

Directive of Strate (Pty) Ltd

Special Gazette No [Y1-2021]

Strate Directive SH.3

Operational Market Windows for Open
Market - Equity Securities – ¹Cape
Town Stock Exchange (CTSE)CTSE

strate

¹ Amended with effect 13 October 2021

To cater for the Settlement of transactions in equity Securities traded on²CTSE; to cater for the Settlement of Off-Market Trades, to provide for special circumstances under which commitments to Settle transactions in equity Securities traded on³CTSECTSE may be reversed, to cater for the processing of corporate actions; to cater for proxy voting; and to cater for other related matters

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1. INTERPRETATION AND DEFINITIONS

1.1 Settlement Types of Transactions:

- 1.1.1 DVP – Delivery Versus Payment
- 1.1.2 RVP – Receive Versus Payment
- 1.1.3 DFP – Deliver Free of Payment
- 1.1.4 RFP – Receive Free of Payment
- 1.1.5 RMO – Receive Money Only
- 1.1.6 PMO – Pay Money Only

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

⁴‘CTSE’ or ‘the Exchange’ means ⁵Cape Town Stock Exchange (CTSE) Proprietary Limited (registration number 2013/031754/07);

⁶‘CTSE Failed Trade Procedures’ means the actions to be taken by the ⁷CTSE in respect of On-market Trades executed on ⁸CTSE that are unlikely to Settle, as set out in the ⁹CTSE rules;

‘Account Transfer’ means a free of payment transfer, resulting in no change in beneficial ownership, between a Client’s Securities Accounts, either at a single Participant or between Participants;

‘Announcement’ means all notices regarding rights and other benefits accruing to owners of Securities, which are published by Issuers in terms of the ¹⁰CTSE Listing Requirements;

‘Back-to-Back Link’ or ‘Back-to-Back’ means the functionality which links two or more transactions of the same Settlement date, and where the delivery of Securities is dependent upon the successful receipt of the same Securities. The criteria for applying these links are that the Securities, the Settlement date and the CSA must be the same for all the Settlement orders within the link;

‘BOD’ means ‘Beginning of Day’ and is the time as stipulated in this Strate Directive;

‘Broker’ means an authorised User, being a person authorised by ¹¹CTSE in terms of the ¹²CTSE Exchange rules to perform such Securities Services as the ¹³CTSE Exchange rules may permit;

‘Business Partner’ means an entity which is not a Participant and which electronically interfaces with Strate to perform an essential market function;

‘CMFE’ means the Centralised Messaging Front End;

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‘Collateral Account’ means a Securities Account or Central Securities Account in which a Client places Securities available for the purpose of a Collateral Agreement, or a balance in a Securities Account or Central Securities Account which has been designated by a Client as available for the purpose of a Collateral Agreement;

‘Collateral Account Transfer’ means an Account Transfer from a Client’s Securities Account or Central Securities Account to the Client’s Collateral Account, and vice versa;

‘Collateral Agreement’ means an agreement between a Collateral Provider and a Collateral Taker, in terms of which a Collateral Provider grants or transfers an interest in Securities or Securities to a Collateral Taker, whether by means of a pledge, cession in securitatem debiti (cession to secure a debt) or an out-and-out cession (outright transfer), in order to secure the performance of relevant obligations;

‘Collateral Provider’ means a person who grants or transfers an interest in Securities or Securities to a Collateral Taker under a Collateral Agreement;

‘Collateral Return Transaction’ means a transaction where an interest in Securities or Securities are returned by the Collateral Taker to the Collateral Provider under a Collateral Agreement;

‘Collateral Taker’ means a person to whom an interest in Securities or Securities is granted or transferred by a Collateral Provider under a Collateral Agreement;

‘Collateral Transaction’ means a transaction affecting the granting or the transfer of an interest in Securities or Securities to a Collateral Taker by a Collateral Provider under a Collateral Agreement;

‘Compulsory Reverse Substitution’ means a transaction that has been booked on ¹⁴CTSE to a Non-controlled Client where the Non-controlled Client fails to meet its obligations and the ¹⁵CTSE Broker assumes the obligation to Settle the transaction through such ¹⁶CTSE Broker’s Participant;

‘Corporate Action’ or ‘Corporate Event’ means an action taken by an Issuer or any other entity or third party which affects the owners of Securities in terms of entitlements or notifications;

‘CSA’ means Central Securities Account;

‘Default Option’ means the election option announced by the Issuer or Transfer Agent that is applied to the Clients’ holdings if the Client fails to make an election;

‘Dependency Link’ means the functionality which links two or more transactions across different Settlement dates, and where the delivery of Securities is dependent upon the successful receipt of the same Securities; The criteria for applying these links are that the Securities and CSA must be the same for all the Settlement orders within the link;

‘Depository Receipt’ means a Security traded on a local Exchange or Off-market that represents a Security, usually in the form of equity, traded on an external Exchange;

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‘Elective Event’ means a Corporate Action that takes place with action required on the part of the holder of the Security, and where the benefits that accrue to owners of Securities are not automatically disbursed by the Issuer but require an election to be made in line with the terms of the Corporate Action;

‘EOD’ means ‘End of Day’ and is the time as stipulated in this Strate Directive;

‘Exchange Margin Requirement’ means Securities or funds provided by Members to cover their exposures on ¹⁷CTSE, for the assurance of Settlement;

‘Failed Trade’ means a transaction in equity Securities which ¹⁸CTSE deems to be a failed trade on the basis that neither the Client nor Broker/Member, as applicable, is able to ensure that such transaction will Settle on the Settlement date or any revised Settlement date;

‘ISIN’ means the International Securities Identification Number which is a unique internationally recognized Securities identification number that identifies the specific Security;

‘Lending Account’ means a Securities Account or Central Securities Account in which a Client places Securities available for lending to the market, or a balance in a Securities Account or Central Securities Account which has been designated by a Client as available for lending to the market;

‘Lending Account Transfer’ means an Account Transfer from a Client’s Securities Account to the Client’s Lending Account, and vice versa;

‘LDT’ means Last Day to Trade, which is the last Business Day that anyone can trade On-market in order to qualify or participate in a Corporate Action;

‘LDT+X’ means Last Day to Trade plus X Business Days, ‘X’ being the number of Business Days stipulated in the Strate Directive;

‘Member’ means an authorised user, being a person authorised by an Exchange in terms of the Exchange rules to perform such Securities services as the Exchange rules may permit;

‘MT XXX’ means the applicable SWIFT message type as identified by SWIFT from time to time;

‘Meeting Record Date’ means the Record Date used for the purpose of determining which Shareholders are entitled to participate in and vote at a Shareholders meeting;

