

## AUDIT PROCESS

### PRICE INFORMATION VALIDATION AND AUDIT

- Price information from contributing abattoirs shall be received by the JSE weekly at Close of Business but no later than 18h00 on Tuesdays (T-1).
- No price information received later than the set time will be considered by the JSE for final price settlement purposes.
- On second Wednesday of the month - the Last Trading Day (T), the JSE will validate the quality of data before publishing an indicative Final Settlement Price (FSP) to the market. Specifically, the following trigger points will be given special attention:
  - Prices that are more than or less than 10% from the mean will be flagged.
  - Contributors of flagged information will be checked for holding positions in the derivatives market.
- Once flagged, the JSE will request detailed ledgers from the flagged contributor to satisfy it that the contributed price information is indeed correct. (T).
- If submitted information is indeed verified, the JSE will uphold the contributed price information from the flagged abattoir. (T+1)
- Alternatively, if the JSE is still concerned after the initial enquiry, the JSE may request to send in an independent auditor on site to do further audits and inspections. The finding of the independent auditor will be final. In this case the contributed price information from the flagged contributor will be excluded from the final price settlement to allow the independent audit to take its course.
- Final Settlement Price will be calculated and published at 12h00 on Friday (T+2) immediately following Last Trading Day.
- Initial Margin will be returned on T+3
- The settlement process is sketched below:

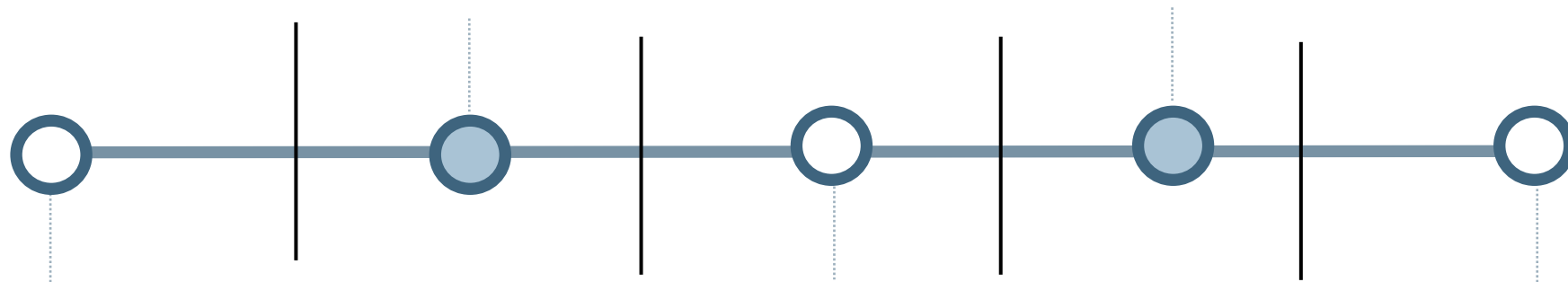
## THE SETTLEMENT PROCESS

### LAST TRADING DAY (T)

- Second Wednesday of Expiry Month;
- Provisional daily MtM settlement price;
- Final price calculation;
- Price validation with contributors, as required.

### FRIDAY (T+2)

- Final Settlement Price published



### SECOND TUESDAY OF EXPIRY MONTH (T-1)

- Price information received at COB from RMAA;

### THURSDAY (T+1)

- Site audits, as required;
- Revision of calculated price, as required.

### MONDAY (T+3)

- Return of Initial Margin

