

## BOARD NOTICES RAADSKENNISGEWINGS

### BOARD NOTICE 63 OF 2002 STOCK EXCHANGES CONTROL ACT, 1985

#### AMENDMENT OF THE RULES OF THE JSE SECURITIES EXCHANGE SOUTH AFRICA

1. In terms of section 12 (6) of the Stock Exchanges Control Act, 1985 ( Act No. 1 of 1985), it is hereby notified that the JSE Securities Exchange South Africa has applied to the Registrar of Stock Exchanges for the approval to make amendments to its rules, as set forth in the Schedule hereto.
2. In terms of section 12 (7) of the said Act all interested persons (other than members of the Securities Exchange) who have any objections to the proposed amendments are hereby called upon to lodge their objections with the Registrar of Stock Exchanges, PO Box 35655, Menlo Park, 0102, within a period of 30 days from the date of publication of this notice.

**J VAN ROOYEN**  
Registrar of Stock Exchanges

#### SCHEDULE

General explanatory notes

1. Words underlined with a solid line (\_\_\_\_) indicate the insertions in the existing rules.
2. Words in square brackets ([ ]) indicate omissions from existing rules.

#### AMENDMENTS TO THE RULES OF THE JSE SECURITIES EXCHANGE SOUTH AFRICA

##### 1. PROPOSED AMENDMENTS TO SECTION 5 – TRANSACTIONS, TRADING PROCEDURES AND DISPUTES

- 5.140.4 The arrangements made by a client with a broking member (equities) for the retention of securities in safe custody shall be recorded in a [form of] written mandate approved by the JSE. The mandate [which] shall contain the minimum requirements prescribed by the JSE from time to time and the terms of the mandate shall be accepted by the client and such acceptance communicated to the member [signed] by the client before any securities are accepted for such purpose. The mandate may be in electronic form and its acceptance may be expressed by electronic means, provided that if acceptance occurs otherwise than by electronic means, the expression of acceptance must be evidenced by the physical signature of the client.
- 5.170.4 The arrangement whereby a broking member (equities) manages a client's account [In terms thereof] shall be recorded in a [form of] written mandate. The mandate shall contain the minimum requirements as prescribed by the JSE from time to time and the terms of the mandate shall be accepted by the client and such acceptance communicated to the member [signed] by the client before cash or securities are requested from the client for the operation of the managed account. The mandate may be in electronic form and its acceptance may be expressed by electronic means, provided that if acceptance occurs otherwise than by electronic means, the expression of acceptance must be evidenced by the physical signature of the client.

- [5.270.5.2 Issue BDA system statement to its clients which shall reflect –
- 5.270.5.2.1 the client's closing balance with the bank at the date of the statement;
- 5.270.5.2.2 a declaration to the effect that the investment has been held with the bank throughout that month; and
- 5.270.5.2.3 a declaration that the bank will be sending, directly to the client, the information detailed in 5.270.5.1 above.]

2. **PROPOSED AMENDMENTS TO SECTION 14 – TRANSACTIONS IN STRATE  
APPROVED SECURITIES**

- 14.60.1 The arrangements made by a controlled client with a broking member (equities) shall be recorded in a [form of] written mandate. The mandate [which] shall contain the minimum requirements as prescribed by the JSE from time to time. The terms of the mandate shall be [signed] accepted by the controlled client and such acceptance communicated to the member before any cash and/or uncertificated securities as defined in 14.60.2 are accepted from the controlled client. The mandate may be in electronic form and its acceptance may be expressed by electronic means, provided that if acceptance occurs otherwise than by electronic means, the expression of acceptance must be evidenced by the physical signature of the controlled client.
- 14.80.2 The arrangement whereby a broking member (equities) manages a client's portfolio in terms hereof shall be recorded in a [form of] written mandate. The mandate [which] shall contain the minimum requirements as prescribed by the JSE from time to time and the terms of the mandate shall be [signed] accepted by the client and such acceptance communicated to the member before acceptance of the managed portfolio. The mandate may be in electronic form and its acceptance may be expressed by electronic means, provided that if acceptance occurs otherwise than by electronic means, the expression of acceptance must be evidenced by the physical signature of the client.