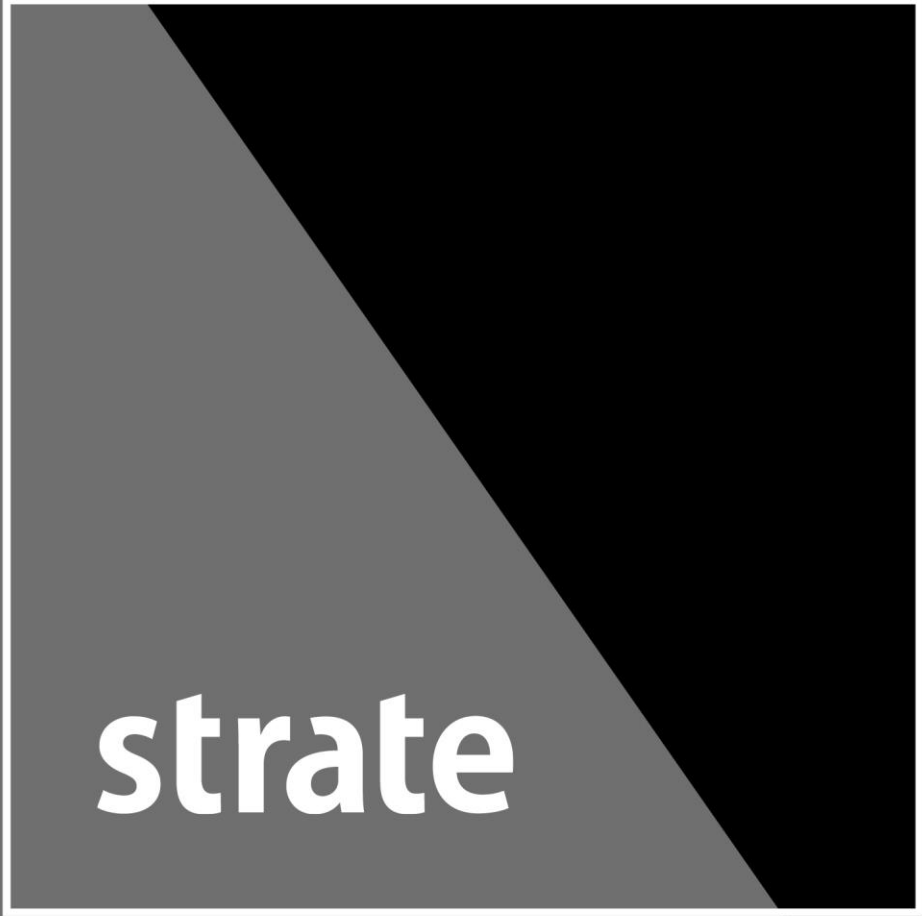


Directive of Strate (Pty) Ltd

Special Gazette No. S11-2025
Strate Directive SA.9

Accounts

The logo consists of a white rectangular border containing the word "strate" in a bold, lowercase, sans-serif font. The background of the entire page is black, with a large grey triangle on the left side and a teal triangle in the bottom right corner.

strate

To provide for the opening, administration and other procedures in respect of accounts; to provide for the appointment of secondary participants and administration of by a secondary participant upon the failure of a client's primary participant

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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. BPIDs

Strate allocates unique BPIDs to Participants and Business Partners in the equities, bonds and MM Securities environments.

3. Registers

The four registers to be maintained in the Strate System through the MFA function are:

- Participant/Business Partner Register;
- ISIN Register;
- Central Client Register; and
- Uncertificated Securities Register.

3.1 Participant/Business Partner Register

- 3.1.1 A Participant or Business Partner may elect to operate in a single role or in multiple roles.
- 3.1.2 A Participant or Business Partner that elects to operate in multiple roles may choose to have one BPID for all the roles it has assumed, or an individual BPID for each role in the Strate System.
- 3.1.3 The roles elected by the Participant or Business Partner will be recorded during the Participant or Business Partner's onboarding process, in consultation with Strate.
- 3.1.4 A Participant and a Business Partner must each:
 - 3.1.4.1 report its BPID in all electronic communications to the Strate System; and
 - 3.1.4.2 maintain its own master static data with Strate.
- 3.1.5 The following information must be provided by an Issuer or Issuer Agent in order for Strate to apply the necessary and correct linking throughout the Strate System:
 - 3.1.5.1 Issuer name;

- 3.1.5.2 Client Code;
- 3.1.5.3 Issuer Agent;
- 3.1.5.4 Central Securities Account number;
- 3.1.5.5 Participant;
- 3.1.5.6 Settlement Bank;
- 3.1.5.7 Issuer's bank account number at a Settlement Bank.