‘Non-controlled Client’ means a Client or an account holder on whose behalf a Client is acting, who has appointed its own Participant to Settle transactions in equity Securities on its behalf, in accordance with the ¹⁹CTSE rules;

‘On-market trade’ or ‘On-market’ means a transaction in Securities executed on the ²⁰CTSE Exchange;

‘Payment Date’ means the date on which entitlements are paid;

‘Portfolio Movement’ means a free of payment transfer, resulting in no change in beneficial ownership, of a

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Client's Securities portfolio when such Client changes service providers. The Portfolio Movements may take place between two Participants, two Brokers, two Investment managers or a combination thereof;

'RD+X' means the Record Date plus X Business Days, 'X' being the number of Business Days stipulated in the Announcement and or Strate Directive;

'RD-X' means the Record Date minus X Business Days, 'X' being the number of Business Days stipulated in the Announcement and or Strate Directive;

'Record Date' or 'RD' means the date on which the holdings, upon which the Corporate Action entitlement is based, are ascertained;

'Reverse Substitution' means a Compulsory Reverse Substitution or a Voluntary Reverse Substitution;

'S' means Settlement date, which is the Business Day on which a transaction in a particular Security is Settled through Strate;

'Same Day Settlement' means a transaction reported to Strate on the same day on which Settlement occurs, irrespective of the actual trade date;

'Securities Lending Business Partner' means a Business Partner that reports Securities Lending Transactions, Securities Lending and Borrowing Return Transactions, Collateral and Collateral Return Transactions;

'Securities Lending Transaction' or 'Securities Lending and Borrowing Transaction' means an arrangement in terms of which a person (lender) lends Securities to another person (borrower) subject to the borrower agreeing to return the loaned Securities within an agreed time period. Once the loaned Securities have Settled, ownership of the Securities is transferred to the borrower. The borrower has the right to sell or on-lend the Securities during the life of the loan. In return, the borrower agrees to compensate the lender for any Corporate Events in respect of the Securities which that lender would have been entitled to receive during the period of the loan had the arrangement not been entered into;

'Securities Lending and Borrowing Return Transaction' means the return of Securities which had been loaned in terms of a Securities Lending and Borrowing Transaction;

'SDA' means Segregated Depository Account, and any reference to Securities Account includes SDA;

'Strate Settlement Services' means the department within Strate responsible for communication between Participants, Exchanges, Authorised Users, SARB and Strate relating to Settlement operations;

'Strate Corporate Actions' means the department within Strate responsible for communication between Participants, Business Partners, Exchanges and Strate relating to Corporate Actions;

'Strate Supervision' means the supervision division headed by the Head of Supervision and set up by the Controlling Body in terms of the Strate Rules;

'SWIFT' means Society for Worldwide Interbank Financial Telecommunications;

'T' means trade date, the day on which a particular Security was traded;

'T+X' means trade date plus X Business Days, 'X' being the number of Business Days stipulated in the

Strate Directive;

'Transfer Agent' means any person appointed by the Issuer to act as its agent in the performance of the functions set out in this Strate Directive and includes any transfer secretary appointed by the Issuer; and

'Voluntary Reverse Substitution' means a transaction that has been booked to a Non-controlled Client's account on the ²¹CTSE system and is reversed to a ²²CTSE Broker's proprietary account.

1.3 Days shall be calculated in South African Business Days. Where a transaction occurs on a non-South African Business Day, the day of such transaction shall be deemed to be the next South African Business Day following such non-South African Business Day.

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2. SETTLEMENT OF ON-MARKET TRADES

2.1 GENERAL

2.1.1 the following are the basic considerations and assumptions on which the operational timings in this Strate Directive are based:

- 2.1.1.1 the timings are those established in the Strate System;
- 2.1.1.2 for all incoming messages, it is 'Received Time' by the Strate System;
- 2.1.1.3 for all outgoing messages, it is 'Sent Time' by the Strate System; and
- 2.1.1.4 for internal processing, it is 'Processing Time' by the Strate System.

2.1.2 A Participant must have at least one Central Securities Account at Strate.

The timings on transaction acceptance, confirmations and commitments, as provided for in this Strate Directive are not driven by system controls. As a result, it is possible that the Strate System might accept inputs beyond these timings. Such acceptances must not be seen as an assurance that the transactions will Settle.

2.2 Operational Timings

The following operational timings apply in respect of the Settlement of transactions in equity Securities traded on the ²³CTSE Exchange, where the Securities are held by multiple Participants. These operational timings are based on the assumptions and considerations provided in sub-section 2.1.

- 2.2.1 The Strate System BOD is run at 03h00. The Strate System EOD is at 19h00. Should ²⁴CTSE Exchange or a Participant require Strate to move the EOD parameter beyond 19h00, the requestor needs to inform Strate in writing by no later than 17h30 on such day.
- 2.2.2 The Settlement cycle for ²⁵CTSE On-market trades is T+3. ²⁶CTSE Exchange sends new On-market trades to Strate from 09h00 to 17h00 on T. ²⁷CTSE sends corrective On-market trades to Strate between 09h00 and 18h00 on T.
- 2.2.3 Strate will send to Participants new and corrective On-market trades received in terms of 2.2.2, upon receipt of such On-market trades from ²⁸CTSE Exchange.
- 2.2.4 A Participant may reject On-market trades received from Strate. If On-market trades are rejected by a Participant, ²⁹CTSE Exchange may amend the On-market trades by way of a cancellation

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from 09h00 on T until 18h00 on T+1.

- 2.2.5 A Participant must ensure that an instruction is received from its Client prior to committing to On-market trades.
- 2.2.6 Subject to 2.2.3 and 2.2.4, a Participant must process commitments to On-market trades by 15h00 on T+2. If a Participant is unable to commit to the On-market trades, it must inform Strate Settlement Services and ³⁰CTSE Exchange of its intentions and reasons for failing to process commitments.
- 2.2.7 A Participant may only un-commit to committed On-market trades subject to approval by ³¹CTSE via Strate Settlement Services, in accordance with section 4 below.
- 2.2.8 Back-to-Back Links for On-market trades must be in place by 15h00 on T+2. If a Dependency Link is created for un-committed transactions, it must be in place by 15h00 on T+2.
- 2.2.9 The removal program that breaks the Back-to-Back Links is initiated by Strate Settlement Services, as required and in consultation with ³²CTSE, Participants and any other applicable Exchange.
- 2.2.10 ³³CTSE will initiate Compulsory Reverse Substitution at 16h00 on T+2 and generate On-market trades to Strate thereafter. Strate will send Compulsory Reverse Substitution On-market trades to Participants upon receipt from 16h00 on T+2, and Participants must process commitments to such On-market trades by 18h00 on T+2.
- 2.2.11 In the event that an On-market trade is identified as a potential Failed Trade, ³⁴CTSE may initiate the Failed Trade Procedures on T+2 after completion of Compulsory Reverse Substitution. ³⁵CTSE may also initiate the Failed Trade Procedures between 10h00 and 12h00 on T+3 for any un-Settled transactions.
- 2.2.12 Upon completion of the Failed Trade Procedures, Strate will extend operating windows to enable Participants to un-commit, process commitments, create Back-to-Back or Dependency Links, or remove Back-to- Back Links.
- 2.2.13 Settlement of committed On-market trades is initiated from BOD on S.
- 2.2.14 Strate will initiate settlement runs as required. The first settlement run is initiated at 07h30 and the last settlement run is initiated at 15h00. Participants must instruct their Settlement bank to fund the applicable SAMOS accounts by 09h00 on S for the first settlement run, and within 30 (thirty) minutes of their receipt of the payment advice from Strate for subsequent settlement runs.

