

AMENDMENTS TO THE JSE LISTINGS REQUIREMENTS:

Amendments to the JSE Listings Requirements (the “**Requirements**”) have been made to the (i) Definitions section, (ii) Section 1 (Authority of the JSE) and (iii) Section 19 (Specialist Securities).

Definitions

The following new definition will be added to the definitions section:

Term	Meaning
depository	as defined in Section 19 of the Listings Requirements

**Section 1
Authority of the JSE**

The following amendments have been made to Section 1:

General powers of the JSE

- 1.1 Subject to the provisions of FMA, the JSE has the power:
- (a) to grant, defer, refuse, suspend or remove 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 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;
 - (f) to prescribe the circumstances under which a listing of securities shall or may be suspended or removed; and
 - (g) to prescribe, from time to time, the Listings Requirements with which sponsors, designated
-

advisers, auditors, IFRS advisers, reporting accountants, reporting accountant specialists and depositories must comply.

- 1.4 If an applicant issuer, director, auditor, IFRS adviser, reporting accountant, reporting accountant specialist and/or depository, 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 the 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.

Censure and penalties

- 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, reporting accountant specialist and/or depository, as defined, has contravened or failed to adhere to the provisions of the Listings Requirements, the JSE may, in accordance with the provisions of the FMA and without derogating from its powers of suspension and/or removal:
- (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 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) 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.
- 1.29 No applicant issuer or its directors, officers or holders of securities, including nominees or an auditor, IFRS adviser, reporting accountant, reporting accountant specialist and/or depository 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.

SECTION

19

Specialist Securities

Scope of section

This section sets out the Listings Requirements relating to specialist securities. The aim of the section is to set out the general disclosure and continuing obligations requirements which apply to all specialist securities. In addition to these general requirements, instrument specific requirements have been added which should be applied in conjunction with the general requirements.

The main headings of this section are:

19.1	Definitions.....	19-1
19.2	General.....	19-3
19.31	Index disclosures and acceptable index calculators.....	19-8
19.44	Warrants.....	19-10
19.50	Structured products.....	19-10
19.53	Exchange traded notes.....	19-11
19.60	Exchange traded funds	19-11
19.72	Asset backed securities.....	19-12
19.86	Depository receipts.....	19-16

Definitions

19.1 In these Listings Requirements pertaining to the listing of specialist securities, unless the contrary intention appears, the following terms shall have the meanings assigned to them below:

“asset backed securities” or “ABS” means securities backed by assets which, can be evidenced by agreements at all times. The assets are intended to produce funds to be applied towards interest payments or other distributions due on the securities, if applicable, and for the repayment of principal on maturity, except those securities in whole or in part, on real property or other physical assets;

“authorised directors” means any two authorised directors of the issuer. Where the issuer is not a company, two duly authorised persons with corresponding duties and powers as a director in relation to the issuer shall be deemed the authorised directors for the purposes of this section;

“barrier/stop-loss level” or “knock-out level” means, in respect of any day, an amount equal to the level of the underlying security published on such day. The timing of the barrier/stop loss level or knock-out level can be one of the following:

(1) “end of day warrant” means that the issuer will use the close of trade prices on any given trading day to determine if the warrant barrier/stop loss level or knock-out level has been breached;

(2) “intra-day warrant” means that the barrier/stop loss level or knock-out level may be breached at any time during a trading day;

“basket warrant” is a contract for the purchase or sale of securities, which comprise a defined group of securities where the component securities are individually delivered upon settlement, in proportion to their weighting in the group;

“board” means the board of directors of the issuer;

“company” means a company whose securities are listed on the JSE, or on an exchange acceptable to the JSE and in respect of which specialist securities are issued, and which company complies with the specialist securities requirements as set out in the Listings Requirements;

“covered” means, in relation to an issue of warrants, that the underlying securities are held for the duration of the issue by an independent custodian acceptable to the JSE, for the benefit of warrant holders;

“cover rate” or “strike ratio” means the rate or ratio that determines the number of warrants required to be exercised in relation to the underlying security/ies;

“depository” means a bank or entity acceptable to the JSE, that issues DRs representing the securities of an issuer or underlying reference entity that are held in trust or other acceptable vehicle, by the depository, in the issuer or underlying reference entity’s local market. The depository may also act as a registrar, transfer agent and corporate actions agent and may cancel or issue the DRs for withdrawal or for deposit of the securities, all in accordance with a deposit agreement with the issuer for a sponsored program, or in accordance with unsponsored terms and conditions for an unsponsored program;

“depository receipt” or “DR” means an instrument representing an issuer’s securities, where the instrument confers rights in respect of such securities;

“entity” means a company registered pursuant to the Companies Act, including a public company registered as a bank pursuant to the Banks Act which the equity of such public company may or may not be listed on the JSE, a trust registered pursuant to the Trust Property Control Act or a company or trust which, in addition to its registration pursuant to the relevant act, is also registered under regulations enforced by the Financial Services Board. This includes vehicles incorporated outside of the Republic of South Africa and that have legislative or definitional requirements that are similar to that referred to above;

“exchange control” means the Financial Surveillance Department of the South African Reserve Bank;

“exchange traded fund” or “ETF” means a fully funded (unleveraged) security listed on the JSE which tracks the performance of a specified security or other assets, which include, but are not limited to, indices, commodities, currencies or any other asset acceptable to the JSE;

“exchange traded note” or “ETN” means a listed, senior, non-bespoke, unsubordinated, uncollateralised debt security which represents a contractual obligation made by an issuer to pay the holder a return which is linked to the performance of underlying securities or benchmarks, such as the performance of one or more shares or bonds, an index, an exchange rate or a commodity and are backed by the creditworthiness of the issuer. An ETN is a long-term security and the maturity date must be a minimum of 5 years after the date of issue;

“exercise price” or “strike price” means the price payable by the warrant holder in respect of each warrant on exercise of the warrant;

“expiry date” means the last day on which a warrant or specialist security may be exercised;

“extraordinary resolution” a resolution passed at a meeting duly convened of the holders of securities, or in writing, by a majority consisting of not less than 66.67% (sixty-six point sixty-seven percent) of the holders of such securities present in person or by proxy entitled to vote or if a poll be duly demanded then by a majority consisting of not less than 66.67% (sixty six point sixty seven percent) of the votes given on such poll;

“fully covered” means in relation to DRs, that the DRs must at all times represent the issuer’s underlying securities held by the depository or its custodian, or any collateral held in terms of any pre-release arrangement;

“guarantor” means a third party that complies with the requirements set out in this section, and that provides a guarantee in favour of the investors that the guarantor will honour the obligations of the issuer in the event that the issuer fails to fulfill its obligations in accordance with the terms of the issue of the securities and/or warrants;

“index” means, a statistical indicator providing a representation of the value of the securities or assets which constitute such index;

“index calculator” means the party responsible for calculating or administering a given index;

Amendment 5 of 2014

“index sponsor” means the party responsible for creating an index;

“investor” means a person who has subscribed for, or who may potentially subscribe for securities, as well as a holder of securities;

“issuer” means in relation to-

- (1) specialist securities, means an entity that issues specialist securities;
- (2) sponsored DRs, means a company that has been admitted to listing, or which is the subject of an application for admission to listing, on an exchange as contemplated in paragraph 18.3(b); and
- (3) unsponsored DRs means the depository.

