



## Market Notice

Number: **F5420**  
Date: **03 July 2012**

### New Can-Do Option (XE2Q) – Strike Resetting Option funded by vanilla call

The following new Can-Do Option (XE2Q) has been added to the list with immediate effect and will be available for trading on 03 July 2012. 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	
<b>Description</b>	Level Reset Put Spread (strike resets monitored discretely) funded by vanilla call
<b>Can-Do Name</b>	Can-Do XE2Q
<b>Can-Do Code</b>	XE2Q
<b>Contract Size (Multiplier)</b>	10 (for the avoidance of doubt, this means that each option references the Index, multiplied by 10 ZAR)
<b>Minimum Price Movement</b>	One one-hundredth of an Index point (i.e. 0.01)
<b>Quotations</b>	Of the underlying Index, the value to two decimal places
<b>Clearing House Fees</b>	See Can-Do Booking Fee Schedule: <a href="http://www.jse.co.za/booking_fee_schedule.jsp">http://www.jse.co.za/booking_fee_schedule.jsp</a>
<b>Initial Margin</b>	R 2,560.00
<b>Class Spread Margin</b>	R 0.00
<b>V.S.R.</b>	2.5
<b>Trade Date</b>	The date the Can-Do option position is first opened on the JSE
<b>Business Day</b>	Any day on which banks are open for a normal trading day in Johannesburg and the Index is published by the JSE.
<b>Option Style</b>	European



JSE Limited Registration Number: 2005/022939/06  
One Exchange Square, Gwen Lane, Sandown, South Africa.  
Private Bag X991174, Sandton, 2146, South Africa. Telephone:  
+27 11 520 7000, Facsimile: +27 11 520 8584, www.jse.co.za

**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

<b>Index</b>	FTSE/JSE Shareholder Weighted Top 40 Index (Bloomberg code: JSHR40 <Index>)
<b>Final Reset Date</b>	31 January 2013
<b>Initial Index Reference Level</b>	6,472.10
<b>Strike Price Reset Event</b>	<p>Means, in respect of the Index, if, at a Strike Price Reset Valuation Time on a Strike Price Reset Determination Day, the level of the Index (as published by the JSE) is equal to or greater than:</p> <p style="padding-left: 40px;">a) Strike Price Reset Level 1, the Strike Price of Option 1 and Option 2 is increased to Strike Price Reset Value1 respectively;</p> <p>For the avoidance of doubt:</p> <p style="padding-left: 40px;">a) the Strike Price can only reset upwards, never downwards; and</p> <p style="padding-left: 40px;">b) a Strike Price Reset Event can only occur once in respect of any given Strike Price Reset Level.</p>
<b>Strike Price Reset Levels</b>	<p>1) 102.50% of the Initial Index Reference Level (for the avoidance of doubt, an index level of 6,633.90)</p> <p>2) 105.00% of the Initial Index Reference Level (for the avoidance of doubt, an index level of 6,795.71)</p>
<b>Strike Price Reset Values</b>	<p>1) Option 1 – 100.50% (6,504.46) and Option 2 – 95.50% (6,180.86) of the Initial Index Reference Level respectively</p> <p>2) Option 1 – 103.00% (6,666.26) and Option 2 – 98.00% (6,342.66) of the Initial Index Reference Level respectively</p>
<b>Strike Price Reset Determination Days</b>	Means each scheduled Trading Day from (and including) the Trade Date, to (and including) the Final Reset Date.
<b>Strike Price Valuation Time</b>	The Scheduled Closing Time on the JSE.
<b>TERMS &amp; CONDITIONS – OPTION 1</b>	
<b>Type</b>	Put
<b>Buyer</b>	Is the party that is the Long Party to the Can-Do option
<b>Seller</b>	Is the party that is the Short Party to the Can-Do option
<b>Strike Price</b>	98% of the Initial Index Reference Level (for the avoidance of doubt, an index level of 6,342.66)

<b>TERMS &amp; CONDITIONS – OPTION 2</b>	
<b>Type</b>	Put
<b>Buyer</b>	Is the party that is the Short Party to the Can-Do option
<b>Seller</b>	Is the party that is the Long Party to the Can-Do option
<b>Strike Price</b>	93% of the Initial Index Reference Level (for the avoidance of doubt, an index level of 6,019.05)
<b>TERMS &amp; CONDITIONS – OPTION 3</b>	
<b>Type</b>	Vanilla Call
<b>Buyer</b>	Is the party that is the Short Party to the Can-Do option
<b>Seller</b>	Is the party that is the Long Party to the Can-Do option
<b>Strike Price</b>	108.18% of the Initial Index Reference Level (for the avoidance of doubt, an index level of 7,001.52)
<b>PROCEDURE FOR EXERCISE</b>	
<b>Expiration and Valuation Date</b>	31 January 2013
<b>Expiration and Valuation Time</b>	17:00 on the Expiration and Valuation Date
<b>Reference Price</b>	Closing level of the index on the Expiration and Valuation Date
<b>Automatic Exercise</b>	Applicable. For the avoidance of doubt Option 1, Option 2 and Option3 will be automatically exercised (either together or separately) where the Strike Price Differential for that Option is greater than zero.
<b>Cash Settlement</b>	Applicable, for Option 1, Option 2 and Option3. If the Option is In-The-Money, the Short Party shall pay to the Long Party the Cash Settlement Amount for the number of Options held at the Expiration and Valuation Date.
<b>Cash Settlement Amount</b>	Means an amount equal to the number of options exercised on the Expiration and Valuation Date multiplied by the Strike Price Differential, multiplied by the Multiplier.
<b>Strike Price Differential</b>	For Option 1: Means an amount equal to the greater of: a) (Strike Price (after adjustment due to any Strike Price Reset) – Reference Price); and b) zero

	<p>For Option 2: Means an amount equal to the greater of:</p> <ul style="list-style-type: none"><li>a) (Strike Price(after adjustment due to any Strike Price Reset) – Reference Price) ; and</li><li>b) zero.</li></ul> <p>For Option 3: Means an amount equal to the greater of:</p> <ul style="list-style-type: none"><li>a) the Reference Price minus the Strike Price</li><li>b) zero.</li></ul>
--	---

Can-Do instruments are loaded into the Nutron system as simple futures. The value displayed is the fair market value of the instrument with its correct valuation (in the case of an option, the instrument valuation is the option premium)

**\*Please note that due to do the nature of this Can Do structure, the value can be negative.**

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](mailto:cando@jse.co.za)

**Graham Smale**  
**Director: Bonds and Financial Derivatives**  
**Tel: +27 11 520 7831**  
**Fax: +27 11 520 8831**  
**E-mail: [grahams@jse.co.za](mailto:grahams@jse.co.za)**

**Distributed by the Company Secretariat +27 11 520 7346**