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- 2.2.15 Strate sends Settlement confirmation messages to Participants and ³⁶CTSE Exchange once Settlement is completed.
- 2.2.16 Participants must reconcile their Securities positions in the Strate System. For this purpose, the Strate System generates a statement of holdings message at 18h00 on a daily basis or only on such days when there has been a change in Securities positions in a Central Securities Account, as required by Participants, and sends it to the Participant. In case of any discrepancies, the Participant is required to request the audit trail details by requesting a statement of transactions message.

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2.3 Operational Timings – Exchange Margin Requirement –

- 2.3.1 The following operational timings apply in respect of the Settlement of Exchange Margin Requirement transactions generated by ³⁷CTSE. These operational timings are based on the assumptions and considerations provided in sub-section 2.1.
- 2.3.2 The Settlement cycle for ³⁸CTSE Exchange Margin Requirement transactions is T+0. ³⁹CTSE will send to Strate Exchange Margin Requirement transactions as follows:
 - 2.3.2.1 cash collateral calls and refunds between 09h00 and 15h00 on T;
 - 2.3.2.2 Securities collateral calls and refunds between 09h00 and 17h00 on T.

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3. DEMATERIALISATION AND REMATERIALISATION

3.1 Dematerialisation

Dematerialisation must be processed in accordance with Strate Directive SB.1 – *for Conversion of Certificated Securities to Uncertificated Securities and Vice Versa – Equity and Bond Securities*.

3.2 Rematerialisation

Rematerialisation must be processed in accordance with Strate Directive SB.1 – *Procedure for Conversion of Certificated Securities to Uncertificated Securities and Vice Versa – Equity and Bond Securities*.

4. SPECIAL CIRCUMSTANCES FOR THE REVERSAL OF TRADES

4.1 A committed transaction may only be reversed under exceptional circumstances. All applications for such a reversal are required to be processed in consultation with ⁴⁰CTSE Exchange via Strate Settlement Services.

4.2 For the purposes of this Strate Directive, the Controlling Body has determined the following exceptional circumstances:

- 4.2.1 The issue of an order or notice pertaining to an Insolvency Proceeding against a Client of a Participant;
- 4.2.2 A notice of the death of a Client of a Participant; or
- 4.2.3 Reversal instructions from ⁴¹CTSE Exchange.

Additional circumstances may be determined by the Controlling Body upon request.

4.3 In the case of an Insolvency Proceeding in paragraph 4.2.1 above, the Participant must submit a copy of the relevant order or notice to Strate Settlement Services.

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

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5. SETTLEMENT OF OFF-MARKET TRANSACTIONS

5.1 Matching

The matching criteria for all Off-Market Transactions consists of first and second level matching.

5.1.1 The first level matching is:

- ISIN
- Settlement type (RFP/DFP/RVP/DVP)
- Securities quantity
- Trade date
- Settlement date
- Trading party's / counterparty's Client Securities Account number
- Trading party's / counterparty's Participants' BP ID (Business Partner identification number)

5.1.2 The second level matching is:

- Client type
- Consideration / Rand amount
- Taxable indicator

6. Off-Market Transactions (Client Type 00)

6.1 All Off-market transactions for Client type "00" must conform to a T+3 cycle.

6.2 Off-market transactions are not guaranteed by ⁴²CTSE.

6.3 Off-market transactions are reported by the seller and purchaser of Securities to the relevant Participant.

6.4 Participants must report and match the Off-market transaction instruction for Client type "00" by 13h00 on T+2 (S-1).

6.5 In the event that a Participant receives an Off-market transaction instruction after the cut-off for reporting transactions to Strate, or the transactions do not match by the cut-off, the Participant may facilitate the Settlement process by reporting the Off-market transaction instruction to Strate for the next available Settlement date. This facilitation process may continue for a maximum of 9 (nine) Business Days after the trade date of the original instruction, after which the original instruction must be cancelled. The Participants are not permitted to amend the trade date of the original instruction.

6.6 Participants must commit to the Off-market transaction for Client type "00" by 15h00 on T+2 (S-1).

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- 6.6.1 Back-to-Back Links to committed Off-market transactions for Client type “00” must be in place by 18h00 on T+2 (S-1). If a Back-to-Back Link is created for un-committed transactions, it must conform to the commit cut-off applicable to each linked transaction.
- 6.6.2 Back-to-Back Links may be created or removed on S for transactions affected by the ⁴³CTSE’s Failed Trade management process, and the following procedure must be followed:
- 6.6.2.1 the requesting Participant must send a written request to Strate Settlement Services and the counterparty Participant;
 - 6.6.2.2 the counterparty Participant must send a written acceptance of the request to Strate Settlement Services;
 - 6.6.2.3 Strate Settlement Services reviews both the request and acceptance, and where Strate, in consultation with ⁴⁴CTSE, has determined that there is no On-market dependency or potential market risk, Strate Settlement Services may open the Back-to-Back window upon receipt of a telephonic request from the Participant for Ta maximum of 30 (thirty) minutes and permit the requesting Participant to create or remove a Back-to-Back link. If there is an On-market dependency, Strate Settlement Services may open the window and permit the requesting Participant to create a Back-to-Back link, in consultation with ⁴⁵CTSE.
- 6.6.3 If a Dependency Link is created for un-committed transactions, it must conform to the same commit cut-off.
- 6.7 Same Day Settlement of Off-market transactions for Client type “00” is not permitted, except as provided in section 11 of this Strate Directive.
- 6.8 A Participant may un-commit to an Off-market transaction where there is no On-market dependency up until 15h00 on T+2 (S-1) but this is dealt with in terms of 6.9 below if the order is in a 'Ready for Settlement' status.
- 6.9 In the event a Participant intends to un-commit to an Off-market transaction for Client type “00” in a 'Ready for Settlement' status:
- 6.9.1 the requesting Participant must send a written request to Strate Settlement Services and the counterparty Participant;
 - 6.9.2 the counterparty Participant must send a written acceptance of the request to Strate Settlement Services; and
 - 6.9.3 Strate Settlement Services reviews both the request and the acceptance and where Strate, in consultation with ⁴⁶CTSE, has determined that there is no On-market dependency or potential market risk, Strate Settlement Services may open the un-commit window upon receipt of a telephonic request from the Participant for a maximum of 30 (thirty) minutes and permit the requesting Participant to un-commit. If there is an On-market dependency, Strate Settlement Services may open the window and permit the requesting Participant to un-commit, in consultation with ⁴⁷CTSE.

