JOHANNESBURG STOCK EXCHANGE
Equity Derivatives

Market Notice

Number: **F6468**
Date: **04 September 2013**

New Can-Do contract YFRQ– Variance Future on TOP40 Index

The following new Can-Do (YFRQ) Variance Future has been added to the list with immediate effect and will be available for trading today. Insofar as any contractual provision set out below is inconsistent with the rules and regulations ("Rules") of the JSE Limited ("JSE"), the Rules will prevail unless the JSE expressly permits the Parties to give effect to their contractual provisions.

Summary Contract Specifications:

GENERAL TERMS	
Description	**Index Variance Future**
Can-Do Code	YFRQ
Quotations	One one-hundredth of a Variance point (i.e. 0.01)
Clearing House Fees	See Can-Do Booking Fee Schedule: http://www.jse.co.za/booking_fee_schedule.jsp
Initial Margin	R 140.00
Class Spread Margin	R 70.00
V.S.R	3.5
TERMS AND CONDITIONS – VARIANCE FUTURE	
Variance Buyer	The party that is the Long Party to the Can-Do Variance Future
Variance Seller	The party that is the Short Party to the Can-Do Variance Future
Index	FTSE/JSE TOP40 Index (Bloomberg Code: TOP40 <Index>)
Trade Date	04 September 2013
Observation Start Date	Same as Trade Date
Observation End Date	The Valuation Date
Valuation Date / Expiry Date	19 December 2013
Valuation Time	End of Auction Call Session

Final Equity Payment per contract	**VPV x min ([RV^2 - VK^2], Var Cap- VK^2)** If such amount is positive, then Seller shall make payment to Buyer If such amount is negative, then Buyer shall make payment equal to absolute value of this amount to Seller. (This applies if traded at original volatility strike price)
Variance Point Value (VPV)	R1 per point
Volatility Strike Price (VK)	17.97
Variance Strike Price(VK2)	322.92
Variance Cap	2.5x
Variance Cap Amount	**807.30**
Realised Volatility ("RV")	An amount determined in accordance with the following formula: $$100 \times \sqrt{\frac{252 \times \sum_{t=1}^{N} \left(\mathrm{Ln} \frac{P_t}{P_{t-1}} \right)^2}{Expected\mathrm{N}}}$$ where: "**t**" means the relevant Observation Day; "**N**" means the **actual** number of Observation Days; "***Expected*N**" means **74**, being the number of days that, as of the Trade Date, are **expected** to be Scheduled Trading Days for the period from, but excluding, the Observation Start Date to, and including, the Observation End Date; "**Ln**" means the natural logarithm; "$\mathbf{P_t}$" means, in respect of any Observation Day, the official level of the Index at the Valuation Time on such Observation Day; provided that, if "Futures Price Valuation" is applicable, in respect of the Valuation Date, "P_t" means the Official Settlement Price of the Exchange-Traded Contract on the

	Valuation Date (The Index settlement level as determined at the end of the Auction Call session. For the avoidance of doubt, this is the same method as the one utilised for the expiry of standard index futures and options on standard quarterly SAFEX expiry dates.) "$\mathbf{P_{t-1}}$" means: a) in respect of the first Observation Day, the official level of the Index at the Valuation Time on the Observation Start Date; b) in respect of any Observation Day subsequent to the first Observation Day, **Pt**for the Observation Day immediately preceding such Observation Day.
Futures Price Valuation	Applicable
Cash Settlement	Applicable

Should you have any queries regarding Can-Do Options, please contact the Can-Do Team on 011 520-7096/7981 or cando@jse.co.za

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