

SECTION 4

RECORDING OF PURCHASES AND SALES

4.1 Purchase/Sale of Securities

The CDS shall be informed of all Trades of Securities executed by Participants on the CSE, for the purposes of facilitating the clearance and settlement of such Trades. The CDS shall be entitled to rely on the information provided by the CSE and by the Participants in respect of such Trades.

The settlement of funds and delivery of Securities pursuant to the Trades carried out by Participants on the CSE shall take place on the Settlement Date.

The CDS shall not be responsible for any dispute arising between the Account Holder and the Participant in respect of Trades carried out by the Participant for and on behalf of the Account Holder.

4.2 Transfer and Registration of shares

In terms of section 86(2) of the Companies Act No.7 of 2007, where a notice of trust has been entered in the share register in respect of any shares of a Listed Entity which are held in trust by the CDS, the person for whose benefit those shares are held in trust by the CDS—

- a) shall be deemed to be a shareholder in such Listed Entity; and
- b) shall in respect of those shares, enjoy all such rights and privileges and be subject to all such duties and obligations under the Companies Act, as if his name had been entered in the share register as the holder of those shares.