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- 6.10 A Participant must report to Strate all internal Off-market transactions, where the Participant is settling both legs of the transactions.
- 6.11 Instructions reported incorrectly to Strate must be cancelled or corrected and not left to fail in the system. Corrections of Off-market transactions for Client type “00” must be made prior to 15h00 on T+2 (S-1) in terms of 6.9. Cancellations of uncommitted transactions are permitted until S.
- 6.12 Only the following transactions are allowed to fail in Strate:
- 6.12.1 transactions that are reported against a counterparty who does not match the transaction, and such transactions are not reported for Settlement at a future date in terms of this Strate Directive;
 - 6.12.2 transactions that are reported but are short of Securities; or
 - 6.12.3 Settlement not funded during the specified payment window.
- 6.13 A Participant must check the status of its own transactions by monitoring its status intimations.
- 6.14 A Participant may use the ‘Query Facility’ in CMFE available to it, in order to monitor its own transactions and check the transactions reported against it.
- 6.15 Participants must populate the ‘Taxable Indicator Field’ when they report the Off-market transaction to Strate, to indicate whether or not Securities Transfer Tax (STT) is payable in accordance with the STT Act. Participants must default the ‘Taxable Indicator Field’ to Yes ‘Y’, unless the Client is exempt from STT, in which case the Participants should set the ‘Taxable Indicator’ to No ‘N’
- 6.16 A Participant must ensure that if its Client will be the beneficial owner of BEE Securities and subject to the manner of BEE Verification specified in the relevant BEE Ownership Scheme,
- 6.16.1 its Client:
 - 6.16.1.1 is a BEE Compliant Person;
 - 6.16.1.2 has signed a BEE Contract together with the other relevant persons who should be parties to that BEE Contract;
 - 6.16.1.3 if a natural person, has furnished to the Participant a copy of his/her identity document or a naturalisation affidavit, as the case may be, for the purposes of the Client satisfying the requirements of the BEE Contract; and
 - 6.16.1.4 if not a natural person, has furnished to the Participant a valid BEE Certificate, or
 - 6.16.2 the Participant has obtained a BEE Verification in respect of its Client, prior to reporting an Off-market transaction in respect of BEE Securities on behalf of that Client.
- 6.17 Strate will initiate payment settlement runs as required. The first settlement run is initiated at 07h30 and the last settlement run is initiated at 15h00. Participants must instruct their Settlement bank to fund the applicable SAMOS accounts by 09h00 on S for the first settlement run, and within 30 (thirty) minutes of their receipt of the payment advice from Strate for subsequent settlement runs.

6.18 In the event of an Off-market transaction being impacted by the ⁴⁸CTSE's Failed Trade management process, Strate may extend the operating windows to enable Participants to un-commit, commit, create Back-to-Back or Dependency Links, or remove Back-to-Back Links.

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7. SECURITIES LENDING

7.1 Off-Market Securities Lending and Borrowing (SLB), SLB Return, Collateral and Collateral Return Transactions:

- 7.1.1 A minimum T+0 Settlement cycle is permitted, unless there is an On-market or Off-market dependency, in which case a minimum T+1 Settlement cycle is required. The Client type for SLB, SLB Return, Collateral and Collateral Return Transactions is “50” for Participants. Securities Lending Business Partners may use Client type “50” under exceptional circumstances.
- 7.1.2 SLB, SLB Return, Collateral and Collateral Return Transactions issued by Participants must be reported to Strate by 13h00 on S; or by 13h00 on S-1, where there is an On-market or Off-market dependency.
- 7.1.3 SLB, SLB Return, Collateral and Collateral Return Transactions issued by Participants must be committed to by 15h00 on S; or by 15h00 on S-1, where there is an On-market or Off-market dependency.
- 7.1.4 Same Day Settlement of SLB, SLB Return, Collateral and Collateral Return Transactions is permitted on Record Date (RD) for Securities where there is a pending Corporate Event, provided that the transactions are reported to Strate and matched by 09h00 and the Participant must commit by 10h00. Thereafter, Participants must adhere to section 11 of this Strate Directive.
- 7.1.5 If a Back-to-Back Link is created for an SLB, SLB Return, Collateral and Collateral Return Transaction entered into for a transaction that is subject to Reverse Substitution, the Back-to-Back Link must be created by 18h00 on S-1.
- 7.1.6 SLB, SLB Return, Collateral and Collateral Return Transactions are not permitted in respect of BEE Securities, except with a written confirmation provided by the BEE Issuer Verification Agent as permitted pursuant to the relevant BEE Ownership Scheme.
- 7.1.7 In the event that a Participant intends to un-commit to an SLB, SLB Return, Collateral and Collateral Return Transaction in a ‘Ready for Settlement’ status:
 - 7.1.7.1 the Participant must send a written request to Strate Settlement Services and copy the counterparty Participant;
 - 7.1.7.2 the counterparty Participant must send a written acceptance of the request; and
 - 7.1.7.3 Strate Settlement Services reviews both the request and the acceptance and where Strate, in consultation with ⁴⁹CTSE, has determined that there is no On-market dependency or potential market risk, Strate Settlement Services may open the un-commit window upon receipt of a telephonic request from the Participant for a maximum of 30 (thirty) minutes and permit the requesting Participant to un-commit. If there is an On-market dependency, Strate Settlement Services may open the window and permit the requesting Participant to un-commit, in consultation with ⁵⁰CTSE.

