

# Directive of Strate (Pty) Ltd

Special Gazette Number [ S8-2021 ]  
Strate Directive SC.3

Special Circumstances for the Reversal of  
Commitments - Equities



**strate**

## To provide for special circumstances under which commitments to settle transactions may be reversed

Contents of this material are protected under South African copyright law. No part of this material may be copied, completely or partially, either electronically or manually, without the written consent of Strate (Pty) Ltd. This material remains the sole property of Strate (Pty) Ltd

---

### INDEX

1. INTERPRETATIONS AND DEFINITIONS
2. REVERSAL OF COMMITMENTS

## 1. INTERPRETATIONS AND DEFINITIONS

In this Directive, any interpretation, word, or expression to which a meaning has been assigned in the Strate Rules bears a meaning so assigned to it.

.....  
(Deletion of "JSE Settlement Authority" deleted with effect 1 December 2021)

**'Exchange'** means the market infrastructure which has appointed Strate to provide Settlement Services

(Insertion of "Exchange" effective on 1 December 2021)

**'Exchange Trading System'** means the computer system or systems and associated network or networks operated or used by the Exchange for the purpose of providing a market for the trading of equity Securities; and

(Replacement of "JSE" with Exchange effective on 1 December 2021)

**'Strate Settlement Services'** means the operations division of Strate responsible for communication between applicable stakeholders relating to settlement operations.

(Amended term and definition effective on 1 December 2021)

## 2 REVERSAL OF COMMITMENTS

2.1 A committed settlement may only be reversed without the intention of re-committing, between 18h00 on T+1 and 15h00 on T+2, under exceptional circumstances. All applications for such a reversal are required to be processed in consultation with, and approval by, the Exchange, where applicable, via Strate Settlement Services

2.2 For the purposes of this Strate Directive, exceptional circumstances shall be determined by the Controlling Body. The Controlling Body has determined the circumstances in 2.2.1, 2.2.2 and 2.2.3 below. Additional circumstances may be determined by the Controlling Body upon request.

2.2.1 An order pertaining to an Insolvency Proceeding against a Client of a Participant; or

2.2.2 A notice of the death of a Client of a Participant; or

2.2.3 Reversal instructions from the Exchange.

2.3 In the case of an Insolvency Proceeding in paragraph 2.2.1 above, the Participant must submit a copy of the relevant order to Strate Settlement Services together with a notice specifying the Insolvency Proceeding.

2.4 In the case of the death of a Client of a Participant in paragraph 2.2.2 above, the Participant must submit a copy of the relevant notice to Strate Settlement Services.

2.5.1 The Moment of Finality of Instructions referred to in the Strate Rules is 16h00 on T+2.

2.5.2 Notwithstanding paragraph 2.5.1 above, in the event of technical difficulties and in consultation with Strate Settlement Services and the Exchange the Moment of Finality of Instructions referred to in the Strate Rules will be the moment immediately preceding settlement, on settlement day.