3.1.6 An Issuer:

- 3.1.6.1 may appoint more than one Issuer Agent, Participant and Settlement Bank, and consequently may have more than one Central Securities Account;
- 3.1.6.2 must immediately notify Strate of any changes to its appointed Issuer Agent, Participant or Settlement Bank;
- 3.1.6.3 may act on its own and without appointing an Issuer Agent;
- 3.1.6.4 only has one Client Code linked to each of its Central Securities Accounts.

3.1.7 A Settlement Bank must be a SAMOS participant.

3.2 ISIN Register

- 3.2.1 An ISIN Register records all Uncertificated Securities issued and details the minimum unique underlying characteristics and generic categories of Securities.
- 3.2.2 An ISIN Register records an ISIN for each Security issued.
- 3.2.3 Any amendment to the issued amount recorded in an ISIN Register must be reported to the Strate System by an Issuer or Issuer Agent, or by an Exchange in respect of listed Securities.
- 3.2.4 The reporting in terms of 3.2.3 updates the issued amount in the Strate System.

3.3 Central Client Register

- 3.3.1 The Central Client Register records the Client Code and Client Static Data of each Client which has a Central Securities Account or Segregated Depository Account.
- 3.3.2 Client Static Data is captured once for each Client. The Strate System assigns each Client a Client Code. The Client Code must always be used for that Client, regardless of which Participant the Client is acting through.

- 3.3.3 Where a Participant wishes to record its Client's Client Static Data in the Central Client Register in order to open a Central Securities Account or Segregated Depository Account for the Client, the Strate System notifies the Participant immediately of the Client's assigned Client Code and the Central Securities Account number or Segregated Depository Account.
- 3.3.4 A Participant must provide the following mandatory identification data for the following Client categories:

	Client Category	Identification data
1	South African citizen	South African identification number + SARS income tax number
2	South African permanent resident	South African identification number + SARS income tax number
3	South African emigrant	South African identification number + SARS income tax number
4	Foreign citizen	Passport number + Country of residence + Date of birth
5	South African close corporation	Close Corporation registration number + SARS income tax number
6	South African company	Company registration number + SARS income tax number
7	Foreign company	Incorporation number + Country of incorporation
8	Other legal person	South African Identification number of primary member + SARS income tax number
9	Trust	Trust deed registration number + SARS income tax number

- 3.3.5 When opening a Central Securities Account for a Client, a Participant must add the following Client Static Data into the Central Client Register:

	Client Information	Description
1	Name and surname	Full names and surname of a Client
2	Client identification data	As per the client category in the table at 3.3.4
3	Title	E.g. Mr, Mrs, Miss, Dr, Rev, Adv, Gen, Col, Prof, Sir, etc.
4	Address	Client's business, residential or postal address
5	E-mail address (if available, unless the Client has declined to provide it)	Electronic mail address of a Client (e.g. abc@imail.co.za)
6	Telephone number	A mobile telephone number or fixed telephone number of a Client
7	Country code	Client's country of domicile

8	Client category	Indicates whether a Client is a South African citizen, South African permanent resident, South African emigrant, foreign citizen, etc. as per client category in the table at 3.3.4
9	Classification code	Indicates the type of Client (e.g. natural person, pension fund, public body, etc.)
10	Institutional sector code	A sector code issued in accordance with the SARB Institutional Sector Classification Guide

- 3.3.6 If a Participant requires its own Central Securities Account, it must add itself as a Client in the Central Client Register.
- 3.3.8 A Corporate Participant may not load its own Client Static Data into the Central Client Register or open Central Securities Accounts for a Client. Only Strate may add a Corporate Participant's details into the Central Client Register and open a Central Securities Account for a Corporate Participant.
- 3.3.9 The Client Static Data in the Central Client Register may only be amended by electronic instruction from a Client's Participant, or, in the case of a Corporate Participant, by written communication to Strate.