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7.2 Securities Lending and Borrowing – Business Partners

- 7.2.1 Same Day Settlement of Securities Lending and Borrowing Transactions and Securities Lending and Borrowing Return Transactions is permitted, unless there is an On-market or Off-market dependency, in which case a minimum T+1 Settlement cycle is required.
- 7.2.2 The Client type for a Securities Lending and Borrowing Transaction is “51”. The Client type for a Securities Lending and Borrowing Return Transaction is “52”.
- 7.2.3 Securities Lending Business Partners must report Securities Lending and Borrowing Transactions and Securities Lending and Borrowing Return Transactions to Strate by 13h00 on S; or by 13h00 on S-1, where there is an On-market or Off-market dependency. The Securities Lending Business Partner should also ensure that their Clients have instructed their Participant to act on the Securities Lending and Borrowing Transactions by these timelines.
- 7.2.4 Securities Lending and Borrowing Transactions and Securities Lending and Borrowing Return Transactions reported by Securities Lending Business Partners must be committed to by 15h00 on S; or by 15h00 on S-1, where there is an On-market or Off-market dependency.
- 7.2.5 Same Day Settlement of Securities Lending and Borrowing transactions is permitted on Record Date (RD) for Securities where there is a pending Corporate Event, provided that the transactions are reported to Strate and matched by 09h00 and the Participant must commit by 10h00. Thereafter, Securities Lending Business Partners must adhere to section 11 of this Strate Directive.
- 7.2.6 If a Back-to-Back Link is created for a Securities Lending Transaction entered into for a transaction that is subject to Reverse Substitution, the Back-to-Back Link must be created by 18h00 on S-1.
- 7.2.7 In the event that a Participant intends to un-commit to a Securities Lending and Borrowing Transaction or a Securities Lending and Borrowing Return Transaction in a ‘Ready for Settlement’ status:
 - 7.2.7.1 the Participant must send a written request to Strate Settlement Services and copy the counterparty Participant;
 - 7.2.7.2 the counterparty Participant must send a written acceptance of the request; and
 - 7.2.7.3 Strate Settlement Services reviews both the request and the acceptance and where there is no On-market dependency or potential market risk, Strate Settlement Services may open the uncommit window upon receipt of a telephonic request from the Participant for a maximum of 30 (thirty) minutes and permit the requesting Participant to un-commit. If there is an On-market dependency, ⁵¹CTSE is consulted for approval.

8. ACCOUNT TRANSFERS

⁵¹ Amended with effect 13 October 2021
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- 8.1 Same Day Settlement of Account Transfers, between Participants and internally involving a single Participant, is permitted. The Client type for an Account Transfer is “30”.
- 8.2 Subject to 8.4 below, all Account Transfers must be reported to Strate, matched and committed by 18h00 on S.
- 8.3 Account Transfers are permitted provided that there is no change in beneficial ownership.
- 8.4 Same Day Settlement of Account Transfers, between Participants and between Central Securities Accounts when the transfer involves a single Participant, is not permitted on Record Date (RD) for Securities where there is a pending Corporate Event, except as provided in section 11 of this Strate Directive.
- 8.5 Participants must process Account Transfers with the free of payment Settlement type (RFP/DFP).

9. DEPOSITORY RECEIPTS (DRs)

- 9.1 A minimum T+1 Settlement cycle is permitted. The Client type for a DR is “40”.
- 9.2 DR transactions issued by Participants must be reported to Strate and matched by 13h00 on S-1, and committed by 15h00 on S-1.
- 9.3 In the event that a Participant receives a DR instruction after the cut-off for reporting transactions to Strate, or the transactions do not match by the cut-off, the Participant may facilitate the Settlement process by reporting the DR instruction to Strate for the next available Settlement date. This facilitation process may continue for a maximum of 9 (nine) Business Days after the trade date of the original instruction after which it must be cancelled. The Participants are not permitted to amend the trade date of the original instruction.
- 9.4 Same Day Settlement of DR transactions is not permitted, except as provided in section 11 of this Strate Directive.
- 9.5 In the event that a Participant intends to un-commit to a DR transaction in a ‘Ready for Settlement’ status:
 - 9.5.1 the Participant must send a written request to Strate Settlement Services and copy the counterparty Participant;
 - 9.5.2 the counterparty Participant must send a written acceptance of the request to Strate Settlement Services; and
 - 9.5.3 Strate Settlement Services reviews both the request and the acceptance and where there is no On-market dependency or potential market risk, Strate Settlement Services may open the un-commit window upon receipt of a telephonic request from the Participant for a maximum of 30 (thirty) minutes and permit the requesting Participant to un-commit. If there is an On-market dependency, ⁵²CTSE is consulted for approval.

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10. PORTFOLIO MOVEMENTS

- 10.1 Same Day Settlement of Portfolio Movements, between Participants and internally involving a single Participant, is permitted. The Client type for a Portfolio Movement is “31”.
- 10.2 Subject to 10.4 below, all Portfolio Movements must be reported to Strate, matched and committed by 18h00 on S.
- 10.3 Portfolio Movements are permitted provided that there is no change in beneficial ownership.
- 10.4 Same Day Settlement of Portfolio Movements, between Participants and between Central Securities Accounts where the transfer involves a single Participant, is not permitted on Record Date (RD) for Securities where there is a pending Corporate Event, except as provided in section 11 of this Strate Directive.
- 10.5 Participants must process Portfolio Movements with the free of payment Settlement type (RFP/DFP).

11. SAME DAY SETTLEMENT

- 11.1 The prohibition against same day transactions as stipulated in clauses 6.7, 8.4, 9.4, 10.4 and 16.5 of this Strate Directive applies.
- 11.2 Notwithstanding paragraph 11.1, Same Day Settlement may be allowed at the discretion of Strate if:
 - 11.2.1 The request for the Same Day Settlement has been sent electronically by the Participant to stratehelpdesk@strate.co.za:
 - 11.2.1.1 before 13h00 for transactions involving payment in order to allow sufficient time for consideration, approval and processing before the third SAMOS settlement run; and
 - 11.2.1.2 before 18h00 for free of payment transactions.
 - 11.2.2 On Record Date for Securities where there is a pending Corporate Event, the request for Same Day Settlement has been sent electronically by the Participant or Securities Lending Business Partner to stratehelpdesk@strate.co.za (the Securities Lending Business Partner must copy the relevant Participant via email) and all transactions must be reported to Strate and matched by 09h00 and the Participant must commit by 10h00; Same Day Settlement of SLB, SLB Return, Collateral and Collateral Return Transactions reported after 09h00 on Record Date for Securities where there is a pending Corporate Event, must adhere to paragraph 11.2.1 subject to submission of an electronic request to stratehelpdesk@strate.co.za.
 - 11.2.3 The prior approval in electronic form is obtained from Strate Settlement Services; and
 - 11.2.4 An administration fee of a requisite amount per transaction is paid to Strate.
- 11.3 Where a Same Day Settlement has been allowed in terms of 11.2.1.1, the instruction must be reported to Strate, matched and committed by the Participant by 14h00 on Settlement date.
- 11.4 Same Day Settlement transactions may be linked via Back-to-Back functionality, subject to a request being sent electronically to stratehelpdesk@strate.co.za.
- 11.5 Prior to requesting authority for the Same Day Settlement as stated in 11.2 the Participant must have evaluated, and assumed responsibility for, the potential Corporate Action implications resulting from a Same Day Settlement. Participants must communicate their intention to conclude a Same Day Settlement to Strate Corporate Actions via telephone and followed up by email confirmation to corporateactions@strate.co.za.
- 11.6 Where a Same Day Settlement has been allowed in terms of this Strate Directive, it does not attract a fine as stipulated in Strate Directive SF.2 – Fines Schedule – On-market and Off-market – Equities.
- 11.7 A Same Day Settlement that has been allowed in terms of this Strate Directive does not adversely affect the respective Participant's Performance Rating by Strate Supervision.