“offering circular” means a document containing the provisions required by this section in respect of a specific issue of securities;

“placing document” means the offering circular or a programme memorandum which contains the provisions required by this section for an issue of securities;

“pricing supplement” means the final terms of each issue of securities under a programme memorandum;

“principal amount” means the capital amount of an asset backed security payable on the redemption date by way of a structured, pre-approved, audited and rated amortisation of the note;

“programme memorandum” means a document containing the provisions, required by this section, in respect of one or more securities which may be issued by the issuer, which programme memorandum is supplemented by a pricing supplement containing the specific terms of each issue of a security;

“specialist securities”, “securities” or “security” means notes, certificates, or any other instrument, in the form of a promissory note issued by the issuer to the investor, under specific terms and conditions applicable to such specialist security issued in terms of this section;

“sponsored DR” means that the DR is established at the direction of the issuer and in accordance with a deposit agreement between the issuer and the depository;

“strike price” – see “exercise price”;

“strike ratio” – see “cover rate”;

“structured product” means a security whereby a derivative, or combination of various derivative or other strategies have been used by the issuer to achieve a specific investment outcome;

“uncovered” means, in relation to an issue of warrants, that the underlying securities are not held by a custodian;

“unsponsored DR” means that the DR is established solely by the depository (without the involvement of the issuer) in accordance with unsponsored terms and conditions; and

“warrant” means a listed security that provides an investor with the right, but not the obligation, to buy (for a call option) or sell (for a put option) a specific amount of a given asset, at a specified price (the strike price) during a specified period of time.

General

19.2 An issuer wishing to list securities must comply with the minimum criteria set out in paragraph 19.10 below (unless stated otherwise elsewhere in this section) and submit its placing document to the JSE in accordance with the provisions of paragraphs 19.18 and 19.19.

19.3 An issuer is subject to the provisions of Section 1. Section 1, however, shall not apply to the directors of an issuer under this section.

19.4 Once application has been made to and approval granted by the JSE, the securities will be traded in the same manner as any other securities on the JSE trading system.

19.5 Trades in specialist securities will be settled through Strate and each holder of securities must appoint a CSDP or broker who will maintain an electronic record of ownership of the specialist securities. Specialist securities must be freely transferable.

19.6 Subject to Section 1, specialist securities may be suspended if the issuer of such securities fails to comply with the Listings Requirements.

19.7 Issuers need not comply with Section 5 (Methods and Procedures of Bringing Securities to Listing), Section 8 (Financial Information), Section 9 (Transactions) and Section 10 (Transactions with Related Parties).

19.8 An issuer may make written application to the JSE for the removal of the listing of any of its securities from the list and/or the deregistration of the placing document stating the time and date it wishes the removal of listing to be effective. The JSE may grant the request for removal subject to complying with the following, except where all securities are owned by the applicant issuer:

(a) the issuer must send a circular to the holders of securities stating:

(i) that the approval must be obtained from holders of securities by way of an extraordinary resolution in a general meeting for the removal of the listing prior to the issuer making written application to the JSE for such removal. The issuer will be precluded from voting; and

(ii) the reasons for removal.

Sponsor

19.9 The issuer of securities under this section must either appoint a sponsor pursuant to Section 2 of the Listings Requirements, or Section 2 of the Debt Listings Requirements unless otherwise agreed to by the JSE. The sponsor must therefore execute its obligations under the Listings Requirements or the Debt Listings Requirements, as the case may be. The JSE may, at its discretion, instruct an issuer to appoint an independent sponsor (the JSE's decision in this regard will be taken after consultation with the issuer).

Criteria for the issuer

19.10 The issuer must meet the following criteria, unless specifically exempt by the JSE in the case of specific securities:

(a) it must be a member of the Banking Association of South Africa and regulated under the Banks Act of 1990 or the equivalent foreign legislation in the case of foreign issuers;

(b) it must prove to the JSE that it has the relevant expertise to issue securities or has the access to such expertise;

(c) the issuer must be generally acceptable to the JSE, having regard primarily, but not only, to the interests of investors and the objects of the FMA;

(d) the issuer must be in conformity with the applicable laws of its place of incorporation, having obtained all necessary statutory, or other, consents required to apply for and maintain a listing of securities; and

(e) it must either:

(i) satisfy the JSE:

(1) that it has net tangible assets of not less than R2 billion in jurisdictions acceptable to the JSE; and

(2) undertake that, throughout the duration of the issue, it will maintain at least R2 billion of its assets in the above mentioned jurisdictions; or

(ii) provide a guarantee from a third party that is acceptable to the JSE and such guarantor must comply with the provisions set out in paragraphs 19.10(a) and 19.10(e)(i) above. If the guarantor is not resident in South Africa, the guarantee must state that South African law governs the guarantee and that the guarantor accepts the exclusive jurisdiction of the South African courts.

(f) An issuer of specialist securities must comply with the following provisions of Section 4 with respect to conditions for listing:

Paragraphs

4.1 and 4.2 Introduction

4.6 and 4.7 Applicant to be duly incorporated

4.8 and 4.9 Directors and Company Secretary

4.14 to 4.16 Status of securities

4.17 Transferability of securities

(g) An issuer of specialist securities must comply with Section 18, in the case of a dual listed issuer

Market Maker

19.11 The issuer must:

(a) appoint a market maker and such duly appointed market maker must undertake to maintain a secondary market in the securities; and

(b) confirm that it will always in normal market circumstances, endeavour to provide and maintain a reasonable bid and offer. Circumstances when the JSE may relieve the issuer from its responsibility to maintain a reasonable bid and offer until the issue is resolved include, (but are not limited to), when there is no bid and offer in the underlying market, when in the opinion of the calculation agent an instrument can be reasonably shown to have no value, when an issuance is sold out and/or the issuer is experiencing technical difficulties. The JSE may, in its sole discretion, determine that an issuer be relieved of this responsibility for a specific period or issuance of securities.

Amendment 5 of 2014

Requirements for the placing document

19.12 The JSE requires issuers to make use of a placing document that must comply with the following:

- (a) the placing document must comply with the Listings Requirements;
- (b) the placing document must be updated by the issuer and approved by the JSE where changes to the placing document are required; and
- (c) any supplementary documents submitted under the placing document must adhere to the Listings Requirements. The JSE may allow certain information that is of a generic nature to be included in the placing document which can then be cross referenced in the pricing supplement.

