

Section 1

Authority of the JSE

Scope of section

This section sets out the authority of the JSE regarding its powers to list, suspend and ~~remove~~~~terminate~~ listings, and its powers to enforce the Listings Requirements.

The main headings of this section are:

- Section 1.1 General powers of the JSE
- Section 1.6 Suspension of securities
- Section 1.11 ~~Removal~~~~Termination~~ of securities
- Section 1.19 Annual revision of the List
- Section 1.20 Censure and penalties
- Section 1.25 Power to require information
- Section 1.27 Publication

General powers of the JSE

- 1.1 Subject to the provisions of ~~SSA~~~~the FMA~~, the JSE has the power:
 - (a) ~~subject to the Listings Requirements~~, to grant, ~~defer, refuse review~~, suspend or ~~remove~~~~terminate~~ a listing of securities in accordance with the Listings Requirements;
 - (b) to prescribe, from time to time, the Listings Requirements with which a new applicant must comply before securities issued by such new applicant are granted a listing;
 - (c) to prescribe, from time to time, the Listings Requirements with which applicant issuers must comply;
 - (d) to prescribe, from time to time, the Listings Requirements with which an applicant issuer's directors, officers and agents must comply while securities issued by such applicant issuer remain listed;
 - (e) to ~~suspend~~, alter or rescind a Listings Requirement prescribed before or after a listing has been granted and to prescribe additional Listings Requirements from time to time, ~~either by way of amendment to these Listings Requirements or by way of the issue of practice notes~~;
 - (f) to prescribe the circumstances under which a listing of securities shall or may be suspended or ~~removed~~~~terminated~~; and
 - (g) to prescribe, from time to time, the Listings Requirements with which sponsors, designated advisers, auditors, IFRS advisers, reporting accountants and reporting accountant specialists must comply.
- 1.2 Listings are granted subject to compliance with the Listings Requirements and new applicants and their directors must comply with the Listings Requirements. In addition, the JSE may grant a listing subject to any additional condition(s) that it considers appropriate, in which event the new applicant will be informed

1.1 amended with effect from 15 October 2007.

1.1(g) introduced with effect from 1 September 2008.

of, and will be required to comply with, any such condition(s).

- 1.3 Nothing contained in this section shall limit the powers of the JSE or its officers to those contained herein, and the JSE or its officers may, at any time, exercise any further powers granted to the JSE or its officers in terms of [SSAthe FMA](#). Where the JSE exercises discretion in terms of these Listings Requirements, it shall use its sole discretion and, subject to the provisions of paragraphs 1.4 and 1.5 below, judicial review and the appeal provisions in [SSAthe FMA](#), its rulings shall be final.
- 1.4 If an applicant issuer, director, auditor, IFRS adviser, reporting accountant and/or reporting accountant specialist, in respect of whom a decision (other than a decision in respect of which a specific appeal or review procedure is prescribed in these Listings Requirements, the Rules of the JSE and [SSAthe FMA](#) or any replacement legislation) is taken under these Listings Requirements, objects to such decision, such person must notify the JSE in writing within 48 hours of the decision, giving reasons for such objection. In such event the JSE shall consider the objection and shall be entitled, in its sole discretion, to consult with not less than three independent members of the Issuer Regulation Advisory Committee. After taking into account the views of those independent members, the JSE shall be entitled to reconsider and change its decision. A decision of the JSE made after following this procedure will be final.
- 1.5 Subject to the provisions of [SSAthe FMA](#), if the JSE decides, at its instance, to ~~remove~~**terminate** a listing, and the issuer concerned objects to this decision, then the issuer may appeal to the Issuer Regulation Appeal Committee in writing within 48 hours of the decision, giving reasons for such objection. In such event, the JSE will constitute the Issuer Regulation Appeal Committee in accordance with the mandate issued by the JSE Board for this purpose.

Suspension of securities

Suspension initiated by the JSE

- 1.6 The JSE may, subject to the suspension provisions of [SSAthe FMA](#), and if either of the following applies:
- (a) if it will further one or more of the objects contained in Section 2 of [SSAthe FMA](#), which may also include if it is in the public interest to do so; or
 - (b) if the applicant issuer has failed to comply with the Listings Requirements and it is in the public interest to do so,
- suspend the listing of securities of an applicant issuer and impose such conditions as it may, in the circumstances, deem appropriate for the lifting of such suspension.
- 1.7 When the listing of securities of an issuer is under threat of suspension, the affected issuer shall be given the opportunity of making written representations to the JSE ~~why the suspension should not be affected in support of the continued listing of such securities~~ prior to the JSE making any decision to suspend such listing.

1.3 amended with effect from 15 October 2007.

1.4 amended with effect from 15 October 2007 and 1 September 2008.