12. TOLERANCE LEVEL

In order to facilitate and ensure that Settlement in Off-market transactions is effected, the Controlling Body of Strate approved an acceptable tolerance level on the matching criteria of Off-market transactions, namely that:

- 12.1 The Strate System tolerance level applicable to Off-market transactions involving payment is presently R50. Any changes in terms of 12.2 must be notified to Participants.
- 12.2 Strate together with the Participants shall determine, monitor and from time to time may revise the Strate System tolerance level for Off-market transactions.
- 12.3 The matching process shall be deemed successful if by using the RVP's Rand amount as a base, the consideration matches with a DVP figure that is within the agreed Strate System tolerance level.

13. COLLATERAL ACCOUNT TRANSFERS AND LENDING ACCOUNT TRANSFERS

- 13.1 Same Day Settlement for Collateral Account Transfers and Lending Account Transfers between Participants and internally involving a single Participant are permitted. The Client type for a Collateral Account Transfer and Lending Account Transfer is "33".
- 13.2 Subject to 13.4 below all Collateral Account Transfers and Lending Account Transfers must be reported to Strate matched and committed by 18h00 on S.
- 13.3 Collateral Account Transfers and Lending Account Transfers are permitted provided that there is no change in beneficial ownership. Collateral Account Transfers and Lending Account Transfers are not permitted in respect of BEE Securities, except with a written confirmation provided by the BEE Issuer Verification Agent as permitted pursuant to the relevant BEE Ownership Scheme.
- 13.4 Same Day Settlement of Collateral Account Transfers and Lending Account Transfers, between Participants and between Central Securities Accounts when the transfer involves a single Participant is not permitted on Record Date (RD) for Securities where there is a pending Corporate Event, except as provided in section 11 of this Strate Directive.
- 13.5 Participants must process Collateral Account Transfers and Lending Account Transfers with the free of payment Settlement type (RFP / DFP).

14. COLLATERAL AND COLLATERAL RETURN TRANSACTIONS

- 14.1 A minimum T+0 Settlement cycle is permitted for Collateral and Collateral Return transactions.
- 14.2 The Client type for a Collateral transaction is “53” for Securities Lending Business Partners. The Client type for a Collateral Return transaction is “54” for Securities Lending Business Partners.
- 14.3 Securities Lending Business Partners must report Collateral and Collateral Return transactions to Strate by 13h00 on S; or by 13h00 on S-1, where there is an On-market or Off-market dependency. The Securities Lending Business Partner should also ensure that their Clients have instructed their Participant to act on the Collateral and Collateral Return transaction by 13h00 on S; or 13h00 on S-1 where there is an On-market or Off-market dependency.
- 14.4 Collateral and Collateral Return transactions reported by Securities Lending Business Partners must be committed to by 15h00 on S; or 15h00 on S-1 where there is an On-market or Off-market dependency.
- 14.5 Where there is a pending Corporate Action, Securities Lending Business Partners must report the affected Collateral and Collateral Return transactions to Strate for Same Day Settlement by 09h00 on RD, and the Participants must commit to such transactions by 10h00 on RD. Thereafter, Securities Lending Business Partners or Participants must adhere to section 11 of this Strate Directive.
- 14.6 Securities Lending Business Partners may cancel Collateral and Collateral Return transactions on S provided that the orders are not in a “matched ready for Settlement” status.
- 14.7 If a Back-to-Back Link is created for a Collateral and Collateral Return transaction entered into for a transaction that is subject to Reverse Substitution, the Back-to-Back Link must be created by 18h00 on S-1. Same day Collateral and Collateral Return transactions may be linked via Back-to-Back functionality, subject to a request being sent electronically to stratehelpdesk@strate.co.za.

15. PROCESSING OF CORPORATE ACTIONS

DISCLAIMER

- a. Strate does not make any representations or warranties, express or implied, as to the accuracy, completeness or reliability of information contained in any Announcements published by Issuers, or an Exchange, and sent by Strate.
- b. Strate will not be liable to any person for any delays in the sending or non-receipt of:
 - o Announcements or other information published by Issuers or their agents, or an Exchange; or
 - o Payments and other entitlements.
- c. Strate will not be responsible or liable to any person for any loss or damage resulting from:
 - o any delay, act or omission on the part of any third party;
 - o incorrect, inaccurate, defective or misleading information furnished or supplied by the Issuer or its agent, an Exchange or any third party; or
 - o the interruption or failure of communication links, power failure, the loss or destruction of any data and any loss or damage caused by natural disaster, riot, insurrection, acts of vandalism, sabotage or similar cause.
- d. Strate will not be liable for any loss incurred by any person as a result of amendment and /or cancellation of any Corporate Action by the Issuer or its agent, an Exchange or any third party.
- e. Strate will not be liable for any loss, damage or claim incurred by any person, including but not limited to Issuers, Participants, Nominees and/or Clients of Nominees, as a result of the bank, in whose account the cash entitlements are held, being declared insolvent, becoming the subject of business rescue proceedings or having a curator appointed in terms of any law, prior to those cash entitlements being distributed.

15.1 Announcements

15.1.1 Strate obtains Announcements from ⁵³CTSE Exchange. Strate thereafter creates the Corporate Action Announcement in the form of an MT564 message, even where this does not contain all the pertinent details. Strate distributes the Announcement to all Participants, who are in turn responsible for notifying their Clients who hold the respective Securities.

15.1.2 A Participant may elect not to send Announcements as set out in 15.1.1 where:

15.1.2.1 The salient details of such Announcements are incorporated in a company notice, report or circular which has been, or will be, sent directly to Clients by an Issuer;

15.1.2.2 Clients have elected not to receive such Announcements;

15.1.2.3 Clients have instructed the Participant to act on their behalf without reference; or

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15.1.2.4 the Issuer is not required to send the Announcement by ⁵⁴CTSE Exchange and/or the Companies Act.