19.13 The placing document must include the following -

- (a) in respect of the issuer:
 - (i) its full name;
 - (ii) its place and date of incorporation;
 - (iii) the full names and addresses of its directors (or in the event that the issuer is not a company, the persons with corresponding duties and powers as a director in relation to the issuer);
 - (iv) a description by the directors of any material changes in the financial or trading position of the issuer since the end of the last financial period for which annual financial statements have been published, or an appropriate negative statement. The board of directors must confirm that the aforementioned material change statement has been made after due and careful enquiry and that there has been no involvement by the auditors in making such statement. Where the auditors were involved, their exact involvement including their scope and conclusion must be clearly explained;
 - (v) information on any legal or arbitration proceedings, including any such proceedings that are pending or threatened of which the issuer is aware, that may have, or have had, a material effect on its financial position, or an appropriate negative statement;
 - (vi) if the issuer obtained a credit rating for the issuer itself or for the placing document, such fact must be disclosed in the placing document;
 - (vii) a description of the rights of the holders of securities in the event of the liquidation and business rescue proceedings of the issuer;
 - (viii) a description of how the proceeds generated from the issuing of the securities will be used by the issuer;
 - (ix) a statement that the JSE's approval of the listing of the securities is not to be taken in any way as an indication of the merits of the issuer or of the securities, that the JSE has not verified the accuracy and truth of the contents of the listing documentation and that to the extent permitted by law, the JSE will not be liable for any claim whatsoever;
 - (x) a limitation of liability provision must be provided in the placing document, that the JSE takes no responsibility for the contents of the placing document, pricing supplements, or the annual report (as amended or restated from time to time) or the amendments to the annual report, makes no representation as to the accuracy or completeness of any of the foregoing documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of placing document, pricing supplements, or the annual report (as amended or restated from time to time); and
 - (xi) a statement that claims against the JSE Guarantee Fund may only be made in respect of trading in securities on the JSE and in accordance with the terms of the rules of the Guarantee Fund, and can in no way relate to a default by the issuer of its obligations in terms of the issue of securities by the issuer;
- (b) the names and addresses of the advisors and transfer secretaries to the issuer;
- (c) in respect of any guarantor, the matters listed in 19.13(a)(i) to (vi);
- (d) details of the underlying asset/s in respect of which the securities will be issued, including:
 - (i) any relevant recently published information relating to the underlying asset/s; and
 - (ii) any other information the JSE may deem appropriate.
- (e) a statement that the placing document and pricing supplement are available on the issuer's website;
- (f) a statement detailing the risks of investing in securities. This should include details of the trading risk as well as the risk of the issuer not being able to fulfill its obligations, notwithstanding the fact that the issuer will have been obliged to comply with the Listings Requirements. Every placing document (excluding issuers of ETFs, ABSs and DRs) must contain a similar risk statement to the following on the front of the document and may be amended as applicable:

"Prospective purchasers of any securities should ensure that they fully understand the nature of the securities and the extent of their exposure to risks, and that they consider the suitability of the securities as an investment in the light of their own circumstances and financial position.

Specialist securities involve a high degree of risk, including the risk of losing some or a significant part of their initial investment. Potential investors should be prepared to sustain a total loss of their investment in such securities. The securities represent general, unsecured, unsubordinated, contractual obligations of the issuer and rank *pari passu* in all respects with each other. Purchasers are reminded that the securities constitute obligations of the issuer only and of no other person. Therefore, potential purchasers should understand that they are relying on the credit worthiness of the issuer."

- (g) if applicable, the nature of the guarantee, security, and credit enhancement of the issuer;
- (h) disclosure to investors of all possible material risks and uncertainties facing the issuer, the industry in which it operates and the securities themselves;

(i) the issuer must accept full responsibility for the accuracy of the information contained in the placing document. The placing document must include the following statement:

“The issuer certifies that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made as well as that the placing document contains all information required by law and the JSE Listings Requirements, The issuer shall accept full responsibility for the accuracy of the information contained in the placing document, pricing supplements and the annual financial report, the amendments to the annual financial report or any supplements from time to time, except as otherwise stated therein”;

(j) a statement that upon exercise or settlement (as applicable), the issuer is responsible for settlement and not the JSE nor any other exchange; and

(k) any other information that the JSE may deem appropriate.

Financial information

19.14 An issuer making application for the registration of a placing document must comply with the following:

(a) the financial information shall either be included in the placing document or incorporated by reference in the placing document at the time of the listing of the security or registration of the placing document. Where information is incorporated by reference and is made available in electronic form:

(i) the documents shall be made easily accessible when accessing the issuer’s website;

(ii) the documents cannot be modified;

(iii) the website shall not contain hyper-links, with the exception of links to electronic addresses where information incorporated by reference is available; and

(iv) the investor shall have access to downloading and printing of the documents.

(b) an issuer making application for the registration of a placing document must have published and submitted financial statements to the JSE which:

(i) have been prepared in respect of at least the last three financial years and the latest audited financial statements of such issuer must be in respect of a period ended not more than 12 months before the date of the placing document;

(ii) have been prepared for the interim financial period where the audited financial statements of such issuer are older than 9 months. No audit or review opinion is required on the interim financial information;

(iii) have been prepared in accordance with the Companies Act or other appropriate legislation;

(c) notwithstanding the provisions of paragraph 19.14(b)(i), financial statements of an issuer relating to a period shorter than three years may be accepted provided the JSE is satisfied that:

(i) the acceptance of financial statements of the issuer for such shorter period will not prejudice the interests of investors and that investors have sufficient information available to arrive at an informed assessment concerning the financial position and affairs of the issuer and the specialist securities for which the listing is sought; or

(ii) the securities for which the listing is sought are guaranteed, provided that the guarantor has complied with paragraph 19.14.

(d) where the placing document or issuance of securities is guaranteed, the financial information of the guarantor must be prepared in accordance with 19.14(b). Such financial information must be made available for inspection at the registered office of the issuer for as long as securities are issued and outstanding under the placing document. The applicant issuer and the guarantor must publish a notice of availability announcement on SENS stating when and where such financial information will be available for inspection; and

(e) financial information referred to in paragraphs 19.14 (b) and 19.14(c) must be prepared in accordance with IFRS.

