

JSE SHARED INFRASTRUCTURE PROVIDER (SIP) POLICY DOCUMENT

7 July 2015

Version 1.4

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1. DOCUMENT INFORMATION

1.1. DOCUMENT VERSION

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1.2. DOCUMENT REVISION HISTORY

Date	Version	Description
03 September 2010	1.0	Document creation and initiation of SIP accreditation
14 March 2013	1.1	Updated for new Equity Market trading system go live
21 August 2013	1.2	Minor corrections and updates
14 February 2014	1.3	Changes to accommodate the introduction of the Colocation services as well as extending the SIP polity across all JSE Markets
07 July 2015	1.4	Rebranded to new JSE template and minor formatting changes applied

1.3. CONTACT INFORMATION

Should you have any queries regarding this policy please contact:	
<p>JSE Limited Trading and Market Services Division One Exchange Square Gwen Lane, Sandown South Africa Tel: +27 11 520 7777 www.jse.co.za</p> <p>Trading and Information Systems Documentation: https://www.jse.co.za/services/technologies</p> <p>Shared Infrastructure Provider (SIP) Documentation: https://www.jse.co.za/services/technologies/sip-accreditation</p>	<p>Enquiries to:</p> <p>JSE Client Services Centre (CSC) CustomerSupport@jse.co.za Tel: +27 11 520 7777</p>

3. INTRODUCTION

The Johannesburg Stock Exchange (JSE) is a licensed exchange in terms of the Securities Services Act (SSA) and must maintain fair and orderly markets in order to ensure market integrity. The JSE is also a Self-Regulatory Organisation (SRO).

The JSE also recognises the need for Members (authorized users admitted as Members of the JSE markets) or clients of Information Subscribers in Colocation to reduce costs by sharing infrastructure, where possible.

In developing this Shared Infrastructure Provider policy (this Policy), the JSE has drawn on many of the principles as prescribed by the International Organisation of Securities Commissions (IOSCO).

4. PURPOSE

This policy which forms part of the Services Documentation (as defined in the JSE Services Agreement (JSA) entered into by JSE customers and the JSE Limited (JSA)), sets out the principles that Shared Infrastructure Providers (SIPs) need to adhere to in order to be accredited by the JSE, PRIOR to providing shared infrastructure services to Members or clients of Information Subscribers in Colocation.

A SIP is defined as a legal entity that provides shared infrastructure services to more than one Member or to clients of Information Subscribers in Colocation. This includes, without limitation:

- application or application service hosting;
- platform hosting (e.g. virtual machines);
- shared network;
- physical infrastructure hosting services;
- shared telecommunications (e.g. MPLS);
- Services offered from the JSE Colocation facility.

This Policy is not intended to define a complete set of governance principles or controls but only addresses the aspects related to JSE market integrity. Good governance and control must be applied by the SIPs as well as Members or clients of Information Subscribers in Colocation. There is specific guidance on effective IT Governance contained in King III as well as guidance from IOSCO contained in “Principles on Outsourcing of Financial Services for Market Intermediaries”.

5. APPLICABILITY

Any SIP that intends providing shared infrastructure services to Members or clients of Information Subscribers in Colocation must be accredited by the JSE in terms of this Policy. Application for accreditation must be made annually or as and when changes are made to the SIP solution or service. All existing and new SIPs who wish to offer services to clients in JSE Colocation must ensure they accredit themselves for the provision of services in JSE Colocation by no later than Tuesday, 30 April 2014.

Members or clients of Information Subscribers in Colocation may only use JSE accredited SIPs for the provision of shared infrastructure services.

6. SERVICES DOCUMENTATION AND AGREEMENTS

A SIP will be required to sign a JSA and related schedules (prior to offering any shared infrastructure services to any Members or clients of Information Subscribers in Colocation) and meet such requirements as set out in the JSA and the Services Documentation which includes the Colocation Services Documentation.

