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SERVICE HOTLINE

REFERENCE NUMBER: 172/2017

14 September 2017

BDA AND COLLATERAL MANAGEMENT WITH STRATE'S COLLATERAL MANAGEMENT SYSTEM

BDA has been enhanced to cater for the movement of securities from the brokers Proprietary Custody Account to the brokers Collateral Giver SDA (Segregated Depository Account) at their CSDP which will enable the securities to be managed in Strate's Collateral Management System.

The new BDA on-line functions will be activated over the weekend of 16 September 2017 on completion of a successful cycle of integrated testing with the ITAC project.

The functionality allows for the transfer of security holdings from the Custody Account to the SDA and from the SDA back to the Custody Account and the resultant accounting entries to reflect these movements. SWIFT account transfer messages (MT540 and MT542) will be automatically generated so that the transfer can be actioned by the CSDPs through Strate.

Securities can be pledged or ceded to counterparties during the day on the Strate Collateral Management System however; BDA will receive a SWIFT statement MT569 message as part of the end of day batch process which is used to update BDA to reflect the status as at the end of day. Corporate Actions will be processed on the MB (Member Balance), MC (Member Cession) and MP (Member Pledge) holdings in BDA.

A daily reconciliation is performed between the BDA SDA balance and the Collateral Giver SDA as well as the BDA Proprietary Custody balance and Proprietary Custody accounts at the CSDP by means of the SWIFT Statement of Holdings MT535 messages and any discrepancies will be highlighted on the Proprietary Reconciliation PCSDRP report.

Market / Service:

BDA

Environment(s):

BDA 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

Brokers may also be Receivers of collateral however these positions will only be displayed on BDA as per the MT569 messages received.

The BDA Collateral Management manual is included with this Hotline and training can be requested by contacting the Client Services Centre.

Brokers who would like to use this functionality need to forward the details below highlighted in red to customersupport@jse.co.za:

OPTN: BRKAM	BDA: BROKER ADDITIONAL MAINTENANCE	04SEP17	08:16:31
ACTN:		JSE	592
ACTION-IND E			
BRK-CDE: 084	NAME: JSE	BRK-ALPHA: JSE	
BROKER'S EMAIL: .			
AUTO BCNTL RELEASE (Y/N): Y			
COLLATERAL MANAGEMENT DETAILS			
STRATE CLIENT CDE. :	NEW DETAILS EFFECTIVE FROM : _____		
CUSTODY ACCOUNT (G) :	CUSTODY ACCOUNT (G) : _____		
COLL GIVER SDA. :	COLL GIVER SDA. : _____		
CUSTODY ACCOUNT (R) :	CUSTODY ACCOUNT (R) : _____		
COLL RECEIVER SDA. :	COLL RECEIVER SDA. : _____		

Once these details have been received and updated on BROKAM screen on BDA by Customer Support the broker will be enabled to use the functionality after the weekend of the 16th of September 2017.