Ancillary documents

19.15 The placing document must be accompanied by:

(a) a formal application substantially in form and in accordance with Schedule 1 of the Listings Requirements;

(b) the pricing supplement (if applicable);

(c) certified copies of the guarantee and/or the credit enhancement agreement (if applicable);

(d) the general undertaking by the applicant issuer in the form of a resolution of the Board, certified by the chairman complying with Schedule 7 of the Listings Requirements (or the relevant authorised governing body of the applicant issuer);

(e) the memorandum of incorporation of the issuer (if applicable);

(f) the annual financial report of the issuer and guarantor (if applicable) in respect of the periods referred to in paragraphs 19.14(b) and 19.14(c) above;

(g) the experts’ consent letters (if applicable);

(h) exchange control approval (if applicable);

(i) regulatory approval: where regulatory approval for the issue and/or listing of securities is required from other regulators, the JSE will not grant approval for the issue and/or listing until such time as it receives a copy of the related approval/ruling;

(j) a draft of the announcement referred to in paragraph 19.27;

(k) index license agreement (if applicable); and

(l) such other information as may be required by the JSE.

Amendment 5 of 2014

Requirements for Pricing Supplement

19.16 The pricing supplement must include the following terms of the issue:

- (a) the initial price level and issued amount (if applicable);
- (b) the strike price and strike ratio (if applicable);
- (c) the expiry date;
- (d) the procedure to be followed in the event of an exercise of a security (if applicable);
- (e) the procedure in the event that a holder of security fails to exercise its rights prior to the expiry date;
- (f) in the event of the issuer providing for a cash payment where any one or more holders of securities fail to exercise their rights under the securities prior to the expiry date, a statement that payment will be made through Strate on the payment date;
- (g) how corporate actions in the underlying asset or assets or affecting the underlying asset or assets will influence the rights of the holders of securities;
- (h) any tax implications;
- (i) whether or not the holders of securities will receive any distributions receivable on the underlying asset/s and the frequency thereof;
- (j) the effect of any corporate actions or restructuring by the issuer;
- (k) a statement that any change in the terms of the securities must be approved by extraordinary resolution, excluding the votes of the issuer, any guarantor and their associates; and
- (l) a directors' responsibility statement in compliance with paragraph 19.13(i) above.

19.17 The contents of the pricing supplement relating to an index and index product securities must include:

- (a) a description of the index, including the name of the publisher of the index, its date of establishment and how it is compiled;
- (b) the identity of the party that sponsors and/or calculates the index;
- (c) an explanation of the computation of the index;
- (d) the frequency with which the index is updated and published;
- (e) the provisions in the event of modification and discontinuance of the index;
- (f) the historic highs and lows of the index for the last five years;
- (g) the closing spot level or closing price at the last practicable date; and
- (h) authority to use the index from the party that sponsors and/or calculates the index.

Submission process

19.18 An issuer is referred to paragraphs 16.3 and 16.4 of the Listings Requirements which set out the procedure for approval of documentation generally and to which the submission and approval of the placing document, and any other documentation to be issued to investors under this section, is subject.

19.19 The issuer is required to prepare its timetable on the basis that formal JSE approval shall be obtained not less than five business days prior to the proposed listing date of the relevant securities. An issuer may make use of marketing material to assist with the book building exercise and/or auctioning, as the case may be, prior to the JSE granting its final approval provided that it is not misleading and it is stated in the document that the JSE's approval has not been granted yet.

Continuing obligations

19.20 An issuer is required to comply with the following continuing obligations once its securities have been listed:

- (a) in the event that the issuer makes any changes to the placing document or pricing supplement that affect the terms and conditions of the securities or the guarantee, other than changes which are of a formal, minor or technical nature or are made to correct a manifest error or to comply with mandatory provisions of the law, the applicant issuer must obtain approval from holders of securities, holding not less than 66.67% of the value of a specific class of securities;
- (b) within 6 months after the issuer's year end, update the placing document in the event of a material change and if there have been no changes it must include a statement on its website that there has been no material changes;
- (c) publish on SENS, without delay, details of any new issue of securities (and, if applicable, guarantees, security or credit enhancements relating thereto), as well as any amendments to the terms and conditions attaching to existing listed securities;
- (d) publish on its website, within 6 months after the issuer's financial year end, the annual financial statements for the relevant financial year, which financial statements are required to have been reported on by the issuer's external auditors;
- (e) release an announcement on SENS confirming that the information in terms of paragraphs 19.20(a) to 19.20(d) above is available on its website;
- (f) publish a net asset value (NAV) of its listed securities daily on its website (if applicable to the type of security being listed);
- (g) if the issuer obtained a credit rating for the issuer itself or for the placing document, any changes in such rating must be disclosed on SENS;
- (h) if the issuer fails to comply with paragraph 19.20(d) relating to the publication of annual financial statements, the procedures in terms of paragraphs 3.23 to 3.25 will apply; and
- (i) the applicant issuer is required to comply with Section 3, subject to the following exclusions:

Paragraph

3.4 (b) Trading Statements

3.15 to 3.22 Interim, quarterly and provisional reports

- 3.26 Cash Companies
- 3.28 Voting rights
- 3.29 to 3.31 Pre-emptive rights
- 3.32 and 3.33 Waiver of pre-emptive rights
- 3.34 Profit warranties
- 3.35 and 3.36 Issues by subsidiaries other than on listing
- 3.37 Shareholder spread
- 3.43 Notification
- 3.46 Press announcements
- 3.75 to 3.79 Notification of change in auditor
- 3.84(a) Corporate Governance
- 3.84(c) to (j) Corporate Governance
- 3.86 to 3.89 Appointment of auditors and reporting accountants

Application for additional listing

19.21 All applications for the listing of additional securities shall be:

- (a) in the case of a subsequent issue of securities under a placing document, made by submitting a draft pricing supplement prior to the issue date (if material amendments are made to the terms of the placing document, a revised placing document must be submitted to the JSE);
- (b) in the case of a further issue of securities made under an existing issue (tap issue), the issuer will advise the JSE in writing of the terms of such further issue;
- (c) supported by a duly executed resolution of the board, or legal authority, specifically authorising the subsequent issue and further issue and listing; and
- (d) announced on SENS prior to the issue date of securities.

Changes to existing securities or placing document

19.22 In the event that the issuer makes any changes to the placing document or pricing supplement that affects the terms and conditions of the securities or the guarantee, other than changes which are of a formal, minor or technical nature or are made to correct a manifest error or to comply with mandatory provisions of the law, the applicant issuer must obtain approval from securities holders, holding not less than 66.67% of the value of a specific class of securities.

