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| --- |
| **The below represents a consolidation of the provisions of a specific corporate action in:**   * Section 5: Methods and Procedures of Brining Securities to Listing; * Section 11: Circulars, Pre-Listing Statements/Prospectuses and Announcements; and * Section 16 Documents to be Submitted to the JSE,   that will be included a new General Corporate Actions Section.  Each corporate action will be structured as follows, in alphabetical order:   * Specific requirements ; * Announcement; * Contents of circular; * Submission to the JSE.   **Definitions will be updated as required.**  **Original paragraph numbers are maintained for consultation purposes and will be renumbered on the clean simplified version.** |

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| **Number 8: Payments to Securities Holders** |

Payments to securities holders

Specific requirements

[Compliance with the Companies Act is not a listings requirement]]

5.85 A pro rata payment to all securities holders will not require the approval from securities holders.

5.86 Any payment to securities holders which is not pro rata will be regarded as a specific payment and must be approved by securities holders in a general meeting, which approval is not required in respect of cash dividends, scrip dividends or capitalisation issues.

5.86 Approval from securities holders in general meeting is required, where the securities of a distibution are unlisted or will become unlisted when the issuer effects a distribution in specie by way of an unbundling (either by way of pro rata or specific payment).

5.87 [*moved up]*

. *[moved up]*

*[moved up]* *[moved up]*

*[consolidated above]* *[consolidated below]* *[consolidated below]*

**Announcement**

11.29 An announcement must be including released:[[1]](#footnote-7) [*issuers must adhere to the CA timetable]*

(a) the date of the general meeting;

(b) the terms of the payment, including the intended payment date;

(d) an explanation, including supporting information (if any), of the impact of the payment on the financial statements; and[[2]](#footnote-8)

(e) that a circular will be issued with the above details.[[3]](#footnote-9)

**Contents of circular**

11.28 The following must be included in the circular, which must be sent to securities holders within 60 days of publication of the announcement :[[4]](#footnote-10)

*[general provisions apply irrespective]*

*[moved down]*

(a) in relation to the payment, the:

(i) reason and the intended method of payment t;

(ii) [[5]](#footnote-12) source of payment (capital or income payment); and

(ii) terms of payment *[(f) below].*

(b) an explanation, including supporting information (if any), of the impact of the payment on the financial statements;[[6]](#footnote-13)

(c) a statement by the board that it meets the solvency and liquidity test in terms of the Act, as at the date of the approval of the circular

*[moved up]*

(d) the following general information:

|  |  |
| --- | --- |
| **Paragraph** | **Nature of statement** |
| 7.A.7 | Major shareholders |
| 7.E.10 | Material change |
| 7.B.20 | Directors’ interests in securities |
| 7.A.4 or 7.A.5 | Share capital of the company |
| 7.B.17 | Expenses |
| 7.B.22 and 7.B 23 | Responsibility |

(e) a statement giving the directors‘ opinions on the payment, a recommendation as to how securities holders should vote and an indication as to how the directors intend to vote their shares.

*[moved up]*

Submission to the JSE

16.34 The following must be submitted to the JSE:[[7]](#footnote-19)

(a) the circular;

(b) any application for listing available on the JSE Forms Portal;

(c) exchange control approval, if applicable;

(d) experts’ consents appearing in the circular;[[8]](#footnote-20)

(e) the board resolution approving the specific payment and confirmation that the board has met the solvency and liquidity test in terms of the Act, as at the date of the approval of the circular, and that there have been no material changes to the financial position of the issuer and its group; and[[9]](#footnote-21)

*[Fees covered under the new Section 5 Continuing Obligations]*

1. [↑](#footnote-ref-7)
2. [↑](#footnote-ref-8)
3. [↑](#footnote-ref-9)
4. [↑](#footnote-ref-10)
5. [↑](#footnote-ref-12)
6. [↑](#footnote-ref-13)
7. [↑](#footnote-ref-19)
8. [↑](#footnote-ref-20)
9. [↑](#footnote-ref-21)