

PROPOSED AMENDMENTS TO THE JSE EQUITIES DIRECTIVES

General explanatory notes:

1. Words underlined with a solid line (____) indicate the insertions in the existing directives
2. Words in bold and in square brackets ([]) indicate deletions from the existing directives

DA Financial Records, Credit Risk Management and Insurance

3. Insurance

- 3.1. Every member shall at all times be covered by a fidelity insurance policy **[Stockbrokers' Indemnity Policy of Insurance ("In and Out" Policy)]** which shall be negotiated by the JSE Executive.
- 3.2. A member shall pay premiums and carry such excesses in respect of each and every loss as the JSE Executive may from time to time determine.

FL Duties and responsibilities of a TSP and its appointed CSP

8. Following the discovery of any loss or occurrence likely to give rise to a loss to the TSP and/or its clients which may be covered in terms of the **[stockbrokers' "In and Out"]** fidelity insurance policy procured by the JSE, and which had or may have occurred in the operations of the CSP,
 - 8.1 either the TSP or its CSP that discovered the actual or potential loss shall promptly advise the other party of the discovery in terms of 7; and
 - 8.2 both parties shall consider whether they may have suffered an actual or potential loss or incurred an actual or potential liability to a third party and, if so, promptly give notice in writing of the discovery to the insurance brokers acting for the JSE.