19.23 In the event that the applicant issuer makes any changes to the placing document or pricing supplement:

- (a) the JSE must be notified of the following:
 - (i) an increase in the authorised amount of the placing document in respect of the original listing. The issuer's written notice to the JSE must be accompanied by a resolution of the board of the issuer or an appropriate legal authority;
 - (ii) a change in company information or to provide additional company information, the issuer's written notice to the JSE must be accompanied by a certified copy of the certificate reflecting this amended or additional information; and
- (b) the issuer must request the JSE's approval for the following:
 - (i) any changes to the terms and conditions of securities;
 - (ii) to extend the maturity date of any security, subject to the terms and conditions of the placing document and by extraordinary resolution;
 - (iii) to increase the amount of issued security, the issuer must provide the JSE with details of the increase amount, the remaining balance and the proposed effective date of such increase; and
 - (iv) to reduce the amount of issued security, the issuer must provide the JSE with details of the reduction amount, the remaining balance and the proposed date of reduction.

19.24 Any corporate action proposed by an issuer is to be undertaken in accordance with the Listings Requirements, read with the corporate action timetables contained in Schedule 24 unless otherwise agreed to by the JSE.

Circulars

19.25 An issuer must comply with the following provisions of Section 11 with regard to circulars:

Paragraphs

- 11.1 Contents of all circulars and pre-listing statements
- 11.2 Approval
- 11.43 Embargo placed on company announcements/circulars
- 11.44 Name and logo of a sponsor

Signing and Dating

19.26 The placing document and pricing supplements (if applicable) must be signed by the authorised directors or an appropriate legal authority. The signatories shall be deemed to have authorised the publication of the placing document. Every signature to the placing document shall be dated, and the latest of such dates shall be deemed to be the date of the placing document.

Announcements

Amendment 5 of 2014

19.27 An issuer must publish the following with respect to specialist securities:

- (a) a SENS announcement, which is to be made immediately after the JSE has approved an application for listing, containing:
 - (i) the full name and place and date of incorporation in respect of the issuer and any guarantor;
 - (ii) the period of marketing (if applicable) and the expected listing date;
 - (iii) the salient terms of the issue;
 - (iv) a statement that JSE approval for the listing has been granted;
 - (v) the code under which the securities will trade and the ISIN;
 - (vi) confirmation that the placing document is available on the issuer's website;
- (b) a SENS announcement, which is to be made at least ten business days prior to the expiry date (or such other date acceptable to the JSE), containing:
 - (i) the expiry/maturity date (if any);
 - (ii) the date of payment for, and delivery of, the underlying security;
 - (iii) any special arrangements (e.g. cash payment or non-election); and
 - (iv) such other information as the JSE may deem appropriate.
- (c) Any declaration of dividends (as defined in terms of the Income Tax Act), interest and other similar payments (distribution payments and cash disbursements to shareholders) by an applicant issuer should immediately be announced as per paragraphs 11.17(a)(i) to (x).

19.28 The issuer will also be required to make an announcement should there be any changes in the constituents of the asset pool relating to a corporate action or otherwise (if applicable). Such announcement must be made through SENS and posted on the issuer's website.

19.29 An issuer must announce any corporate action or restructuring in the underlying asset/s, provided it affects the listed security. The announcement is to be made at least ten business days prior to the record date of the relevant corporate action or such other date acceptable to the JSE. The final terms of the amendment must be announced by no later than 10 am on the day prior to the effective date of such amendment.

Basic parameters for securities that track or reference an index

19.30 If the securities to be listed will track or reference an index it must be issued over an index or index product acceptable to the JSE in accordance with paragraphs 19.31 to 19.42 relating to index disclosures and acceptable index calculators.

Index disclosures and acceptable index calculators

General

19.31 Issuers wishing to list any instruments where an index is referenced must ensure that the ground rules comply with paragraph 19.35 and index calculators must comply with paragraphs 19.36 to 19.41.

19.32 The JSE will publish a list of acceptable index calculators on its website. Such acceptable index calculators will not be required to obtain approval on an ongoing basis, subject to the provisions of paragraphs 19.40 and 19.41.

19.33 Issuers must submit an application to the JSE illustrating full compliance with paragraphs 19.35 to 19.41 prior to the listing of any instrument with an index as underlying.

19.34 Issuers will not be permitted to make use of an index without a valid index license agreement obtained from the index sponsor.

Transparency

19.35 The construction of the index, including the treatment of various corporate actions (where applicable), must be clearly documented in a ground rule summary document and this document must be publicly available on the issuer's website to ensure full transparency. The JSE will have regard to the following principles in considering whether the comprehensive ground rules document is acceptable:

- (a) it must contain the basic constitution of the index and the treatment of all known corporate actions (where applicable) must be clearly disclosed to ensure that such corporate actions are dealt with timeously, objectively and consistently;
- (b) details of index reviews and their intervals must be clearly disclosed;
- (c) the ground rules must ensure that the index is free of any type of manipulation by the index calculator or the issuer;
- (d) it must include details of the process involved when there are changes to the index, including but not limited to any corporate action (where applicable) and how these changes will be communicated to investors;
- (e) index methodology must be clear and give details of the calculation method, constitution, index rules, index review, changes to the index and the consequences of any changes in the index methodology. This must be in plain English so that it is easily understandable;
- (f) the use of sole discretion by the index calculator should be limited to avoid any unnecessary movement in the market. Advance communication by the index calculator with the market is imperative;
- (g) the mathematics applied in the index must match the written description of the index;

- (h) the index must be replicable as far as practically possible, i.e. investors must achieve the same returns as the index in the open market;
- (i) any changes pertaining to the index must be published publicly on the issuer's website and in a timely manner, via a notice, for index users to be able to replicate the index as far as practically possible, as must corrected index data in the event of erroneous distribution of data;
- (j) a clear policy should exist in terms of corrections e.g. how will these be published and how will these be corrected;
- (k) all instruments in the index must have a reliable and discoverable price that is published;
- (l) material changes to the index methodology must be communicated to the JSE, and communication to the market via SENS must be made before implementation;
- m) a brief explanation, sufficient for an investor to understand how an index was developed, including, at a minimum, the size and liquidity of the market being assessed namely the number and volume of transactions submitted, the range and average volume and range and average of price, and indicative percentages of each type of market data that have been considered in a benchmark determination. Terms referring to the pricing methodology must be included "transaction-based", "spread-based" or "interpolated/extrapolated"; and
- n) a brief explanation of the extent to which and the basis upon which expert judgment if any, was used in establishing an index.

Experience

19.36 The index calculator must satisfy the JSE that it has adequate experience in calculating indices. The JSE will have regard to the following principles in considering whether an index calculator has the required experience:

- (a) the index calculator will be expected to have sufficient staff with considerable relevant experience. Experience could include the calculation of in-house benchmarks, custom indices or having worked with or been employed by an acceptable index calculator for a considerable period; and
- (b) the index calculator must prove that it has enough knowledge and experience in dealing with the impact of corporate actions (where applicable) on indices. This will be achieved by displaying a track record of handling corporate actions (where applicable) that it has dealt with.

