

T+3 INVESTOR INFORMATION

June 2016

In a move that will see the JSE moving to a shorter T+3 settlement cycle and aligning to international precedent, equities trading in South Africa will be moving to a shorter settlement cycle as of 11 July 2016.

The JSE is continuously evolving to ensure growth in the market; this includes alignment to international settlement standards – driving the South African equity market to a shorter, three (3) day settlement cycle.

The market currently operates on a T+5 (trade day plus 5 days) basis. As a client that trades on the local equities market, we would like to make you aware of the process and timeline changes and how these will affect your trades and settlement.

If you are a seller of shares, you must have the following in place:

- shares with your broker
- prove to the broker the shares will be received by T+1
- a pending purchase for the same shares
- have done a Securities Lending & Borrowing in place for the same shares
- a *Corporate Action* that provides the same shares

Your sale will settle 2 days earlier (T+3) which means you get your cash much quicker.

If you are a purchaser, you must have the following in place:

- have funds with your broker
- have a pending sale which provides cash to cover your sale
- have a credit facility in place with your broker

In this instance your purchase will settle 2 days earlier (T+3) which means you get your shares much sooner.

The *Corporate Action* cycle will also be shortened by two days, again resulting in you getting funds or shares two days earlier.

We recommend that you speak to your broker to familiarise yourself with the new T+3 settlement cycle and the impact thereof.

For more information please email the JSE on: info@jse.co.za