3.4 Uncertificated Securities Register

- 3.4.1 An Uncertificated Securities Register comprises the aggregate of all Central Securities Accounts opened and maintained in accordance with section 4.
- 3.4.2 In respect of MM Securities, an Issuer and/or Issuer Agent may, in a manner determined by Strate, access the information contained in the table at 3.3.5 in the Uncertificated Securities Register.
- 3.4.3 In respect of equities and bonds:
- 3.4.3.1 a Participant must provide Strate with beneficial interest information in accordance with Strate Directive SA.8 - *File Layout for Beneficial Interest Register – Equities, Bonds and Participatory Interests*.
- 3.4.3.2 a Client of a Participant that is a Nominee approved by an Exchange or the FSCA must provide Strate with beneficial interest information in accordance with Strate Directive SA.8 - *File Layout for Beneficial Interest Register – Equities, Bonds and Participatory Interests*.
- 3.4.3.3 where a Participant does not provide Securities Services to a Nominee, such Participant may, after making the necessary operational arrangements with Strate, be exempted from providing the beneficial interest information to Strate;
- 3.4.3.4 where a Participant has opened an SDA on behalf of a Client, the Participant is not required to provide Strate with beneficial interest information in respect of that Client;

- 3.4.3.5 an Issuer and/or Issuer Agent may access the information in the Uncertificated Securities Register in accordance with the requirements set out in Strate Directive SA.8 - *File Layout for Beneficial Interest Register – Equities, Bonds and Participatory Interests*.

4. Central Securities Accounts

4.1 Opening of Central Securities Accounts

- 4.1.1 A Participant may open one or more Central Securities Accounts in the name of a Client.
- 4.1.2 A MM Security may only be held in a MM Securities Account in the name of the Client.
- 4.1.3 Each Client that is a separate legal entity, including subsidiaries of Clients, must be assigned a unique Client Code.
- 4.1.4 A Participant may utilise an existing Client's Central Securities Account in the equities, bonds or MM Securities environment.
- 4.1.5 A Corporate Participant may open a Central Securities Account, but only for Securities held by it. A Corporate Participant may utilise an existing Central Securities Account in the equities, bonds or MM Securities environment.
- 4.1.6 A Participant must open its own Central Securities Account that is segregated from its Clients' accounts.

4.2 Operation of Central Securities Accounts

- 4.2.1 A Central Securities Account records the Securities holdings per ISIN for a Client.
- 4.2.2 A Participant must add and maintain details of Central Securities Accounts for its Clients. This data is held per Client and not as part of the Central Client Register.
- 4.2.3 Each Security in a Client's Central Securities Account is held as a separate set of balances (nominal values) and reflects the status of the Client's holdings as follows:
 - 4.2.3.1 Free Balance: the nominal value of the unencumbered holdings;
 - 4.2.3.2 Trading Reserve Balance: the nominal value of the holdings reserved for Settlement committed to by the Client's Participant, or by the Corporate Participant trading on its own Central Securities Account. Once transactions reported are matched and committed to by a Participant, the Securities holdings are reserved in the Central Securities Account of the seller, i.e. the holdings to satisfy the delivery for the transaction are moved from the Free Balance to the Trading Reserve Balance of the seller. On Settlement, the Trading Reserve Balance is debited accordingly and the buyer's Free Balance is credited;

4.2.3.3 Pledge To Balance: the nominal value of the Securities that have been pledged by the Client. Once a pledge has been instructed, Securities are moved from the Free Balance to the Pledge To Balance by the Strate System. Securities in the Pledge To Balance are not available for delivery against any transactions reported by the Client until the pledge is released. Once the pledge is released, the Nominal Value of the Securities in the Free Balance is credited and the Pledge To Balance is debited accordingly.

4.2.4 The total holdings in the Central Securities Account is the aggregate of the Free Balance, the Trading Reserve Balance and the Pledge To Balance.

4.2.5 The nominal value of Securities recorded in the Central Securities Account as Pledge From Balance represents Securities that have been pledged to the Client's account. These Securities are recorded as a separate balance in the Central Securities Account of the Client to whom Securities have been pledged for information purposes only and do not constitute the total holdings in the Client's Central Securities Account.

4.3 Maintenance of Central Securities Accounts

4.3.1 Where there has been no activity and no holdings in a Central Securities Account for a period of at least 3 (three) years, Strate may record such Central Securities Account as dormant and notify the relevant Participant of such record. No transactions may be effected against a Central Securities Account that has been recorded as dormant until the relevant Participant reinstates such Central Securities Account.

