



SA STOCK BROKERS

HEAD OFFICE

Suite 201, 2nd Floor, The Firs
Cnr Biermann & Cradock Avenues
Rosebank, Johannesburg, 2196
PO Box 61580, Marshalltown, 2107
Tel: 011 214 7250
Fax: 011 214 7298

Dear valued client

IMPORTANT T+3 GO-LIVE DATE ANNOUNCEMENT

The JSE has announced that a decision regarding the final go-live date for the T+3 settlement cycle has been reached. We can confirm that the switch-over from a T+5 to T+3 settlement cycle will take place on **Monday 11 July 2016**

What is T+3?

T+3 is the abbreviation used to describe the JSE-driven market initiative to shorten the settlement cycle in the cash equity market from its current **6 business day** (or T+5) cycle to a new **4 business day** cycle (T+3)

This is intended to bring about a number of benefits for the local market, including:

- Aligning South Africa more closely with the global market standards
- Improving both the credibility and operational efficiency of the local market which assists in making South Africa an attractive investment destination
- A reduction in the value of unsettled trades
- Improving liquidity in the market

What does this mean for you as the client?

- As always trades may not be executed without either sufficient cash or shares in place. This is due to the fact that the JSE requires brokers, irrespective of the settlement period, to provide upfront cash or shares before transacting on behalf of the client.
- Sellers will receive their cash into their trustee account with the broker 2 days earlier, meaning of course that purchasers will also receive shares and have their cash debited from their trustee account with the broker 2 days earlier.
- Corporate actions (for example rights issues or dividend options “cash or shares”) will now require a much quicker response from our non-managed client’s. In this regard, should clients fail to provide an election timeously, **the default option will automatically be elected**. Non-managed clients should therefore ensure that they are aware of any corporate activity pertaining to their shareholdings and notify their respective client handlers well in advance of any choice they might have.
- **Please note: Only clients with sufficient cash in their account will be able to elect and exercise their right to take up any additional shares and or any other corporate action requiring a cash payment.**

For ease of reference to the Material Obligations in the new T3 environment, please visit our website on **www.sastockbrokers.com**.

Should you have any further queries please do not hesitate to contact your client hander or our office at 011-2147250.