- 15.1.3 As updated or additional information relating to the Corporate Action is published, the original Announcement is enhanced, and the additions or updated information must be distributed as set out in 15.1.1 and 15.1.2.
- 15.1.4 Strate sends an MT564 COMP message once all conditions are final, subject to changes in such Announcements being published by the Issuers or ⁵⁵CTSE Exchange.
- 15.1.5 Participants must, where relevant and subject to 15.1.2, provide all the salient details as contained in the MT564 COMP message to their Clients on receipt from Strate as set out in 15.1.4.
- 15.1.6 Where cash entitlements are announced by ⁵⁶CTSE Exchange, the Issuer or Transfer Agent as a number of cents per share, Strate converts the cash rate in the Announcement to a number of Rands per share, in order to comply with the SWIFT standards.
- 15.1.7 Where Strate calculates entitlements based on the cash rate and/or Securities ratios, it announces such calculations to not more than 15 (fifteen) decimal places.

15.2 Dematerialisation and Rematerialisation Orders

15.2.1 With respect to Securities affected by a Corporate Action:

- 15.2.1.1 Participants and Issuers or Transfer Agents must finalise the processing of any Dematerialisation or Rematerialisation orders that were outstanding on LDT by 13h00 on RD-1.
- 15.2.1.2 Participants must not send any Dematerialisation or Rematerialisation orders to Strate after LDT. Participants must only recommence sending any Dematerialisation or Rematerialisation orders from RD+1.
- 15.2.1.3 Issuers or Transfer Agents must not send any instructions for the allotment of Securities or for the cancellation or reduction of Securities to Strate between LDT +1 and RD.
- 15.2.1.4 Participants must exclude from elections and entitlements all transactions concluded on or after Ex-date, except where such transactions are Off-market or Securities Lending and Borrowing Transactions which are due to settle on or before Record Date.

⁵⁴ Amended with effect 13 October 2021

⁵⁵ Amended with effect 13 October 2021

⁵⁶ Amended with effect 13 October 2021
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15.3 Election

- 15.3.1 Participants and Clients must anticipate their Record Date holdings by taking into account all unsettled transactions which are due to settle on or before Record Date.
- 15.3.2 Participants must obtain their Clients' election instructions based on the anticipated Record Date holdings and do the following:
 - 15.3.2.1 reconcile the holdings on which the Clients have elected against the anticipated Record Date holdings, and
 - 15.3.2.2 aggregate their Clients' election instructions and send these to Strate for each of their CSAs in accordance with 15.3.3.
- 15.3.3 Participants must send the election instructions referred to in 15.3.2 above to Strate in the form of an MT565 message by 13h00 on Record Date, or such other time as stipulated in the Announcement sent by Strate. Participants are liable for the accuracy, completeness and validity of election instructions sent to Strate. In the event of an election being impacted by the ⁵⁷CTSE's Failed Trade management, Participants may send an amended election instruction.
- 15.3.4 Where Strate facilitates the processing of voluntary Corporate Actions, including oversubscriptions, Strate will report, and commit to, Off-market transactions on behalf of Participants upon receipt of the Participants' election instructions. Where Strate does not facilitate the processing of voluntary Corporate Actions, these will be processed in accordance with section 16 of this Strate Directive.
- 15.3.5 Where a Participant has not provided Strate with election instructions by the date and time stipulated in the Announcement sent by Strate, the Default Option will apply.
- 15.3.6 Where required by Strate, Participants must send to the Issuer or Issuer Agent, with a copy to Strate, the election instructions in the form of a spreadsheet by such time as stipulated in the relevant Announcement sent by Strate.
- 15.3.7 Where no election has been made by a Participant in respect of an elective Corporate Action, the Participant must, by the time stipulated in 15.3.3, notify Strate, via an MT565 message, that no election was made. Participants may send to Strate an MT565 message for each option included in an elective Corporate Action.
- 15.3.8 Where Participants send election instructions to Strate in the form of MT565 messages in respect of elective Corporate Actions, any subsequent MT565 message sent to Strate replaces the previous MT565 message.
- 15.3.9 Issuer Agents must send to Strate an MT567 confirmation message in acknowledgment of receipt of each MT565 message received from Strate. Where Strate facilitates the processing

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of voluntary Corporate Actions, including oversubscriptions, Issuer Agents must send Strate an MT598-915 message, advising Strate of any allotted Securities, and the applicable cash rate and, or Securities ratios.

15.3.10 Strate will not be liable for any loss incurred by any person as a result of any over election.

15.4 Record Date

- 15.4.1 Determining Record Date holdings requires the Participant and Clients to take into account all transactions that are due to Settle on or before Record Date.
- 15.4.2 If, after Settlement has been concluded on Record Date, there is a discrepancy between the election received from the Participant and the holdings in the respective CSA of the Participant in Strate, Strate will advise the participant to resolve the discrepancy within 1 (one) hour and amend their election. Thereafter the following action is automatically taken:
- 15.4.2.1 Where the Participant's election exceeds the holdings in the CSA, the election is reduced by the amount in excess.
- 15.4.2.2 Where the Participant's election exceeds the holdings in the CSA and the election covers more than one option, the election in respect of the Default Option is reduced by the amount in excess.
- 15.4.2.3 Where the discrepancy exceeds the quantity elected for the Default Option, this quantity is eliminated and the remaining discrepancy subtracted from the next option. If there are more than two options, the Participant must instruct Strate on the adjustment to be made to the election.
- 15.4.2.4 Where the Participant's election is less than the holdings in its CSA the Default Option is applied to the remaining holding.
- 15.4.3 Where Strate adjusts the election as provided in 15.4.2, it will advise the affected Participants of the adjusted election via MT564 message by EOD on Record Date.
- 15.4.4 Where Strate adjusts the election in accordance with 15.4.2, Strate will not be responsible or liable to any person for any loss or damage resulting from such adjustments, and Participants indemnify Strate from any loss resulting from such adjustments.
- 15.4.5 After Settlement has been completed on Record Date, Strate will provide the Issuer or Issuer Agent with details of the aggregate number of Securities and or cash due to Participants on Payment Date in respect of Participants' entitlements.
- 15.4.6 After Settlement has been completed on Record Date, Strate will advise the Participants of the holdings per SCA on which calculations for their entitlements were based, and their expected entitlements, based on such holdings.
- 15.4.7 In those cases where the entitlement is distributed through the Strate System used for the processing of Settlement, the details of the Settlement are advised as soon as the orders have been generated by Strate on RD+1

