

28 February 2025

Dear Client,

CSD Services – Equity ad valorem fee 2025

Strate published a revised fee schedule in December 2024, set to take effect on 1 March 2025. The key changes to the ad valorem fee for equities are:

- Standard fee increase of 4% applied to the ad valorem rate
- 15% increase to the equity ad valorem fee cap
- No adjustment to the equity ad valorem fee floor

Upon reviewing the 2025 Equities Safekeeping and Settlement Fee Schedule, we identified errors in the calculation of the equity ad valorem minimum contract note fee (R6.72) and the maximum contract note fee (R124.32).

As a result, we recommend applying the 2024 ad valorem fee until 17 March 2025, at which point the new ad valorem fee will be implemented.

The 2024 fee for equities ad valorem is as follows:

- Floor: R116 116,01
- Cap: R1 867 868.46
- Fee rate: 0.005787%
- Minimum contract note fee: R6.72
- Maximum contract note fee: R108.10

The correct 2025 fee for equities ad valorem is as follows:

- Floor: R116 116,01
- Cap: R2 148 048.72
- Fee rate: 0.006018%
- Minimum contract note fee: R6.99
- Maximum contract note fee: R129.27

An updated fee schedule with the corrected ad valorem fee is attached for your reference. The new fee for this line item will be implemented on 17 March 2025.

We apologise for the inconvenience caused and want to assure you that we will continue to serve the financial markets, guided by the interests of all stakeholders.

If you have any queries or require clarification, please email CSDservices@strate.co.za

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