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SERVICE HOTLINE

REFERENCE NUMBER: 165/2019

2 August 2019

POST-TRADE REAL-TIME CLEARING (RTC) – NEW ENCRYPTED SECURE CONNECTION AVAILABLE

Clients are advised that the following Post-trade Services Document has been updated and is now available for download.

To keep in line with industry best practice, the JSE will be provisioning a secure TAX-M channel, which will be made available to all client facing TAX-M environments in stages.

This document forms part of the JSE Services Documentation and can be accessed at the following link: https://www.jse.co.za/services/itac#PostTradeDocumentation

Document	Update	Description
Volume PT01 - Post-trade EMAPI Common.pdf	**Updated**	This document is to provide an overview of the derivative post-trade services provided by JSE Clear, the central counterparty (CCP) in the South African market. It describes the services offered and how market participants will interact with and utilise the services. The document was updated include: • New section 5.6.2.1 Encrypted Secure TAX-M Connection added

Summary of the Change

Transport Layer Security (TLS) and its predecessor, Secure Socket Layer (SSL), are widely used protocols. They were designed to secure the transfer of data between client and server through authentication, encryption, and integrity protection.
The secure TAX-M connection will take place over TLS versions 1.2 and 1.3.

To secure the transfer of data, TLS uses one or more cipher suites. A cipher suite is a combination of authentication, encryption, and message authentication code (MAC) algorithms. They are used during the negotiation of security settings for a TLS connection as well as for the transfer of data. Details of the available cipher suites are documented in the above Post-trade Services Document.

(…continues overleaf)

Service:
JSE Derivatives Markets:
• Equity Derivatives
• Currency Derivatives

Environment(s):
Customer Test Service (CTS)
Production

Additional Information:
If you have any queries about this announcement, please contact the Client Services Centre on +27 11 520 7777 or CustomerSupport@jse.co.za

Note: the JSE will be supporting both the unencrypted and the new encrypted channels for TAX-M connections (refer to Figure 1 below) for a certain period (as indicated below) until further notice.

Impact and Timelines

- Client frontends will need to be updated to support the new TLS 1.2 and 1.3 protocols.
- Parallel channels for both the current unencrypted and the new encrypted connections will be available in the RTC CTS environment from the beginning of August 2019.
- After consultation with the market, the parallel channels will then be deployed to:
  - ETE Staging environment - beginning of September 2019
  - Production environment - beginning of October 2019
  - **NOTE:** The intention is to **migrate all clients to the secure connection within at least 6 months post go live** of the change being implemented into production

Figure 1: Diagram to illustrate current unencrypted and new encrypted protocol Channels

| New protocol channel |
| Existing protocol channel |
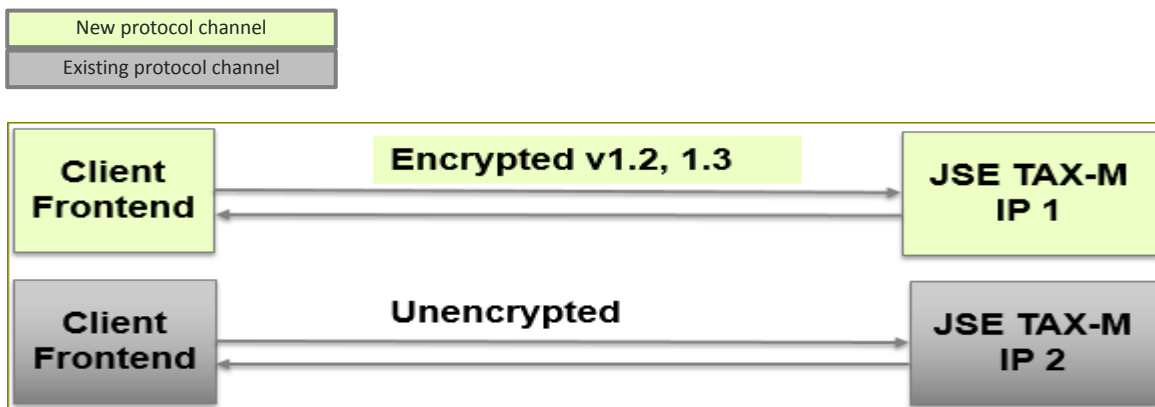
Please refer all queries relating to these documents via email to CustomerSupport@jse.co.za.