

Directive of Strate Proprietary Limited

Special Gazette No S12-2016

Strate Directive SA.6

Strate Compliance Officer Appointments





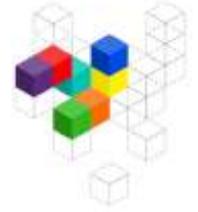
To provide for the appointment of a Strate Compliance Officer, an Alternate Strate Compliance Officer and achievement of the annual Continuous Professional Education (CPE) points

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1 Amended with effect from 14 July 2014
Directive of Strate (Pty) Ltd
Directive of Strate (Pty) Ltd
Registration Number 1998/022242/07



1. INTERPRETATIONS AND DEFINITIONS^{2 3}

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

‘Continuous Professional Education (“CPE”) Points’ means the minimum number of points that appointed Strate Compliance Officers must attain on an annual basis;

‘STRATE Supervision’ means the supervision division of Strate headed by the Head of Supervision and set up by the Controlling Body in terms of the Strate Rules;⁴ and

‘Strate Compliance Officer’ (“SCO”), including Alternate Strate Compliance Officer (“ACO”), means a person appointed as a Strate Compliance Officer in accordance with the Strate Rules and Strate Directive SA.6.

2. COMPLIANCE OFFICER APPOINTMENTS⁵

- 2.1. All Participants must appoint a SCO who has passed the compliance officer examinations prescribed by the Controlling Body.
- 2.2. All Participants must appoint at least one additional compliance officer, termed the ACO, to act as an alternate to the SCO. If more than one ACO is accredited, STRATE Supervision must be advised of the ACO authorised to act by the Participant when the SCO, as per paragraph 2.1, is absent from their post.

3. CONTINUOUS PROFESSIONAL EDUCATION (CPE) POINTS⁶

- 3.1 SCOs and ACOs must each achieve a minimum of one hundred (100) CPE points per calendar year, awarded as determined by STRATE Supervision in accordance with the applicable guidance note issued by Strate from time to time. Where a SCO or ACO is appointed during the year, the CPE points will be calculated on a pro-rata basis.
- 3.2 The SCO or ACO who fails to attain the annual minimum one hundred (100) CPE points within a calendar year may, by not later than the end of January after the end of the calendar year concerned, submit to the Head of STRATE Supervision, a written request for an extension of time to attain the required CPE points. The request must:
 - 3.2.1 explain the reasons for failing to attain the required CPE points within the required period,
 - 3.2.2 show cause or motivate why the extension should be granted, and
 - 3.2.3 state the period for which the extension should be granted.

The Head of STRATE Supervision may reject the request or grant an extension for a period of no longer than six (6) months. In addition to covering the CPE point deficit accumulated in the preceding calendar year, the SCO or ACO concerned will still be required to attain the annual minimum one hundred (100) CPE points for the current calendar year.

² Amended with effect from 1 July 2015

³ ‘Rules’ and ‘Directives’ changed to ‘Strate Rules’ and ‘Strate Directives’ throughout the document with effect from 1 December 2016

⁴ Amended with effect from 14 July 2014

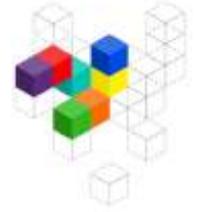
⁵ Amended with effect from 1 July 2015

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- 3.3 Where the SCO or ACO fails to attain the annual minimum one hundred (100) CPE points as required or within an extended period, if any, this may result in the individual concerned not being recognised by STRATE Supervision as the appointed SCO or ACO of the Participant. The Participant concerned must appoint a replacement SCO or ACO within the stipulated timeframe.

4. REFERRALS TO THE REGULATORY AND SUPERVISORY COMMITTEE⁷

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

- 4.1 failure by the SCO or ACO to fulfil their primary compliance functions as stipulated in the Strate Rules; and
- 4.2 withholding of information relating to the compliance function from STRATE Supervision, which could –
- 4.2.1 materially affect the Participant’s risk profile; or
 - 4.2.2 negatively influence the decision to grant the Participant continued participation approval.

5. OUTSOURCING OF COMPLIANCE⁸

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

- 5.1 The Participant must retain an appointed SCO and ACO that meets the requirements prescribed above. STRATE Supervision will liaise directly with the appointed SCO or ACO, and not with the compliance outsource service provider.
- 5.2 The Participant must notify STRATE Supervision of the compliance outsource service provider prior to the outsourcing.
- 5.3 The Participant remains responsible for compliance with the provisions of the Act, Strate Rules and Strate Directives, notwithstanding the outsourcing arrangement.

⁷ Amended with effect from 1 July 2015

⁸ Amended with effect from 3 December 2015

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