4.3.2 Strate may delete a Central Securities Account:

4.3.2.1 where the Central Securities Account has been recorded as dormant in terms of 4.3.1, and it remains dormant for a further period of at least 2 (two) years; or

4.3.2.3 upon request by a Participant in exceptional circumstances, and must notify the relevant Participant once such deletion has occurred.

4.3.3 A Participant may freeze a Client's Central Securities Account where the Participant is required to do so in terms of the Act, Strate Rules, Strate Directives or any other law. No transactions may be recorded against a frozen Central Securities Account until the Participant reinstates such Central Securities Account.

5. Segregated Depository Account

5.1 A Participant who wants to be appointed as a Secondary Participant must submit to Strate a once-off resolution by its Board of Directors, or a properly delegated authority, confirming that:

5.1.1 it understands the obligations of a Secondary Participant; and

- 5.1.2 it must open and administer Segregated Depository Accounts on behalf of Clients in the event of an Insolvency Proceeding against such Clients' Primary Participant; in accordance with the Strate Rules and Strate Directives.

5.2 Opening of Segregated Depository Accounts

- 5.2.1 A Participant may not open an Account for a Client in terms of Strate Rules, unless:
 - 5.2.1.1 the Client has a bank account opened in the name of the Client;
 - 5.2.1.2 the Client has a joint bank account opened in the name of the Client and another person;
 - 5.2.1.3 the Client and the Participant have agreed in writing to a third-party bank account; or
 - 5.2.1.4 where the Client is an estate (including but not limited to a deceased estate; an insolvent estate or an estate under curatorship) and has no estate bank account, the authorised estate representative has nominated a trust account in accordance with the applicable legislation or as directed by the Master.

5.3 Client Obligations

- 5.3.1 A Client may request a Primary Participant to open one or more Segregated Depository Account(s).
- 5.3.2 A Client may appoint a Secondary Participant.
- 5.3.3 A Client may have one or more Segregated Depository Accounts for his/her/its various holdings with different Primary and Secondary Participants, provided that the requirements stipulated in the Strate Rules and this Strate Directive are adhered to.

5.4 Participant Obligations

- 5.4.1 Upon appointment as a Primary Participant, a Participant may open or request Strate to open a Segregated Depository Account, in accordance with 5.5 and 5.6 below, respectively, by completing the Account Opening Form available on www.strate.co.za, and submitting it to Strate.
- 5.4.2 A Primary Participant must complete and submit an Account Opening Form in respect of each Segregated Depository Account.
- 5.4.3 Upon appointment as a Secondary Participant, a Participant must also complete an Account Opening Form and submit it to Strate.
- 5.4.4 A Segregated Depository Account will not be opened in terms of this Strate Directive, if the requirements as set out in 5.4.1 to 5.4.3 are not adhered to and/or are incomplete.
- 5.4.5 A Primary Participant must notify the Client of the successful opening of the Segregated Depository Account(s) within five (5) Business Days.

- 5.4.6 Strate must receive and retain a copy of the Account Opening Forms as set out in 5.4.2 and 5.4.3 above and the resolution referred to in 5.1.
- 5.4.7 On opening a Segregated Depository Account, a Primary or Secondary Participant, as the case may be, will become and remain responsible for the performance of all the obligations and functions as set out in the Act, Strate Rules and Strate Directives with regard to the administration and maintenance of that Segregated Depository Account opened by the Participant for its Clients.

5.5 Opening of a Segregated Depository Account: Equities

- 5.5.1 Upon receipt of the completed Account Opening Form from both the Primary Participant and Secondary Participant, where applicable, Strate will, on behalf of a Primary Participant:
 - 5.5.1.1 open a Segregated Depository Account; or
 - 5.5.1.2 designate an existing Central Securities Account as a Segregated Depository Account.
- 5.5.2 Strate will within 48 (forty-eight) hours:
 - 5.5.2.1 notify the Primary Participant in writing that a Segregated Depository Account has been opened and the account number thereof; and
 - 5.5.2.2 notify the Secondary Participant, where applicable, that a Segregated Depository Account has been opened.

5.6 Opening of a Segregated Depository Account: Bonds

- 5.6.1 Upon receipt of the completed Account Opening Form from both the Primary and Secondary Participant, where applicable, Strate will authorise the Primary Participant to open a Segregated Depository Account in the Strate System.
- 5.6.2 The Primary Participant must notify Strate in writing that a Segregated Depository Account has been opened, and the account number thereof.
- 5.6.3 Strate will, within 48 (forty-eight) hours, notify the Secondary Participant, where applicable, that a Segregated Depository Account has been opened.

