

Directive of Strate (Pty) Ltd

Special Gazette No. S1-2024
Strate Directive SA.12

Pledge or Cession *In Securitatem Debiti*

strate

To provide for the administration of pledges or cessions *in securitatem debiti*

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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. Participant Responsibilities

- 2.1 A pledgee or cessionary may give written notice to a Participant alleging the pledgor or cedent to be in default of its obligations as secured by an agreement of pledge or cession *in securitatem debiti*. In such an event, the Participant must follow the written instructions of the pledgee or cessionary regarding the pledged or ceded Security including, without limitation, and as may be applicable, the transfer of that Security to an account designated by the pledgee or cessionary. A Participant must disregard any contrary instruction from the pledgor or cedent.
- 2.2 On receipt of a written notice by a pledgee or cessionary alleging a default by the pledgor or cedent, a Participant:
- 2.2.1 must not interrogate or investigate the veracity or validity of the default allegation;
 - 2.2.2 is not liable to any person for acting on the instructions of the pledgee or cessionary.
- 2.3 Any dispute between the pledgee and pledgor or cessionary and cedent should be resolved in terms of the dispute resolution process of the relevant agreement or rule that governs their relationship. Such process does not interrupt, affect or prejudice the operation of this directive.