Independence

19.37 An index calculator must not act as an index calculator to any organisation or fund of which it is not independent except with the specific approval of the JSE. The index calculator must be able to demonstrate to the JSE that it can act in a neutral and objective manner without any undue influence from the issuer or its associates. The JSE will have regard to the following principles in considering whether to allow an index calculator to act for an organisation or fund from which it is not deemed to be independent:

- (a) the department or area that is responsible for calculating the index must operate separately from the issuer of the instrument;
- (b) the department responsible for calculating the index must not have any reporting lines into the department responsible for issuing the instrument;
- (c) the compliance officer of the organisation must confirm in writing that the two areas are sufficiently independent and separated to ensure that the one is not influenced at all by the other;
- (d) a policy must be in place stipulating how matters will be dealt with that are not covered in the ground rules and this policy must ensure that decisions are taken without any consideration to the issuer of the instrument and at all times in the best interest of investors; and
- (e) disclosure about the relationship must be disclosed in the listing documentation together with details on the index calculator's ability to act independently.

Continuity

19.38 Arrangements must be in place to ensure that a sufficient number of experienced staff are available to properly discharge the index calculator's responsibilities at all times.

Technology

19.39 The index calculator must demonstrate to the JSE that it has a robust system in place. The JSE will have regard to the following principles in considering whether the system is acceptable:

- (a) a process must be in place to prevent manipulation of the index system. Confirmation of this must be provided to the JSE and the issuer of the instrument must confirm that it is satisfied with this;
- (b) the system must have regularly tested back-ups; and
- (c) the technology being used must ensure continuity with proper automation and data feeds.

Continuing Obligations

19.40 The index calculator is approved based on the information presented to the JSE with the initial application and in order to maintain standards on a continuing basis the issuer of any securities after due and careful inquiry must notify the JSE in February each year of any significant changes including:

- (a) any changes to its staff responsible for calculating the index;
- (b) any changes to its technology; and

Amendment 5 of 2014

(c) any changes to its relationship between the index calculator and the issuer of securities and any of its associates.

19.41 The issuer of any securities must annually in February each year submit documentation to the JSE illustrating that after due and careful inquiry, the index calculator has had continuous compliance with the guidelines. In the event of a material change to the index methodology or index calculator, it may be necessary to reassess the initial application for approval.

Other

19.42 The JSE may allow the listing of securities which track or reference the performance of a specified security, index, or other assets, which include, but are not limited to, indices, commodities, currencies or any other asset acceptable to the JSE. Issuers must ensure that the JSE is consulted well in advance regarding the acceptability of a particular security prior to the proposed issue date.

Fees

19.43 An issuer will be required to pay the relevant fees as determined by the JSE, the fees are available on the JSE's website.

Warrants

19.44 This section sets out the requirements for the listing of warrants as defined. The provisions of paragraphs 19.1 to 19.43 above apply to warrants in addition to the requirements set out in paragraphs 19.45 to 19.49 below.

General

19.45 Warrants:

- (a) may not expire sooner than three months or later than eight years after the date of issue, unless otherwise agreed by the JSE;
- (b) must be scrip settled in accordance with the terms of the warrant issue, provided that the issuer may provide for a cash alternative;
- (c) must be issued at a strike ratio acceptable to the JSE;
- (d) may be "covered" or "uncovered" and such fact must be disclosed in the pricing supplement;
- (e) may be listed over any other underlying financial instrument/product acceptable to the JSE.

19.46 In relation to basket warrants:

- (a) the constituents in the basket must comply with paragraph 19.42 above; and
- (b) the suspension or removal of a security in the basket will not automatically lead to the suspension or removal of the warrant, but the calculation agent must make an adjustment to the warrant, subject to JSE approval.

19.47 The JSE will allow issuers to list barrier warrants. The JSE will also allow issuers to list intra-day barrier warrants, provided the following conditions are met by the issuer:

- (a) the issuer must make an offer price after the barrier/stop loss or knock-out level has been breached in 1 million warrants at 1 cent and must agree to accept contra any purchases that may result;
- (b) immediately after the barrier/stop loss or knock-out level has been reached, the issuer must e-mail the JSE Corporate Actions Team (corporateactions@jse.co.za) and telephone a member of the Corporate Actions Team with a request to suspend the relevant warrant/s. Communications by the issuer to the JSE may only be made by a duly authorised representative of the issuer; and
- (c) these conditions must be stated in the pricing supplement and the formal application.

Basic parameters for underlying securities

19.48 Warrants issued over securities may only be issued in respect of a company that complies with the following criteria (unless in the case of a new listing as a result of an unbundling):

- (a) the securities in respect of which the warrants are issued must be listed on the JSE or on any other exchange that is acceptable to the JSE; and
- (b) the company's securities must have a liquidity rating of 1 or 2 in terms of the rules relating to trading on the JSE trading system; or on any other basis that the JSE may decide.

19.49 If trading in a company's securities, which is the underlying asset of a warrant, is suspended by the JSE or any other exchange on which the company is listed, the listing of the relevant warrants will also be suspended.

Structured products

19.50 This section sets out the requirements for the listing of structured products as defined. The provisions of paragraphs 19.1 to 19.10 and 19.12 to 19.43 above apply to structured products in addition to the requirements set out in paragraphs 19.51 and 19.52 below.

Criteria for listing

19.51 The structured product:

- (a) must be satisfactory to the JSE in accordance with paragraph 19.42 above; and
- (b) must have an unwind level published in the event that an investor seeks to redeem the structured product.

19.52 If the structured product references an index, such index must be acceptable to the JSE in accordance with paragraph 19.31.

Exchange traded notes

19.53 This section sets out the requirements for the listing of exchange traded notes as defined. The provisions of paragraphs 19.1 to 19.43 above apply to ETNs in addition to the requirements set out in paragraphs 19.54 to 19.59 below.

General

19.54 ETNs track the performance of a specified security or other assets, which include, but are not limited to, indices, commodities, currencies or any other asset acceptable to the JSE.

The underlying asset or security referred to above must:

- (a) be sufficiently liquid to satisfy the JSE that there will be proper price formation in the ETN; and
- (b) if the underlying asset or security constitutes an index, such index must be acceptable to the JSE in accordance with paragraph 19.31.

19.55 ETNs must be open-ended in nature unless otherwise determined by the JSE.

Criteria for listing

19.56 The mechanics of the ETN must be satisfactory to the JSE and must be issued over an asset referred to in paragraph 19.54 above.

19.57 In the case of ETNs that make provision for distributions to noteholders, such distributions must be announced in accordance with the requirements stipulated in Schedule 24.

