JOHANNESBURG STOCK EXCHANGE
Currency Derivatives

Market Notice

Number: **Y1012**

Date: **19 October 2012**

New Currency Future Can-do Contract (CACB) –Digital Up-and-In Barrier Option on USD/Rand (Up and In)

The following new Currency Future Can-do Contract (CACB) has been added with immediate effect and is available for trading today.

Insofar as any contractual provision set out below is inconsistent with the rules, directives, regulations and margin methodologies ("**Rules**") of the JSE Limited ("**JSE**") in respect of Interest Rate and Currency Derivatives Market, the Rules will prevail unless the JSE expressly permits the Parties to give effect to their contractual provisions.

Summary Contract Specifications:

GENERAL TERMS	
Description	Digital Up and In Barrier Option (barrier monitored continuously during the Knock-In Determination Period)
Can-Do Name	Can-Do CACB
Can-Do Code	CACB
Underlying Instrument	Currency Future USD/ZAR 20 December 2012
Contract Size (Multiplier)	USD1 nominal
Minimum Price Movement	0.0001
Currency Pair	USD/ZAR
Quotations	When determining the exchange rate for the Currency Pair, the amount of ZAR per one USD (rounded to four decimals) shall be determined
Settlement	The option contracts related to the Currency Future Can-do Contract, if exercised, will settle by means of Cash Settlement, the Option Cash Settlement Amount to be paid in ZAR
Mark-to-Market	Explicit Daily

	The forward value of the arithmetic average of the traded underlying observed for a 5 minute period between 16:55 and 17:00 Johannesburg time.
Exchange Fees	Sliding Scale – See below
Initial Margin	ZAR 613,000.00 (as determined by the JSE on a monthly basis)
Class Spread Margin	ZAR 307,000.00
V.S.R.	2.5
Trade Date	The date the Currency Future Can-do Contract is concluded
Business Day	Any day on which banks are open for business in Johannesburg and currency prices are published by the JSE.
Option Style	Style of the option contracts related to the Currency Future Can-do Contract: European, meaning that the rights granted under the option contracts related to the Currency Future Can-do Contract are exercisable on the date and at the time mentioned in Expiration and Valuation Date. Style of the Knock-In Event: American, meaning that whether or not a Knock-In Event has occurred will be determined during the Knock-In Determination Period.
Initial Reference Level	The currency exchange rate for the Currency Pair as agreed by the Long Party and the Short Party on the Trade Date, being the level of the Currency Pair from which any movement in such currency exchange rate (the minimum of which is the Minimum Price Movement) will be determined
Long Party	The holder of the long position in respect of the Currency Future Can-do Contract
Short Party	The holder of the short position in respect of the Currency Future Can-do Contract
TERMS & CONDITIONS	
Option Type	Digital Up-and-In Barrier Option on USD/Rand, barrier monitored continuously
Buyer of related option contracts	The party that is the Long Party to the Currency Future Can-do Contract
Seller of related option contracts	The party that is the Short Party to the Currency Future Can-do Contract
Binary Amount	ZAR1 500 000.00
Knock-In Price	ZAR9.00/USD1.00

Knock-In Event	Applicable at a minimum of USD1 Million. Means, in respect of the Currency, if at any Knock-In Valuation Time during a Knock-In Determination Day, the level of the Currency (as published by the Exchange) is equal to or higher than the Knock-In Price. If a Knock-In Event occurs, the Currency Future Can-do Contract will settle as stipulated in "Cash Settlement" if the option contracts related to the Currency Future Can-do Contract are exercised, otherwise in the absence of such Knock-In Event the Currency Future Can-do Contract will terminate, all related option contracts will be closed out on the JSE at zero value and initial margin will be returned to the Buyer and the Seller.
Knock-In Determination Period	The period from (and including) the Trade Date to (and including) the Expiration and Valuation Date.
Knock-In Valuation Time	Any time during Knock-Out Determination Days when the USD/ZAR currency is open for trading on and monitored on the Reuters D3 system
PROCEDURE FOR EXERCISE	
Expiration and Valuation Date	20 December 2012 10:00 (10:00 a.m.) New York time (i.e. 17:00 (5:00 p.m.) Johannesburg time), being the date and time of expiration of the option contracts related to the Currency Future Can-do Contract
Reference Price	The closing currency exchange rate for the Currency Pair observed by the JSE on the Expiration and Valuation Date.
Automatic Exercise	Applicable, meaning that if the Barrier level has been hit during the life of the contract. The related option contracts will be deemed automatically exercised at the Expiration and Valuation Date.
Cash Settlement	Applicable. If the Knock-In event has occurred, the Short Party shall pay the Long Party the Option Cash Settlement Amount for the number of option contracts held at the Expiration and Valuation Date.
Option Cash Settlement Amount	An amount equal to the number of option contracts exercised on the Expiration and Valuation Date multiplied by the Binary Amount, multiplied by the Multiplier.

Exchange Fees – Sliding Scale Fee Structure:

Sliding Scale – Number of	Option Trading Fee per

contracts traded	contract
1 – 499	R0.63
500 – 999	R0.60
1,000 – 2,999	R0.55
3,000 – 4,999	R0.53
5,000 – 7,499	R0.48
7,500 – 9,999	R0.30
10,000 and above	R0.23

The fees will be capped at ZAR39,900 per deal to entice bigger contracts.

*All the above fees include VAT of 14%.

*****The above instrument has been designated as "Foreign" by the South African Reserve Bank.

If you have any queries, please feel free to contact Warren Geers (+27 11 520 7470) / warreng@jse.co.za or Cindy Pillay (+27 11 520 7689) / cindyp@jse.co.za.

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