6. Account Administration

6.1 Change of Primary Participant

- 6.1.1 Where a Client wants to change its Primary Participant, a new Segregated Depository Account must be opened in accordance with 5.2 to 5.6.

- 6.1.2 Once a new Segregated Depository Account has been opened, the Client must instruct its existing Primary Participant to move Securities to its new Segregated Depository Account.
- 6.1.3 The existing and new Primary Participants must instruct Strate to move and receive Securities, respectively, to the new Segregated Depository Account in accordance with existing Strate Directives and procedures in respect of both equities and bonds.

6.2 Appointment or Change of Secondary Participant

- 6.2.1 Where a Client wants to appoint a Secondary Participant or change its existing Secondary Participant, the Client must:
 - 6.2.1.1 appoint the new Secondary Participant in writing; and
 - 6.2.1.2 in respect of a change of Secondary Participant, inform the existing Secondary Participant, in writing, of the effective date of the termination with a copy to the Primary Participant.
- 6.2.2 The new Secondary Participant must complete and submit to Strate the Account Opening Form referred to in 5.4.3, and a written confirmation of the effective date of its appointment.

7. Account Administration in the Event of an Insolvency Proceeding

7.1 Client Obligations

- 7.1.1 In the event of an Insolvency Proceeding against a Client's Primary Participant, where a Secondary Participant has been appointed, the Client must send a written instruction to its Secondary Participant to activate such Client's Segregated Depository Account(s) in place of the Primary Participant. The Client must send a copy of this instruction to the Primary Participant.
- 7.1.2 The Client may, in writing, appoint a new Secondary Participant on the date the new Primary Participant commences administration of a Segregated Depository Account.

7.2 Secondary Participant Obligations

- 7.2.2 The Secondary Participant must:
 - 7.2.2.1 confirm to Strate in writing, with a copy sent to the Primary Participant, that it will act as administrator of the Segregated Depository Account(s);
 - 7.2.2.2 open, or instruct Strate to open, Segregated Depository Accounts as a Primary Participant in accordance with 5.2 to 5.6;
 - 7.2.2.3 instruct Strate to move all unencumbered Securities to the designated Segregated Depository Accounts.

7.2.2.4 reconcile Securities holdings and positions with its Client, Strate and the Primary Participant.

7.3 Primary Participant Obligation

In the event of an Insolvency Proceeding against a Primary Participant, such Primary Participant must reconcile Securities holdings and positions with its Client, the Secondary Participant and Strate.

8. Money Market Securities Accounts

8.1 Appointment of a Secondary Participant

8.1.1 A Client may, in writing, appoint a Secondary Participant in respect of one or more MM Securities Account(s). A Client may appoint a Participant with whom it already has a MM Securities Account as a Secondary Participant.

8.1.2 A Secondary Participant appointed in accordance with 8.1.1 must complete and submit to Strate the Appointment Form available on www.strate.co.za.

8.2 Administration

8.2.1 Where a Client wants to change its existing Secondary Participant, the Client must inform the existing Secondary Participant, in writing, of the effective date of the termination.

8.2.2 The new Secondary Participant must complete and submit to Strate the Appointment Form referred to in 8.1.2, and a written confirmation of the effective date of its appointment.

8.3 Administration in the Event of an Insolvency Proceeding

8.3.1 In the event of an Insolvency Proceeding against a Client's Primary Participant, the Client must send a written instruction to its Secondary Participant to administer such Client's MM Securities Account(s) in place of the Primary Participant. The Client must send a copy of this instruction to the Primary Participant.

8.3.2 The Client may, in writing, appoint a new Secondary Participant on the date the new Primary Participant commences administration of a MM Securities Account.

8.3.3 The Secondary Participant must:

8.3.3.1 confirm to Strate in writing, with a copy sent to the Primary Participant, that it will act as administrator of the MM Securities Account(s);

8.3.3.2 open a MM Securities Account(s), or advise Strate of existing MM Securities Account(s);

- 8.3.3.3 instruct Strate to move unencumbered MM Securities to the new or existing MM Securities Account(s);
- 8.3.3.2 reconcile Securities holdings, positions and any encumbrances with its Client, Strate and the Primary Participant.
- 8.3.4 In the event of an Insolvency Proceeding against a Primary Participant, such Primary Participant must reconcile Securities holdings, positions and any encumbrances with its Client, the Secondary Participant and Strate.