



### **SASLA releases updated South African GMSLA schedule for 2016**

On 1 June 2016, the South African Securities Lending Association ("**SASLA**") released an updated standard South African schedule for use with the 2010 Global Master Securities Lending Agreement ("**GMSLA**"). Among the matters the updated schedule addresses are changes to legislation. This includes the recent introduction, on 1 January 2016, of an exemption from securities transfer tax ("**STT**") for outright transfers of equity securities as collateral where such transfers qualify as "collateral arrangements", as defined in the Securities Transfer Tax Act, 2007, as amended.

Similar to the "lending arrangement" definition for purposes of the STT exemption for loans of equity securities, the definition of "collateral arrangement" requires the parties to contractually agree to a number of arrangements (for example, that such collateral will be returned to the borrower within 12 months). For this reason, securities lending parties wishing to avail themselves of the new STT exemption must update their GMSLA schedules (or conclude new GMSLA schedules) to reflect the new legislation.

For ease of use for securities lending parties, SASLA also released a standard form amendment agreement, intended to amend existing GMSLA schedules to reflect the most important updates in the updated schedule.

ENSAfrica's Kelle Gagné, with SASLA, drafted the updated GMSLA schedule and standard form amendment agreement.

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