15.5 Payment Date

- 15.5.1 The Issuer must irrevocably fund its designated bank account with the total cash entitlements in respect of the dematerialised holdings, as provided to the Transfer Agent by Strate, by no later than 10h00 on Payment Date. Strate will facilitate the distribution of the cash entitlements.
- 15.5.2 The Issuer or Transfer Agent must ensure that the Securities are available for distribution by BOD on Payment Date to enable Settlement to take place.
- 15.5.3 Strate will not facilitate the distribution of the cash entitlements or send an MT 566 message to Participants until the cash has been cleared and credited to the Issuer's bank account, in full, and within the time and method outlined in paragraph 15.5.1. Where payment is made to the Issuer's bank account after 14h30 on Payment Date, Strate will notify Participants of the late payment and process payment to Participants on the next Business Day.
- 15.5.4 Where the Issuer does not fund in full in accordance with 15.5.1, or Strate does not receive either all or part of the Securities in accordance with 15.5.2, Strate will have the right to withhold distribution of cash and/or Securities until after such cash and/or Securities have been received in accordance with 15.5.1 and/or 15.5.2 and Cleared or Settled in full. Strate will not be liable for any interest claims or other liability attaching to non-payment or late distribution of cash or Securities. Where the Issuer does not fund in accordance with 15.5.1, or Strate does not receive all the Securities in accordance with 15.5.2, and within 48 (forty-eight) hours from the Payment Date stipulated in the Announcement, Strate will withdraw the Corporate Action from its system and notify Participants accordingly. Any entitlements received thereafter will be processed outside the Strate system.
- 15.5.5 Where a Participant or Client entitled to receive the cash, chooses to distribute cash entitlements prior to receiving the cash, Strate will not accept or be held liable for any interest claims or other liability attaching to the payment of funds.
- 15.5.6 Fractions of Securities are calculated and distributed in the manner stipulated by the Issuer in the Announcement sent by Strate.
- 15.5.7 Participants must ensure that they pay their Clients on the same day that payment is received.

15.6 Dividend Re-Investments

- 15.6.1 Where Issuers have Securities with an option for re-investment of dividends, such as Exchange traded funds, Participants are required to re-pay to Issuers, via Strate, the dividends received and to be re-invested, less any applicable tax deducted.
- 15.6.2 Participants must irrevocably fund Strate's designated bank account with the total cash entitlements to be re-invested in respect of the dematerialised holdings, as provided by their Clients, via SAMOS by 12h00 on PD+1.
- 15.6.3 Strate will pay to the Issuer any cash entitlements received from Participants where such cash has been credited to Strate's bank account, in full, within the time and method outlined in paragraph 15.6.2. Any cash not received by 12h00 on PD+1 must be processed outside the Strate system.
- 15.6.4 Strate will not be liable for any interest claims or other liability attaching to pre-payment, non-payment or late distribution of cash.
- 15.6.5 Where an Issuer entitled to receive the cash for re-investment, chooses to re-invest cash prior to receiving the cash from Strate, Strate will not accept or be held liable for any interest claims or other liability attaching to the payment or re-investment of funds.

16. CORPORATE ACTION TRANSACTIONS

- 16.1 A minimum T+1 Settlement cycle is permitted for reporting Corporate Action transactions between Participants and Strate or Participants and Issuers. The Client type for a Corporate Action transaction is "23".
- 16.2 Participants must report to Strate all Corporate Action transactions by 15h00 on S-1.
- 16.3 Other than as provided for in 16.4, Participants must commit to Corporate Action transactions by 17h00 on S-1
- 16.4 Corporate Action transactions may be committed to by the Participant of the Issuer on a same day basis and in terms of the following parameters:
 - 16.4.1 14h00 on S for transactions involving payment; and
 - 16.4.2 18h00 on S for free of payment transactions.
- 16.5 Same Day Settlement of Corporate Action transactions is not permitted, except as provided in section 11 of this Strate Directive.
- 16.6 New issues are handled on the basis of DvP and RvP orders created by the Participant for the Issuer and the investing Client. The Client type for a new issue transaction is "23".

17. PROXY VOTING PROCEDURE

17.1 Record of Holdings

- 17.1.1 Strate will provide the Issuer, or the Transfer Agent, with a record of Shareholders' holdings in the Issuer's Uncertificated Securities Register per Central Securities Account per Participant as at EOD on the Meeting Record Date stipulated in the Announcement sent by Strate.
- 17.1.2 Strate will advise each Participant of its record of Shareholders' holdings in the Issuer's Uncertificated Securities Register per Central Securities Account as at EOD on the Meeting Record Date.

17.2 Participants' Obligations

- 17.2.1 A Participant must facilitate its Clients' rights to participate and vote in Shareholders' meetings, including, notifying its Clients who hold the relevant Securities of all Shareholders' meetings and the cut-off time for the submission of their proxy voting instructions and requests for proxy forms.
- 17.2.2 Where a Participant receives voting instructions from its Clients, a Participant must ensure that proxy forms or other necessary documentation are completed in accordance with the Clients' voting instructions and applicable law.
- 17.2.3 Voting instructions must be retained in the same way and for the same period as any other instruction received from a Client.
- 17.2.4 A Participant must provide the Issuer, or the Transfer Agent, with proxy forms or letters of representation by the cut-off time stipulated in the relevant Announcement. Subject to 17.3.3 below, a Participant must provide the Issuer, or the Transfer Agent, with information relating to its Clients' voting instructions where written permission has been received from such Clients.

17.3 Issuer Obligations

- 17.3.1 Issuers must publish a Meeting Record Date which is at least 3 (three) Business Days prior to the Shareholders' meeting.
- 17.3.2 Where an Issuer does not publish a Meeting Record Date in accordance with 17.3.1 above, the Meeting Record Date will be deemed to be 3 (three) Business Days prior to the Shareholders' meeting.
- 17.3.3 Where an Issuer requests Strate or a Participant for information relating to Shareholders' voting instructions received in terms of 17.2.4 above, such request must be submitted in writing to Strate on an official company letter and duly signed.

17.4 Transfer Agent

- 17.4.1 The Issuer or Transfer Agent must ensure that the total of the Shareholders' holdings in the Issuer's Uncertificated Securities Register referred to in 17.1.1 above agrees with the total of the Dematerialised shares for that Issuer as contained in their records on the date indicated.

18. DISCLOSURE OF BENEFICIAL OWNERSHIP (BND)

The disclosure of beneficial ownership must be processed in accordance with Strate Directive SA.8 – *File Layout for Disclosure of Beneficial Ownership (BND) – Equity, Bond Securities and Units*.