



Market Notice

Number: Y1113

Date: 18 March 2013

New Currency Future Can-do Contract (CADG) –Knock-In Barrier Option on USD/Rand (Up and IN)

The following new Currency Future Can-do Contract (CADG) 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:

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| GENERAL TERMS | |
| Description | Knock-In Barrier Option (barrier monitored continuously during the Knock-In Determination Period) |
| Can-Do Name | Can-Do CADG |
| Can-Do Code | CADG |
| Underlying Instrument | Currency Future USD/ZAR 14 June 2013 |
| Contract Size | 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 |



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Executive Directors: NF Newton-King (CEO),
 F Evans (CFO) **Non-Executive Directors:** HJ Borkum
 (Chairman), AD Botha, ZL Combi, MR Johnston, DM Lawrence,
 A Mazwai, NS Nematswerani, N Nyembezi-Heita, N Payne
Alternate Directors: JH Burke, LV Parsons

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| | observed for a 5 minute period between 16:55 and 17:00 Johannesburg time. |
| Exchange Fees | Sliding Scale – See below |
| Initial Margin | ZAR 192.00 (as determined by the JSE on a monthly basis) |
| Class Spread Margin | ZAR 96.00 |
| 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 | <p>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.</p> <p>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.</p> |
| 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 | Up-and-In USD/Rand USD Call Option, being a call option contract (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 |
| Strike Price | ZAR10.0000 / USD 1.00 |
| Knock-In Price | ZAR10.5000/USD1.00 |

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| Knock-In Event | <p>A Knock-In Event will only be deemed to have occurred in the event the JSE in accordance with its discretion determines that a foreign exchange transaction has occurred at any Knock-In Valuation Time during the Knock-In Determination Period for the purchase of a minimum notional amount of USD1Million against the payment of ZAR at a currency exchange rate for the Currency Pair (as published by the Exchange) equal to or higher than the Knock-In Price.</p> <p>Should a Knock-In Event not occur, this 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.</p> |
| 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 from 05:00 (5:00 a.m.) (local time on a Monday in Sydney, Australia) to 17:00 (5:00 p.m.) (local time on a Friday in New York, United States of America), as such may exist during the Knock-In Determination Period. |
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| PROCEDURE FOR EXERCISE | |
| Expiration and Valuation Date | <p>14 June 2013</p> <p>10:00 (10:00 a.m.) New York time (i.e. 16:00 (4:00 p.m.) Johannesburg time), being the date and time of expiration of the option contracts related to the Currency Future Can-do Contract</p> |
| 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 Reference Price is equal to or in excess of the Strike Price at the Expiration and Valuation Date, the related option contracts will be deemed automatically exercised |
| Cash Settlement | Applicable. If the Strike Price Differential is greater than zero, 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 Strike Price Differential, multiplied by the contract size multiplied by 1000. |
| Strike Price Differential | <p>An amount equal to the greater of:</p> <p>a) the (Reference Price minus the Strike Price); and</p> <p>b) zero.</p> |
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*Note: If a difference between the traded value and the initial valuation value occurs at inception. The difference will be smoothed out over a 21 day period, through the variation margin flow. In the case of a trigger event within the initial 21 day period, the remaining difference will be paid in full T

Exchange Fees – Sliding Scale Fee Structure:

| Sliding Scale – Number of contracts traded | Option Trading Fee per 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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