19.58 An issuer with or seeking a listing of an ETN on the JSE is required to comply with and satisfy all applicable Listings Requirements detailed below and as modified by the provisions set out below:

- (a) details of all parties involved in the ETN structure and must give an indication of the cost ratio applicable to the ETN;
- (b) a description of the index, including the name of the publisher of the index, its date of establishment and how it is compiled;
- (c) a description of the constituent stocks (if applicable);
- (d) ETNs must have a net asset value that is calculated in a transparent manner; and
- (e) The pricing supplement and marketing material must include a warning statement regarding the credit risk of the issuer and specify the characteristic differences between ETFs and ETNs.

Daily Publication

19.59 The issuer must publish the following details on its website each day:

- (a) the NAV, showing the fair value based on the index level for the preceding day, and the accrued costs incurred in the ETN;
- (b) the accrued distributions that are distributable to ETN holders, if applicable; and
- (c) the index level for the preceding day.

Exchange traded funds

19.60 This section sets out the requirements for the listing of exchange traded funds as defined. The provisions of paragraphs 19.1 to 19.7, 19.9, and 19.11 to 19.43 above apply to ETFs in addition to the requirements set out in paragraphs 19.61 to 19.71 below.

General

19.61 The underlying asset or security tracked by the ETF must be sufficiently liquid to satisfy the JSE that there will be proper price formation in the ETF.

Criteria for ETF's

19.62 ETFs must:

- (a) be open ended in nature unless otherwise determined by the JSE;
- (b) have a NAV that is calculated in a transparent manner and published on the issuer's website; and
- (c) be issued over an asset as referred to in paragraph 19.61.

19.63 The arranger or management company of the ETF must prove to the JSE that it has the relevant expertise to issue securities or has the access to such expertise;

Amendment 5 of 2014

19.64 The legal structure and mechanics of the ETF must be satisfactory to the JSE. The JSE must be consulted at an early stage before formal application for listing is made. An ETF structured as a Collective Investment Scheme must also obtain registration as a Collective Investment Scheme from the Financial Services Board before formal application for listing is made.

19.65 In the case of ETFs that make provision for distributions to security holders, such distributions must be made on at least an annual basis. Such distributions must be announced in accordance with the requirements stipulated in Section 3 relating to dividends and in accordance with the requirements stipulated in Schedule 24.

19.66 The ETF must be fully covered by the underlying asset or assets that the ETF references at all times.

Continuing obligations

19.67 An ETF issuer may make written application to the JSE for the removal of the listing of any of its securities from the list and/or the deregistration of the placing document stating the time and date it wishes the removal of listing to be effective. The JSE may grant the request for removal, provided that the following procedures have properly been applied and perfected:

- (a) the assets underlying the ETF have been liquidated for the benefit of investors; or
- (b) an in-specie pro rata distribution of the assets underlying the ETF is made to investors.

19.68 The applicant issuer is required to comply with Section 3 to the extent applicable under paragraph 19.20.

Placing documents

19.69 In addition to the disclosure requirements set out in paragraph 19.13 above, an applicant issuer of ETFs must include the following in a placing document:

- (a) a statement to the effect that investors must seek their own independent tax advice;
- (b) details of all parties involved in the ETF structure and an indication of the cost ratio applicable to the ETF;
- (c) if applicable, a description of the index, including the name of the publisher of the index, its date of establishment and how it is compiled;
- (d) a description of the constituent stocks/assets (if applicable);
- (e) the identity of the party that sponsors and/or calculates the index;
- (f) an explanation of the computation of the index;
- (g) the frequency with which the index is updated and published;
- (h) the provisions in the event of modification and discontinuance of the index; and
- (i) the authority to use the index from the party that sponsors and/or calculates the index.

Daily publication

19.70 The issuer must publish the following details on its website each day:

- (a) the NAV of the security, showing the fair value based on the index level for the preceding day;
- (b) the accrued reserves distributable to ETF holders (if applicable);
- (c) the index level (if applicable) for the preceding day;
- (d) the accrued costs incurred in the ETF (if applicable);
- (e) the index constituents (if applicable); and
- (f) constituent shares applicable to index for creation and redemption purposes.

Creations and redemptions of existing ETF securities

19.71 Applicant issuers may increase or decrease the issue size of existing ETFs, subject to the submission of a memorandum detailing the specific terms of the increase or decrease in issue size.

Asset backed securities

19.72 This section sets out the requirements for the listing of asset backed securities as defined. The provisions of paragraphs 19.1 to 19.9 and 19.12 to 19.43 above apply to ABSs, in addition to the requirements set out in paragraphs 19.73 to 19.85 below.

General

19.73 Due to the complex nature of ABS the JSE must be consulted at an early stage before formal application for listing is made. Depending on the nature and structure of any particular issue, the requirements set out in the following paragraphs may be modified or additional requirements may apply.

19.74 The trading system will identify each issue of ABS that are listed as well as the issuer.

19.75 The JSE will only in extraordinary circumstances suspend the listing of an ABS and not necessarily on the suspension of the underlying security or failure of performance on the underlying asset class.

Criteria for listing of asset backed securities

19.76 An issue of ABS must:

- (a) have committed capital (to be received from the issue) of at least R50 million prior to listing, or such other amount as determined by the JSE after taking account of the nature of the asset and instrument;

- (b) be issued through an issuer that has the quality of insolvency remoteness from the arranger;
- (c) have assets that are held by a trust, which must be administered by trustees who are independent of the issuer representing the interests of the holders of the ABS. A separate trust is required for each class of asset with respect to the issuance of ABS relating to a different composition of assets. The assets may, however, also be held via a vehicle other than a trust provided the JSE is satisfied that such vehicle provides similar protections to safeguard the assets and, in particular, the powers and duties of the directors (or, in the event that the vehicle is not a company, the persons with corresponding duties and powers in relation to that vehicle) must be limited as though the director is a trustee. Thus, the provisions of this paragraph that apply to trustees and trusts must apply mutatis mutandis to the directors and the vehicle used to hold the assets; and
- (d) have a management agreement with a service provider and an arrangement for an alternative service provider over the life of the structure if so required.

19.77 Where the underlying assets are equity in nature the ABS must:

- (a) have underlying assets that are listed on the JSE, unless otherwise agreed to by the JSE;
- (b) be fully covered at all times; and
- (c) have underlying assets which are minority interests and must not confer legal or management control of the listed companies.

19.78 Where the underlying assets have been rated, the credit rating with respect to the underlying assets must be disclosed;

19.79 Where a rating agency from which an issuer had obtained a credit rating has been removed, replaced or substituted, or if a new credit rating agency has been engaged, disclosure of the date the event occurred and the circumstances surrounding the change must be made on SENS.

19.80 The issuer of the ABS must have a liquidity facility in place in order to service cash flows to investors as provided for in the placing document in the event of corporate actions, interest payments or any other receivables resulting in cash flow from the underlying assets.

19.81 The issuer must satisfy the JSE that it has the relevant expertise to arrange an issue of ABS or has access to such expertise.

