

**MARKET NOTICE**

Johannesburg  
Stock Exchange

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[www.jse.co.za](http://www.jse.co.za)

**Number:** 126/2019

**Relates to:**  Equity Market  
 Equity Derivatives  
 Commodity Derivatives  
 Interest Rate and Currency Derivatives

**Date:** 23 April 2019

**SUBJECT:** CAN DO PUT UP AND OUT CALL (XS52)

**Name and Surname:** Valdene Reddy

**Designation:** Head - Equities and Equity Derivatives

The following **knock-out collar** has been listed with immediate effect and is available for trading. 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>	Can Do Put Up and Up-and-Out Call options
<b>Option Style</b>	European
<b>Underlying</b>	Capitec Ltd. Bloomberg Code: CPI SJ Equity
<b>Underlying ISIN</b>	ZAE000035861
<b>Primary Exchange</b>	JSE Ltd.
<b>Underlying Currency</b>	ZAR
<b>Contract Size (Multiplier)</b>	1
<b>Expiration Date</b>	19 December 2019 (Further expiration dates may be added upon request)
<b>Settlement Method</b>	Cash Settled
<b>Minimum Price Movement</b>	ZAR 0.01

<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>	R1,424.85
<b>TERMS &amp; CONDITIONS – OPTION 2</b>	
<b>Type</b>	Up and Out 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>	R1,424.85
<b>Barrier</b>	R20,000.00
<b>Barrier Monitoring</b>	Discrete (end-of-day prices only)
<b>Rebate</b>	R0. For avoidance of doubt, this means that the value of the option will set to zero if the underlying breaches the barrier level.
<b>PROCEDURE FOR EXERCISE</b>	
<b>Expiration and Valuation Time</b>	Official closing time as published by the Underlying Listed Exchange on the Final Valuation Date. Note: If the official closing time of the underlying exchange falls outside the JSE trading hours, the contract will close-out on the following JSE business day using the previous day's official closing price.
<b>Expiration and Valuation Date</b>	19 December 2019 (Further expiration dates may be added upon request)
<b>Reference Level</b>	The level of the Underlying (as published by the JSE) at the Valuation Time on the Valuation Date Date(s)
<b>Automatic Exercise</b>	Applicable. For the avoidance of doubt, Option 1 and Option 2 will be automatically exercised (either together or separately) where the Strike Price Differential for that Option is greater than zero.
<b>SETTLEMENT TERMS</b>	
<b>Cash Settlement</b>	Applicable
<b>Settlement Currency</b>	South African Rand (ZAR)

<b>Cash Settlement Amount</b>	<p>The amount determined on the Valuation Date at the Valuation Time, in accordance with the following formula:</p> <p><b>Number of Option Contracts * Multiplier *</b>  <math display="block">[\max(0, \text{Strike}_{p1} - \text{Spot}_{final}) - \max(0, \text{Spot}_{final} - \text{Strike}_{p2})] \times \text{KO}_{flag}</math></p> <p>Where</p> <ul style="list-style-type: none"> <li>• <b>Strike<sub>p1</sub></b> refers to the strike price of option 1;</li> <li>• <b>Strike<sub>p2</sub></b> refers to the strike price of option 1;</li> <li>• <b>Spot<sub>final</sub></b> refers to end-of-day spot price valuation on the expiration date; and</li> <li>• <b>KO<sub>flag</sub></b> is 0 if a barrier event was triggered throughout the life of the option, and 1 otherwise.</li> </ul>
<b>Business Days</b>	Johannesburg
<b>Business Day Convention</b>	Following (Cash flows that fall on a non-business day are assumed to be distributed on the following business day)
<b>COST IMPLICATIONS</b>	
<b>JSE Trading Fees</b>	<p>See Can-Do Booking Fee Schedule – Fee Model EXO:  <a href="https://www.jse.co.za/content/JSEpricingItems/MPL/JSE%20Price%20List%202019%20-%20Issuers,%20Services%20and%20Trading.pdf">https://www.jse.co.za/content/JSEpricingItems/MPL/JSE%20Price%20List%202019%20-%20Issuers,%20Services%20and%20Trading.pdf</a></p>

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).

Should you have any queries regarding Can-Do instruments, please contact the Can-Do Team on **011 520-7981** or [EDM@jse.co.za](mailto:EDM@jse.co.za)

This Market Notice will be available on the website at <https://www.jse.co.za/redirects/market-notices-and-circulars>

