APPROVED AMENDMENTS TO THE JSE DERIVATIVES RULES – “EXCHANGE FOR PHYSICAL”
AND “EXCHANGE FOR RISK” TRANSACTIONS

Name and Surname: Shaun Davies

Designation: Director – Market Regulation

Dear Client,

Members are referred to [Market Notice 227A/2021](#), [227B/2021](#) and [227C/2021](#) dated 10 June 2021 that contained proposed amendments to the rules of the JSE Derivatives Market, the purpose of which was to permit a legal entity within a group of companies to be party to an Exchange for Position or Exchange for Risk transaction.

In other words, the exchange member will be a party to the futures contract and another legal entity within the group may be the party to the OTC or physical contract. This other legal entity will typically be that entity within a commodities group that is engaged in physical commodities trading. The proviso is that both legal entities (i.e., the exchange member and the physical trading firm) have the same beneficial ownership.

The Registrar of Securities Services has, in terms of section 71(3)(c) of the Financial Markets Act, approved the amendments to the Derivatives rules which comes into effect today, 22 October 2021.

We attach hereto the following documents:

- The approved amendments to the JSE Derivatives rules (Annexure A).
- Board Notice 127 of 2021 containing the Registrar’s approval (Annexure B).

Should you have any queries please regarding this Market Notice please contact Shuayb Mohamed on (011) 520 7824 or at ShuaybM@jse.co.za

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