

## **GUIDANCE NOTE OF STRATE PROPRIETARY LIMITED**

---

**Special Gazette No S15-2015**

### **GUIDANCE NOTE - DIRECTIVE SA.6 - STRATE COMPLIANCE OFFICER APPOINTMENTS**

*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.*

## **Guidance Note - Directive SA.6 - Strate Compliance Officer Appointments**

The CSD<sup>1</sup> has implemented a Strate Compliance Officer (SCO) and Alternate Strate Compliance Officer (ACO) accreditation program. The objective of a Continuous Professional Education Points (CPE) system is to acknowledge the appointed SCO and ACO of Participants who have maintained high levels of understanding, knowledge of, and participation in, the CSD and market related developments and initiatives.

### **General**

SCOs and ACOs are each required to accumulate a minimum of 100 CPE points per annum as stipulated in Directive SA.6. (The consequences of not complying with this requirement are also detailed in this Directive.)

All relevant CSD and financial market related efforts may be considered.

SCOs and ACOs are encouraged to send through proposals or suggestions on additional, relevant market or compliance related initiatives undertaken, which may count towards attaining the requisite CPE points, to STRATE Supervision ([strate-supervision@strate.co.za](mailto:strate-supervision@strate.co.za)) for consideration.

### **Procedure**

During December of every year STRATE Supervision will collate all information received by the SCO and ACO (throughout the year) which may count towards the CPE point requirement. A further request is sent to each SCO and ACO asking for any additional information which may contribute to them attaining the required points for that specific year.

The information is then compared to the table below and where applicable points are awarded.

Once all information has been confirmed and points have been allocated, confirmation is sent to each SCO and ACO (as well as the Heads of the Participant) confirming whether or not the SCO and ACO has met or failed to meet the requirements as set out in Directive SA.6 and the consequences thereof.

---

<sup>1</sup> "Strate" changed to "The CSD" throughout the document with effect from 3 November 2015

## Points System

The following table should be used as guidance in allocating annual CPE points:

### CPE POINTS ALLOCATION<sup>2</sup>

	POINTS	
Attending the CSD one-day training intervention	20	
Publishing / presenting a compliance, risk, CSD or financial markets related paper or material at a public forum	40	
“Accredited Member” of the Compliance Institute of South Africa	30	
“Certified Compliance Professional” of the Compliance Institute of South Africa	40	
“Accredited Member” of the South African Institute of Chartered Accountants	30	
“Accredited Member” of the Institute of Risk Management of South Africa	30	
Attending Strate Compliance Officer Forum meetings	10 per meeting**	
Attending <i>inter alia</i> the CSD or financial markets related presentations, workshops or seminars, relating to for example: <ul style="list-style-type: none"> <li>• Collateral Management,</li> <li>• Trade Repositories,</li> <li>• OTC Derivatives,</li> <li>• FAIS,</li> <li>• FICA,</li> <li>• Regulatory Changes,</li> <li>• Risk Management,</li> <li>• Compliance Management,</li> <li>• Corporate Governance,</li> <li>• Anti-Money Laundering,</li> <li>• Dividends Tax,</li> <li>• FATCA,</li> <li>• Ethics,</li> <li>• Crisis Management (Bank / Participant Failure),</li> <li>• Bank Regulation and Supervision,,</li> <li>• Securities Lending and Borrowing.</li> </ul>	20	
JSE appointed Compliance Officer	20	
Member of the South African Institute for Financial Markets (SAIFM)	10	
Appointed Participant representative for the CSD working committee meetings:	30 per annum	
Passing other SAIFM RPE modules, JSE exam, etc:		
	Year 1*	Year 2*

<sup>2</sup> Amended with effect from 3 November 2015

Passing a JSE Exam	10	0
Passing other SAIFM RPE Modules	30	10
Obtaining a relevant Degree / Diploma / Certificate (example: Risk Management, Compliance Management, etc.)***	30	10
Passing a Strate exam (Equities/Bonds/Money Markets) *	Year 1*	Year 2*
Strate Module 1	10	0
Strate Module 2 - Equity I	40	20
Strate Module 3 - Equity II	40	20
Strate Module 4 - Bonds I	40	20
Strate Module 5 - Bonds II	40	20
Strate Module 6 - Money Market I	40	20
Strate Module 7 - Money Market II	40	20
Strate Module 8 - Money Market III	40	20
Settlement Officer’s Exam - Equities	30	10
Settlement Officer’s Exam - Bonds	30	10
Settlement Officer’s Exam - Money Market	30	10

\*Accreditation for passing the CSD / SAIFM exams will work on a sliding scale - full marks are awarded in the year that the accreditation is attained and less points for the following year.

\*\*Additional points may be allocated where presentations on the CSD or financial markets related topics are given at these meetings.

\*\*\*Points will only be awarded from the year that the relevant Degree / Diploma / Certificate has been completed - separate points are not given for each module / subject passed as part of the Degree / Diploma / Certificate.

**NOTE:<sup>3</sup>**

*In light of the importance of the matters above, Strate’s Legal and Regulatory Division has issued this Guidance Note to assist in dealing with highly complex issues. Please note that this Guidance Note is issued for your information, with the aim of assisting you in interpreting the legal and regulatory requirements, but do not form part of the CSD Rules and Directives. It must therefore be noted that, notwithstanding the Guidance Note, readers should still exercise their own judgments regarding the information and interpretation. If there is any doubt about the application of these guidelines, please consult the Supervision Division of Strate (Pty) Ltd at [Strate-Supervision@strate.co.za](mailto:Strate-Supervision@strate.co.za).*

<sup>3</sup> Inserted with effect from 3 November 2015