1.5 amended with effect from 15 October 2007

1.6 amended with effect from 15 October 2007.

- 1.8 If a listing is suspended and the affected issuer fails to take adequate action to enable the JSE to reinstate the listing within a reasonable period of time, the JSE may ~~remove~~~~terminate~~ the listing in accordance with the procedure set out below.

Suspension at the request of the issuer

- 1.9 The JSE may suspend a listing of securities in the following circumstances:
- (a) (i) where an issuer is placed under provisional liquidation;
 - (ii) where an issuer has adopted a special resolution to be wound up voluntarily; or
 - (iii) where an issuer is placed under business rescue proceedings in terms of Chapter 6 of the Act;
 - (b) where a written request is made by a/the director(s) of an issuer and it is apparent that there are two levels of information in the market and the JSE considers that this situation cannot be remedied by the immediate publication of an announcement to clarify the situation;
 - (c) where the issuer has ceased to do business;
 - (d) where the Commission issues a notice to an issuer in terms of Sections 22 and/or 23(6) of the Act. The issuer must immediately inform the JSE of any such notice issued to the issuer by the Commission; and/or
 - (e) the Commission deregisters an issuer in terms of Section 82(3) of the Act.

Continuing obligations of issuers in relation to suspensions

- 1.10 If an issuer's securities are suspended, it must, unless the JSE decides otherwise:
- (a) continue to comply with all the Listings Requirements applicable to it;
 - (b) submit to the JSE a monthly progress report pertaining to the current state of affairs of the issuer and any action proposed to be taken by the issuer in order to have the listing reinstated; and
 - (c) advise the holders of securities, on a quarterly basis, concerning the current state of affairs of the issuer and any action proposed by the issuer in order to have the listing reinstated, including the date on which the suspension is expected to be lifted.

***Removal~~Termination~~ of securities**

*[*Global change throughout Listings Requirements – refer to “removal” as used in FMA rather than “termination”.]*

Removal~~Termination~~ initiated by the JSE

- 1.11 The JSE may, subject to the ~~removal~~~~termination~~ provisions of ~~SSA~~~~the FMA~~, and if one of the following applies:
- (a) if it will further one or more of the objects contained in Section 2 of the FMA, which may also include if it is ~~of the opinion that it is~~ in the public

1.9 amended with effect from 1 May 2011.

1.11 amended with effect from 15 October 2007.

interest to do so; or

- (b) if the issuer has failed to comply with the Listings Requirements and it is in the public interest to do so,

remove from the List any securities previously included therein; provided that the listing of such securities shall first have been suspended in accordance with the above provisions.

- 1.12 When a listing of securities is under threat of removal~~termination~~, the affected issuer shall be given the opportunity of making representations, in writing, to the JSE why the removal should not be affected~~in support of the continued listing of such securities~~, prior to the JSE making any decision to remov~~terminate~~ such listing.

RemovalTermination at the request of the issuer

- 1.13 An issuer may make written application to the JSE for a removal~~termination~~ of any of its securities from the List, stating from which time and date it wishes the removal~~termination~~ to be effective. The JSE may grant the request for removal~~termination~~, provided paragraphs 1.14 and 1.15 are properly complied with and perfected.

- 1.14 Prior to being able to effect paragraph 1.13, an issuer must send a circular to the holders of its securities complying not only with the requirements of paragraph 11.1 (contents of all circulars) but also with the following:

- (a) where the issuer is a listed company, approval must be obtained from shareholders in general meeting for the removal~~termination~~ of the listing prior to the issuer making written application for such removal;
- (b) the reasons for removal~~termination~~ must be clearly stated;
- (c) an offer (which must be fair in terms of paragraph 1.14(d)) must be made to all holders of listed securities with terms and conditions provided in full; and
- (d) a statement must be included by the board of directors confirming that the offer is fair insofar as the shareholders (excluding any related party/ies if it/they are equity securities holders) of the issuer are concerned and that the board of directors has been so advised by an independent expert acceptable to the JSE. The board of directors must obtain a fairness opinion (which must be included in the circular), prepared in accordance with Schedule 5, before making this statement.

- 1.15 Where approval is required in terms of paragraph 1.14(a), more than 50% of the votes of all shareholders present or represented by proxy at the general meeting, excluding any controlling shareholder, its associates and any party acting in concert, and any other party which the JSE deems appropriate, must be cast in favour of such resolution, unless the JSE otherwise decides.

- 1.16 Shareholder approval for the removal~~termination~~ of the listing need not be sought, and a circular need not be sent to the holders of securities where the listing of such securities is intended to be removed~~terminated~~:

- (a) following a take-over offer, the securities have become subject to Section 124 of the Act and notice has been given by the offeror of its intention to cancel the listing of the securities (in these circumstances) in the initial offer document or in any subsequent circular sent to holders of

1.14(c) amended with effect from 15 October 2007.

