MINUTES OF THE 88TH EXECUTIVE MEETING
Held on 25 June 2020
Online via TeamViewer

1. ATTENDANCE

1.1. PRESENT

Tania Riviere (TR)	Chairperson
Alex Comninos (AC)	
Andrew Khoury (AK)	
August Sander (AS)	
Debbie Botha (DB)	
Jean Bridge Turner (JTu)	
Juanita Taylor (JT)	
Lloyd Keys (LK)	
Michael Wright (MW)	
Natasha Williams (NW)	
Philip Croeser (PC)	
Simon Behrends (SB)	
Umesh Vaga (UV)	
Caroline Mark (CM)	Secretary

1.2 APOLOGIES

None received

1.3 WELCOME AND ATTENDANCE

The Chairperson welcomed all in attendance to the 89th EXCO meeting via TeamViewer. The Agenda was shared on the screen.

2. CONFIRMATION OF MINUTES

No minutes from the 13 February 2020 EXCO meeting have been produced. **TR** has not been able to get hold of Graham but will pursue this.

3. MEMBERSHIP

3.1. No new membership applications have been received
3.2. Payment of 2020 membership fee invoices need to be chased up. **TR** to discuss with Graham.

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4. CURRENT MARKET / SASLA PROJECTS

4.1. FSCA / Regulatory

4.1.1. **Reg 28 Securities lending document**

No updates. **JT** will chase up a sitrep

4.1.2. **Omnibus Bill for changes to FMA**

Document is high level at present. Wait for first draft before commenting

4.1.3. **FSB: Code of Conduct for parties utilizing securities financing transactions ("SFT") in the South African Securities Market**

JTu will send an enquiry for progress

4.1.4. **Short Sale Discussion Paper** – no comments

4.1.5. **LEI's** – no comments

4.1.6. **Minimum Haircut Floors**

Meeting scheduled for 10 or 12 July to discuss. **JTu** and **MW** will represent SASLA through BASA and will share outcomes

4.1.7. **CCP's** – no comments

4.1.8. **Code of Conduct for FI's and Code of Conduct for Banks**

No formal update. Back to the drawing board as discussions were too broad

4.2. Taxation / SARS

4.2.1. **Proposed STT Exemption declarations forms**
4.2.2. **Proposed tax legislation changes**

It was agreed that there would have to be fundamental tax changes in February 2021 in order to make up the shortfall and that there would be no exemptions due to the need to identify extra revenue

4.3. Agency / Principle Module – Legal opinion. Progress and Feedback

4.3.1. Cliffe Dekker. Final copy was produced in February and is now closed for comment
4.3.2. **TR and MW** will confirm payment amount and settle to avoid payment penalties
4.3.3. **JTu** will clarify where SASLA can publish this – ie on the website / to all members

4.4. Market Data

4.4.1. **SASLA data**

MW will chase an update on when to use data lenders. SASLA data is old and corrupt

4.4.2. **Datalend Solution**

JT commented that there was progress with Iris users. **UV** will request an update. AK commented that there were issues using Iris, also experienced at Investec but progress was being made to get it back up and running. Data will be delayed by a month. **MW** will circulate the update to EXCO for comment

4.5. SFTR Implications

Going live soon but no date given. **TR** will get an update – ask IHS or Emily Hollyoake. High level summary of latest on SFTR at EquiLend from Emily Hollyoake:

"Go live in 2 weeks, there has been a significant amount of bilateral testing in last 3-4 weeks, helping clients to identify differing interpretations & data quality issues. The general level or preparedness within the market is good, clients now managing transition into and carrying "open item" lists with resolution dates. EquiLend are participating in ISLA & ICMA sessions, hosting our client working groups, and in contact with NCAs.
There are open issues at industry level on some interpretations – notably actual vs contractual settlement reporting for full & partial returns. We are actively now gathering feedback and working on the "Day 2" list of enhancements, and the focus now turns to buy side clients who go live in Oct."

4.6. Corporate Actions processing by the market

How to treat FirstRand unbundling out of RMH. How to price up to pay date. **AS** will circulate document to confirm process (**AK, AS and MW** to neaten up document first). If default happens between record date and payment date what happens

4.7. Events

4.7.1. **Masterclass** – not happening this year

4.7.2. **ISLA –** ISF conference - virtual web by ISLA in July. **LK** will put invitation on website

4.7.3. No **Spring Ball** this year.

5. COMMITTEE REPRESENTATION AND FEEDBACK

5.1. Strate (JTu / AC)

5.1.1. **ITaC** – no feedback

5.1.2. **Strate/Clearstream Collateral Management**

All on hold for securities collateral. Formal proposal to regulator to review rules under the Insolvency Act. AC confirmed that there was a session on Friday 26 June for future phases of strategies

5.1.3. **Business Partner Forum**

Nothing during lockdown. **All** to look at Cliffe Dekker document in terms of Business Partners Forum – who is responsible for tracking?

5.1.4. **Late Reporting**

Marlon (STRATE) working with all desks to obtain details of trades that are marked for late reporting

Marlon (STRATE) will set up meeting with SLB, Custodians and JSE to discuss these issues and time lines in detail

5.2. Clearing and Settlement Advisory Committee – nothing to highlight

5.3. JSE Clear Advisory Committee – nothing to highlight

5.4. Strate Market Advisory Committee – nothing to highlight

5.5. Strate Business Partner Forum (see 5.1.3)

5.6. Strate Vendor Form – nothing to report

5.7. ASISA – nothing to report

5.8. Granite – nothing to report

5.9. Project Rainbow – to be removed from Agenda moving forward

6. FINANCE

6.1. Finance update

6.1.1. Need to contact Graham
6.1.2. Update on invoices for 2020 annual fees and monies still outstanding

6.2. Tax liability – no update

7. **GENERAL**

7.1. Website updates

7.1.1. **LK** will update ISLA conference details
7.1.2. FSB / tax exemptions / recoveries to be chased up (**JT**)
7.1.3. **MW/UV** will send LK updated member list for website

7.2. Ad Hoc Meeting Minutes – 15 May 2020 – attached to these minutes for information

7.3. AK introduced Debbie Botha from the lending desk at RMB as his alternate/partner at SASLA meetings

8. **PROPOSED MEETING DATES FOR 2020**

Q3 and Q4 dates still to be confirmed.

9. **CLOSURE** – there being no further business the meeting was closed at 1105 hours.