

MARKET NOTICE

Johannesburg
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Relates to: ☐ Equity Market
☐ Equity Derivatives
☐ Commodity Derivatives
☐ Interest Rate and Currency Derivatives
☒ Primary Market

Date: 28 November 2016

SUBJECT: **UPDATED PRIMARY MARKETS PRICE LIST 2017**

Name and Surname: Prejelin Naggan

Designation: Head – Primary Markets

Dear JSE Client,

The purpose of this notice is to inform all Primary Market participants of the changes to prices in the Primary Market Price List that will become effective on 1 January 2017 and to provide clarity as to the calculation of certain Primary Markets fees.

Equity Annual Listing Fees – please refer to paragraph 2.a of the Primary Markets Price List

The fee caps on each tier within the annual listing fees table will increase by inflation, while the rates applicable to each tier will remain the same. The JSE remains committed to a fair model that is aligned to best international practice.

AltX Annual Fees – please refer to paragraph 3.c of the Primary Markets Price List

Annual fees for AltX companies have remained unchanged for the past 5 years. They will be increased by inflation from R32 077 (including VAT) to R34 000 (including VAT) in 2017, which remains competitive.

Empowerment Segment Annual Fees – please refer to paragraph 4 of the Primary Markets Price List

The annual listing fees for instruments in the empowerment segment will increase in line with those of AltX. Empowerment Segment fees were aligned with AltX at the beginning of 2016, and by increasing the annual fee from R32 077 (including VAT) to R34 000 (including VAT) in 2017 we will keep them aligned and consistent.

New Warrant and Structured Products (excluding ETNs and ETFs) Billing Model – please refer to paragraph 5 of the Primary Markets Price List

In order to align with international best practice and after consultation with Warrant and Structured Product issuers (“Issuers”), the JSE has revised its billing methodology in relation to Warrants and Structured Products (excluding ETNs and ETFs). This will come into effect on 1 January 2017.

- Warrants and Structured Products (excluding ETNs and ETFs) will be treated the same from a pricing perspective.
- The current documentation fee for listing a Warrant or Structured Product and the annual fees in respect of such will be replaced by a “package” model as set out below. The larger the package selected, the lower the total cost per Warrant or Structured Product.
- Issuers will pre-pay for a number of Warrant or Structured Products which must be issued during the course of the financial year (i.e. January to December). Issuances include the rolling of existing Warrant or Structured Products by changing their term structure or other material characteristics of the instrument.
- Unused Warrants or Structured Products will expire on 31 December of each year. If an Issuer requires additional Warrants or Structured Products to be issued, the Issuer may elect to pay either an ad hoc fee per additional instrument, or the difference between the value of the package it paid for and the value of a larger package.

Package Size	Fee Ex VAT	Per Warrant or Structured Product
5	R 92 500	R 18 500
12	R 180 000	R 15 000
30	R 300 000	R 10 000
60	R 510 000	R 8 500
100	R 750 000	R 7 500
150	R 975 000	R 6 500
250	R 1 250 000	R 5 000
250+	uncapped	R 4 000
Additional (+1)	Ad hoc	R 25 000

- A new warrant programme issuance will attract a documentation fee of R68 421 (excluding VAT).
- No additional fees will be charged in respect of existing/live Warrants or Structured Products that were issued prior to 1 December 2016. Any fees for Warrants or Structured Products issued on or after

1 December 2016 will be included in the package selected by the Issuer for 2017, or will be charged on an ad hoc basis (as set out above) if no package is selected by the Issuer in 2017.

Exchange Traded Funds and Exchange Traded Notes – please refer to paragraphs 6 and 8 of the Primary Markets Price List

The annual fees in relation to Exchange Traded Funds and Exchange Traded Notes will remain unchanged from 2016, although the documentation fees in relation to these products will increase by inflation.

Explanation of calculation of average market capitalization for purposes of calculating Annual Listing Fees

The JSE would like to clarify its methodology of calculating market capitalization for purposes of determining the annual listing fees payable by companies listed on the Main Board.

In terms of Paragraph 2(i)(a) of the Primary Markets Price List for 2016, market capitalization is calculated “by taking the average market capitalization of the securities over the previous year”. To date, the average market capitalization was calculated based on the market capitalization of securities at the end of each quarter of a year. In light of the significant impact of quarterly performance on this average market capitalization, we have decided to calculate based on the market capitalization of securities at the end of each day which will result in a more consistent average market capitalization for each year.

Confirmation of decision to waive tranche/pricing supplement fee in relation to Debt Instruments

Please note that there were the following references in the 2016 Price List:

- Reference in paragraph 10.1.a to an initial listing fee of R3990 (including VAT); and
- Reference in Part B of the 2016 price list to “Interest Rate Securities - Pricing Supplement” fee of R7000 (including VAT).

It is recorded that the JSE agreed to waive the fee of R7000 (including VAT) during the course of 2016 and Issuers who paid such fees were refunded. For 2017, the JSE will not charge an initial listing fee, and only charge a Pricing Supplement Fee of R4229 (including VAT).

Part B Issuer Regulation Documentation Fees

Each of the Issuer Regulation Document fees listed in Part B of the Primary Markets Price List will increase by inflation.

Attached is the Primary Markets Price List for 2017.

Should you have any queries regarding this notice, please contact PrejelinN@jse.co.za or RossG@jse.co.za

This Market Notice will be available on the website at <https://www.jse.co.za/redirects/market-notice-and-circulars>