1.16(a) amended with effect from 1 May 2011.

- securities; or
- (b) following the completion of a scheme of arrangement with shareholders, in terms of Sections 114 and 115 of the Act, as a result of which either all the shares have been acquired or the JSE is satisfied that the issuer no longer qualifies for listing (the JSE must be consulted for a ruling in this regard).

Redemption either wholly or in part and removal from the List of redeemable preference shares or debentures

- 1.17 Written application for the removal of redeemable preference shares or debentures, or the corresponding portion thereof, from the List, as and from the appropriate date, must be made to the JSE at least 30 days before the date of redemption and in accordance with the relevant timetable in Schedule 24.
- 1.18 The application must be accompanied by a copy of the proposed announcement and/or circular to be published and/or sent to the redeemable preference shareholders or debenture holders, notifying them of the redemption.

Annual revision of the List

- 1.19 All listings shall be revised by the JSE annually after receipt by the JSE of a certificate from each applicant issuer complying with Schedule 18 (“the certificate”), by not later than 31 January in each year (“the due date”). If the certificate is not received by the JSE on or before the due date:
- (a) on the day following the due date, a letter of reminder will be sent by registered post or facsimile to the applicant issuer requesting that it rectify the situation and advising that it has been granted a period of 14 days, from the date of such reminder, in which to provide the JSE with the certificate, failing which the applicant issuer must make written representations to the JSE, within 7 days thereafter, as to why the securities should not be suspended and subsequently ~~removed~~~~terminated~~ (in terms of paragraph 1.11);
- (b) failing compliance within 14 days of despatch of the reminder to the issuer, the JSE will release an announcement through SENS, informing holders of securities that the issuer has not provided the JSE with the certificate and cautioning holders that the listing of the securities concerned are under threat of suspension and possible ~~removal~~~~termination~~;
- (c) on the date of release of the announcement, the listing of the relevant securities will be annotated on the JSE trading system with an “R”, to indicate that it has failed to provide the JSE with the certificate timeously; and
- (d) if the certificate is not submitted and the representations received in terms of paragraph 1.19(a) are not satisfactory, the listing of the relevant securities will be suspended and the lifting of the suspension will only be effected upon receipt of the certificate by the JSE.

Censure and penalties

1.16(b) amended with effect from 1 April 2010 and May 2011.
1.19 amended with effect from 15 October 2007 and 1 April 2010.

- 1.20 Where the JSE finds that an applicant issuer or any of an applicant issuer's director(s) or an auditor, IFRS adviser, reporting accountant and/or reporting accountant specialist, as defined, has contravened or failed to adhere to the provisions of the Listings Requirements, the JSE may, in accordance with the provisions of ~~SSA~~the FMA and without derogating from its powers of suspension and/or ~~removal~~termination:
- (a) censure the applicant issuer and/or the applicant issuer's director(s), individually or jointly, by means of private censure;
 - (b) censure the applicant issuer and or the applicant issuer's directors, individually or jointly, by means of public censure;
 - (c) in the instance of either paragraph 1.20 (a) or (b), impose a fine not exceeding such amount as stipulated by the FMA~~R5 000 000~~ on the applicant issuer and/or the applicant issuer's director(s), individually or jointly;
 - (d) disqualify an applicant issuer's director(s) from holding the office of a director of a listed company for any period of time;
 - ~~(e) in respect of an applicant issuer or any of an applicant issuer's director(s), individually or jointly, order the payment of compensation to any person prejudiced by the contravention or failure; and/or~~
 - ~~(ef) terminate the accreditation of and remove an auditor, IFRS adviser, reporting accountant and/or reporting accountant specialist from the JSE list of Auditors and their advisers and/or-~~
 - (f) issue any other penalty that is appropriate in the circumstances.

1.21 In the event that an applicant issuer or any of an applicant issuer's director(s) contravenes or fails to adhere to the provisions of the Listings Requirements, the JSE may elect in its discretion, that:

- (a) full particulars regarding the imposition of a ~~fine~~penalty may be published in the Gazette, national newspapers, the website of the JSE or through SENS; and/or
- (b) an investigation or hearing be convened and the applicant issuer or any of the applicant issuer's director(s) pay the costs incurred in relation to such investigation or hearing.

1.22 If any of the parties fails to pay a fine ~~or compensation~~ as referred to in paragraph 1.20, the JSE may, in terms of the provisions of ~~SSA~~the FMA, file with the clerk or registrar of any competent court a statement certified by it as correct, stating the amount of the fine imposed ~~or compensation payable~~, and such statement thereupon shall have all the effects of a civil judgement lawfully given in that court against that applicant issuer or any of an applicant issuer's director(s) in favour of the JSE for a liquid debt in the amount specified in that statement.