7. SIP REVIEW AND APPROVAL PROCESS

7.1. SIP APPLICATION

The SIP requiring initial JSE accreditation must formally apply to the JSE by submitting an application to TradingServices@jse.co.za along with proof of payment for the SIP Initial Administration fee as per the JSE Price List. The application must indicate with sufficient detail how the SIP will comply with the principles as set out in this Policy. Initial accreditation is valid for one year from the date of JSE accreditation. The JSA must be signed by the SIP prior to the SIP offering any shared infrastructure services to any Members or clients of Information Subscribers in Colocation.

7.2. SIP RENEWAL

SIPs are required to renew their accreditation annually to ensure and confirm that the SIP is still complying with the principles as set out in this Policy as updated by the JSE from time to time. The JSE may need to adjust this Policy in line with requirements that are seen to be in the best interests of maintaining market integrity. Renewals must be submitted to TradingServices@jse.co.za at least one month prior to the accreditation expiry.

7.3. CHANGE NOTIFICATION

A SIP must immediately notify the JSE in writing of any changes:

- made by the SIP that reduces compliance with any of the principles as set out in this Policy; and
- to the list of Members or clients of Information Subscribers in Colocation that the SIP is providing shared infrastructure services to.

7.4. JSE SIP COMMITTEE

A JSE SIP Committee consists of JSE employees with business and technical expertise across the JSE markets and services and is responsible for, inter alia:

- Review and Approval of New Applications;
- Approval of annual renewal applications;
- Review of notification of changes;
- Consideration of any non-compliance to this policy; and
- Ongoing review of this Policy in accordance with changing requirements to ensure ongoing market integrity.

8. PRINCIPLES

8.1. PRINCIPLE 1: SECURITY AND CONFIDENTIALITY OF INFORMATION

A SIP must ensure that it protects confidential proprietary, client and other information of the Members or clients of Information Subscribers in Colocation from any unauthorised disclosure to persons or entities.

8.2. PRINCIPLE 2: UNAUTHORISED ACCESS TO JSE SERVICES

A SIP must install and maintain such control, security and logistical systems in order to prevent any unauthorised or inappropriate access to JSE services (e.g. receiving public data that the Members or clients of Information Subscribers in Colocation are not contracted to receive). Any information received by JSE systems is deemed for all purposes under the JSE rules and directives to be submitted to JSE systems by, and with the knowledge of the Members or clients of Information Subscribers in Colocation.

8.3. PRINCIPLE 3: ACCESS TO RECORDS INCLUDING RIGHTS OF INSPECTION

The SIP must ensure that it maintains a full audit trail of all events and transactions (including change control logs) for each Members or clients of Information Subscribers in Colocation and retain such audit trails and logs as long as legally required. The SIP must also be able to provide the audit trails and logs to the JSE upon request in order for the JSE to meet any regulatory obligations.

8.4. PRINCIPLE 4: CAPACITY MANAGEMENT

As the mismanagement of network and infrastructure capacity by the SIP has the potential to affect JSE services and services to Members or clients of Information Subscribers in Colocation clients, the SIP must ensure that there is sufficient capacity for the services provided by the SIP with specific attention to application, infrastructure and network capacity, including JSE minimum bandwidth requirements.

8.5. PRINCIPLE 5: MONITORING AND SUPPORT

The SIP must provide for proactive monitoring that assists in immediately informing the Members or clients of Information Subscribers in Colocation and the JSE of potential issues or failures which may impact the JSE services. The SIP must ensure that appropriate escalation, business and technical support services and processes are in place in order to assist Members or clients of Information Subscribers in Colocation and/or the JSE with efficient problem resolution.

8.6. PRINCIPLE 6: AGREEMENTS

The SIP must provide Members or clients of Information Subscribers in Colocation with a legally binding written contract which is appropriate to the materiality of the services provided.

8.7. PRINCIPLE 7: CHANGE MANAGEMENT

Formal change management must be practiced by the SIP to ensure minimal disruption and/or no negative impact to the Member or client of the Information Subscribers in Colocation operations and JSE services.

8.8. PRINCIPLE 8: BUSINESS CONTINUITY

A SIP must have appropriate contingency (reduces impact in the event of a failure) and resilience (prevents failures) arrangements to ensure minimal disruption and/or no negative impact to Members or clients of Information Subscribers in Colocation operations and JSE services.