

Directive of Strate (Pty) Ltd

Special Gazette No. S5-2022
Strate Directive SA.6

Strate Compliance Officer Appointments

strate

To provide for the appointment of a Strate compliance officer and an alternate Strate compliance officer

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1. Interpretation and Definitions

This Strate Directive should be read in conjunction with Strate Directive SZ.1 - *Interpretation and Definitions*.

2. Compliance Officer Appointments

- 2.1 A Participant must appoint a person with appropriate skills and competencies as a Strate Compliance Officer (SCO). The SCO must have passed the compliance officer examinations prescribed by the Controlling Body.
- 2.2 A Participant must appoint at least one additional compliance officer with appropriate skills and competencies, termed the Alternate Strate Compliance Officer (ASCO), to act as an alternate to the SCO. If more than one ASCO is appointed, Strate Supervision must be advised of the ASCO authorised to act by the Participant when the SCO is absent.
- 2.3 An SCO and an ASCO must be knowledgeable about the Strate environment and must keep abreast of all changes to Strate Rules, Strate Directives and other material matters that impact the operational interactions between Strate and the Participant.
- 2.4 A Participant must, in its biannual compliance officer's report submitted to Strate Supervision, attest that any SCO or ASCO appointed by the Participant has, in its opinion, the necessary knowledge, skill and competencies to perform the role.
- 2.5 The SCO and/or ASCO appointed by the Participant should attend all meetings of the compliance officer forum to ensure that they remain abreast of market developments.

3. Referrals to the Regulatory and Supervisory Committee

The following instances may be referred to the Regulatory and Supervisory Committee:

- 3.1 failure by the SCO or ASCO to fulfil their primary compliance functions as stipulated in the Strate Rules; and
- 3.2 withholding of information relating to the compliance function from Strate Supervision, which could -
 - 3.2.1 materially affect the Participant's risk profile; or
 - 3.2.2 negatively influence the Controlling Body's opinion on the continued participation of the Participant.

4. Outsourcing of Compliance

A Participant may, subject to the following conditions, outsource the performance of its compliance tasks in terms of the Strate Rules:

- 4.1 The Participant must retain an appointed SCO and ASCO that meet the requirements prescribed above. Strate Supervision will liaise directly with the appointed SCO or ASCO and not with the compliance outsource service provider.
- 4.2 The Participant remains responsible for compliance with the provisions of the Act, Strate Rules and Strate Directives, notwithstanding the outsourcing arrangement.