



Ground Rule Change - FTSE/JSE Intra Review Share Changes

18 September 2012

A revision to the suspension of dealing rule has been approved. The existing 10 business day period to address suspended stocks has been extended to 20 business days. Rule numbers for the FTSE/JSE Index Series are provided for convenience.

Suspension of Dealing

Existing Rule

6.4 Suspension of Dealing

6.4.1 Where a suspension of a constituent of the FTSE/JSE Top 40 Index lasts beyond noon on the second trading day, the Secretary to the FTSE/JSE Advisory Committee will convene a meeting of the FTSE/JSE Advisory Committee (to be held, if possible, after market hours on the second day or by teleconference) to consider whether the constituent should be removed. When a stock has been suspended for five consecutive trading days (and the Committee has not exercised an earlier discretion to remove it), it will normally be deleted from the Index on the sixth trading day. When a stock is removed following suspension of its quotation, the stock will be removed at its suspension price unless otherwise decided by the FTSE/JSE Advisory Committee.

6.4.2 In the event that a constituent of a FTSE/JSE Africa Index other than the FTSE/JSE Top 40 Index, the constituent may remain in the Index, at the price at which it is suspended. On advice from the JSE Indices Department, the Chairman and Deputy Chairman of the FTSE/JSE Advisory Committee (or their deputies) may agree to delete the constituent immediately either at its suspension price or at a value of zero. In the case of a FTSE/JSE Africa Index that has a constant number of constituents, replacement of constituents will be handled according to Rule 6.1. This change will be effected after the close of the index calculation and prior to the start of the index calculation on the following day. Removing a constituent at zero indicates that the stock is valueless.

6.4.3 When a suspension of a constituent of a FTSE/JSE Africa Index other than the FTSE/JSE Top 40 Index lasts beyond noon on the tenth business day (and the Committee has not exercised an earlier discretion to remove it), the constituent will normally be deleted from the index on the eleventh trading day, either at its suspension price or at zero. Where suspension is for a reason not to the detriment of the constituent, it may be retained or removed at its suspension price with the approval of the Chairman and/or Deputy Chairman (or their deputies) of the FTSE/JSE Advisory Committee. In the case of a FTSE/JSE Index that has a constant number of constituents, replacement of constituents will be handled according to Rule 6.1.

6.5 Relisting of Suspended Constituents

Where a suspended constituent, which has been removed from the indices, is subsequently relisted, the following rules shall apply:

6.5.1 Securities which were removed from a FTSE/JSE Africa Index that has a constant number of constituents, which on relisting are larger than the smallest constituent of the relevant indices from which they were removed when suspended, shall be reinstated in the same index at the price at which they were removed and the lowest ranking constituent of the index will be selected for removal and related indices adjusted in accordance with Rule 6.1. The addition and deletion of stocks occur simultaneously, such that the number of constituents remains constant.

6.5.2 If the above securities, on relisting, are smaller than the smallest constituent of the index from which they were removed when suspended, shall then be re-instated in the same index at the price at which they were removed after the close of the index calculation on the trading day prior to relisting. After the close of the index calculation on the first day of trading following relisting, the smallest ranking security shall be deleted according to Rule 6.1. Consequently an index with a constant number of constituents may have one additional constituent for one day only.

6.5.3 Securities, which were removed from a FTSE/JSE Africa Index that does not have a constant number of constituents, shall be re-instated in the index at the price at which they were removed.

New rule

6.4 Suspension of Dealing

6.4.1 If a constituent is suspended on its home exchange it may remain in the FTSE/JSE Africa Index Series, at the price at which it is suspended, for up to 20 business days. During this time FTSE and the JSE may delete the constituent immediately at zero value in cases it is expected that the constituent will not commence trading. In the case of a FTSE/JSE Africa Index that has a constant number of constituents, replacement of constituents will be handled according to Rule 6.1. This change will be effected after the close of the index calculation and prior to the start of the index calculation on the following day. Removing a constituent at zero indicates that the stock is believed to be valueless.

6.4.2 When a suspension of a constituent lasts beyond noon on the twentieth business day (and the option to remove the constituent has not been exercised), the constituent will normally be deleted from the index on the twenty-first trading day at zero value. Where suspension is for a reason not to the detriment of the constituent and its suspension is expected to be short-term, it may be retained at its suspension price. In the case of a FTSE/JSE Africa Index that has a constant number of constituents, replacement of constituents will be handled according to Rule 6.1.

6.5 Relisting of Suspended Constituents

6.5.1 If a company relists then it will be eligible for inclusion in the FTSE/JSE Africa Index Series at the next quarterly review providing it meets the eligibility criteria as defined in Section 4.

An updated version of the FTSE/JSE Series Ground Rules is now available on the FTSE/JSE website.

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