1.23 Unless the JSE considers that the maintenance of the smooth operation of the

1.20 amended with effect from 15 October 2007, 1 September 2008 and 1 April 2010.

1.20(d) and (e) introduced with effect from 15 October 2007 and amended with effect from 1 September 2008.

1.20(f) introduced with effect from 1 September 2008.

1.21 amended with effect from 15 October 2007, 1 September 2008 and 1 April 2010.

1.22 introduced with effect from 15 October 2007 and amended with effect from 1 September 2008 and 1 April 2010.

1.23, previously 1.22, has been renumbered with effect from 15 October 2007.

market or the protection of investors otherwise requires, the JSE will give advance notice to the parties involved of any action that it proposes to take under paragraphs 1.20 and 1.21, and will provide them with an opportunity to make written representations to the JSE.

- 1.24 The whole or any part of the fines issued in terms of paragraph 1.20 will be appropriated as follows:
- (a) the settlement of any costs incurred by the JSE in enforcing the provisions of the Listings Requirements; and/or
 - (b) the settlement of any future costs which may arise through the enforcement of the provisions of the Listings Requirements~~the allocation to a fund administered by the JSE to further one or more of the objects contained in Section 2 of SSA.~~

Power to require information

- 1.25 The JSE may, in accordance with ~~SSA~~the FMA, require an applicant issuer to disclose to it, within a period specified by it, such information at the applicant issuer's disposal as the JSE may determine, save to the extent that the issuer has obtained a court order excusing it from such disclosure. The JSE may request that a copy of such court order be delivered to it. If the JSE is satisfied, after such applicant issuer has had an opportunity of making representations to it, that the disclosure of that information to the registered holders of the securities in question will be in the public interest, it may, by notice in writing, require such applicant issuer to publicly disclose that information within the period specified in the notice.
- 1.26 The JSE may require an applicant issuer to provide for the publication or dissemination of any further information not specified in the Listings Requirements, in such form and within such time limits, as it considers appropriate. The applicant issuer must comply with such requirement and, if it fails to do so, the JSE may publish the information after having heard representations from the applicant issuer or after having granted the applicant issuer the opportunity to make such representations.

Publication

- 1.27 Without derogating from any other powers of publication referred to in these Listings Requirements, the JSE may, in its absolute discretion and in such manner as it may deem fit, state or announce that it has:
- (a) investigated dealings in a listed security;
 - (b) censured an applicant issuer;
 - (c) censured an applicant issuer's director(s);
 - (d) suspended the listing of any security;
 - (e) ~~removed~~terminated the listing of any security;
 - (f) imposed a fine on an applicant issuer;
 - (g) imposed a fine on an applicant issuer's director(s);

1.24 introduced with effect from 15 October 2007.

1.25, previously 1.23, renumbered and amended with effect from 15 October 2007.

1.26, previously 1.24, renumbered with effect from 15 October 2007.

1.27, previously 1.25, renumbered and amended with effect from 15 October 2007.

- (h) advised that, in its opinion, the retention of office as a director of any applicant issuer's director(s), who shall be named, is prejudicial to the interests of investors;
- (i) terminated the accreditation of and removed an auditor, IFRS adviser, reporting accountant and/or reporting accountant specialist from the JSE list of Auditors and their advisers.

1.28 In a statement or announcement referred to in paragraph 1.27, the JSE may give the reasons for such investigation, censure, suspension, ~~removal~~ ~~termination~~ or fine as the case may be and, in the case of an investigation, so much of the JSE's conclusion or findings as it may, in its absolute discretion, deem necessary.

1.29 No applicant issuer or its directors, officers or holders of securities, including nominees or an auditor, IFRS adviser, reporting accountant and/or reporting accountant specialist shall have any cause of action against the JSE, or against any person employed by the JSE, for damages arising out of any statement or announcement made in terms of paragraph 1.27, unless such publication was made either grossly negligently or with wilful intent.

Amendments to the Listings Requirements

1.30 Subject to the provisions of the FMA, the JSE may amend the Listings Requirements through a public consultation process. The proposed amendments to the Listings Requirements will be published through SENS inviting comments from affected parties for a period of one month.

1.31 Once the public consultation process has been completed, the JSE will submit the proposed amendments to the Listings Requirements, together with an explanation of the reasons for the proposed amendments, and any concerns or objections raised during the public consultation process, to the registrar¹ for approval.

1.27(i), previously 1.27(j) renumbered with effect from 1 April 2010.

1.28, previously 1.26, renumbered and amended with effect from 15 October 2007.

1.29, previously 1.27, renumbered and amended with effect from 15 October 2007 and amended from 1 September 2008.

1.27, previously 1.25, renumbered and amended with effect from 15 October 2007.

¹Means the person referred to in section 6 of the FMA