19.82 In the instance where the performance of the ABS is guaranteed, such guarantor must be acceptable to the JSE. If such guarantor is not resident in the Republic of South Africa, the guarantee must state that South African law governs the guarantee and that the guarantor accepts the exclusive jurisdiction of the South African courts.

Continuing obligations

19.83 The issuer is required to comply with Section 3 to the extent applicable under paragraph 19.20(i) above, subject to the following additions:

- (a) The following continuing obligations are applicable to a listing of ABS:
 - (i) the issuer must supply the JSE with an annual report of the trustees showing the current holding of assets in the trust and detailing all dealings relating to the assets in the trust for the last financial year ended. The provisions of this section apply mutatis mutandis to directors or equivalent parties and vehicles referred to in paragraph 19.76(c);
 - (ii) issuers must disclose, on a semi-annual basis, historical information about all assets of the pool that were the subject of a demand to repurchase or replace for breach of the representations and warranties contained in the transaction agreements underlying the ABS;
 - (iii) if a required distribution to holders of the asset-backed securities is not made at the distribution date under the transaction agreements, disclosure of the failure, if material, and the nature of the failure must be made and published on SENS;
 - (iv) the JSE must be informed immediately, and a SENS announcement must be published, in the event of any changes relating to the contractual arrangements of parties involved in the structure of the ABS; and
 - (v) all information submitted to the JSE pursuant to paragraph 19.83 above must be filed timeously in accordance with the Listings Requirements and not be misleading or deceptive, and should not contain any material omission of information.

Placing documents

19.84 In addition to the disclosure requirements set out in paragraph 19.13 above, an issuer of ABS must include the following in the placing document:

- (a) a statement to the effect that investors must seek their own independent tax advice;
- (b) in respect of any guarantor, the matters referred to in paragraph 19.82 must be provided;
- (c) with regard to the underlying assets used to back ABS, the following must be disclosed:
 - (i) the legal jurisdiction(s) to which the assets are subject;
 - (ii) the type(s) of assets;
 - (iii) the expiry or maturity date(s) of the assets;
 - (iv) the value of the assets;
 - (v) an indication of significant representations and warranties given to the issuer relating to the assets;
 - (vi) the method of origination or creation of the assets;
 - (vii) a description of the principal insurance policies, including the names, and, where appropriate, the addresses and a brief description of the providers (if any). Any concentration with one insurer should be disclosed if it is material to the transaction;
 - (viii) the principal terms and conditions of the obligations must be stated;
 - (ix) the information required by paragraph 19.13(d)(i) and (ii) should be included in respect of the underlying equity securities;
 - (x) the provisions in the event of modifications and/or discontinuance of securities that make up the assets of the issuer; and
 - (xi) the closing spot price of all the securities within the asset pool;

Amendment 5 of 2014

(d) additional information is required as follows:

- (i) an indication of significant representations and warranties given to the issuer relating to the assets;
- (ii) the method of origination or creation of the assets;
- (iii) any rights to substitute the assets and a description of the assets that they may be substituted for;
- (iv) where the assets consist of obligations of 10 or fewer obligors, or where an obligor accounts for 10% or more of the assets, so far as the issuer is aware and/or is able to ascertain from information published by the obligor(s), the information required in respect of each obligor will be the same as that which would be required if it were itself the issuer of the securities to be listed, unless it is already listed on a stock exchange acceptable to the JSE, or the obligations are guaranteed by an entity listed on a stock exchange acceptable to the JSE, in which case only the name, address, country of incorporation, nature of business and name of the exchange on which its securities are listed must be disclosed in respect of the obligor and the guarantor (if applicable). Any relationship between the issuer, guarantor and obligor, if any, must be included. The principal terms and conditions of the obligations must be stated, except where the obligations are securities listed on a stock exchange acceptable to the JSE;
- (v) where the assets consist of obligations of more than 10 obligors, or where an obligor accounts for less than 10% of the assets, the general characteristics and descriptions of the obligors must be given; and
- (vi) a description of the different tranches of securities issued (if applicable) and the effect of default and possible cash flows relating to each tranche of the securities;
- (e) a description of the structure of the transaction;
- (f) an explanation of the flow of funds (if any) stating:
 - (i) how the cash flow from the assets is expected to meet the issuer's obligations to holders of the securities;
 - (ii) an indication of any investment parameters for the investment of temporary liquidity surpluses that may occur; and
 - (iii) any fees payable by the issuer;
- (g) the name, address, description and significant business activities of the administrator or equivalent, (if any) together with a summary of the administrator's responsibilities and a summary of the provisions relating to the termination of the appointment of the administrator and the appointment of an alternative administrator;
- (h) the names and addresses and brief description of:
 - (i) any parties that participate in the structure by providing a form of performance guarantee on the securities; and
 - (ii) any other party involved in the structure;
- (i) additional information is required for ABS regarding an explanation of the flow of funds stating:
 - (i) information on any credit enhancements, an indication of where material potential liquidity shortfalls are expected to occur and the availability of any liquidity supports and an indication of provisions to cover interest and liquidity shortfall risks;
 - (ii) how payments are collected in respect of the assets;
 - (iii) the order of priority of payments made by the issuer to the holders of the class of securities in question;
 - (iv) details of any other arrangements upon which payments of interest and principal to investors are dependent;
 - (v) information regarding the accumulation of surpluses in the issuer; and
 - (vi) details of any subordinated debt finance;
- (l) the names, addresses and brief description of any swap counter parties and any providers of other material forms of enhancement;
- (m) the names, addresses and brief description of the banks with which the main bank accounts relating to the transaction are held;
- (n) details regarding the relationship between any parties, including outside the ordinary course of business, involved in the transaction agreements who may be able to influence or control the issuer. Any relationship between the issuer, guarantor and obligor, if any, must be included; and
- (o) information on any legal or arbitration proceedings, including any proceedings that are pending or threatened, of which the issuer is aware, that may have or have had a material effect on the ability of the issuer to meet its obligations in respect of the ABSs or an appropriate negative statement.

Documents to be submitted to the JSE

19.85 The documentation referred to in paragraph 19.15 must be submitted to the JSE via a sponsor.

Depository Receipts

19.86 This section sets out the requirements for the listing of sponsored DRs and unsponsored DRs as defined. The following provisions apply to sponsored DRs:

Paragraph

19.1 and 19.2

19.4 to 19.6

19.8

19.18 and 19.19

19.21

19.25 to 19.28

19.30
19.87 to 19.90
19.92 to 19.95
19.97 to 19.101

The following provisions apply to unsponsored DRs:

Paragraph

19.1 and 19.2
19.4 to 19.8
19.10(a) to (d)
19.18 to 19.19
19.26 to 19.28
19.30
19.87 to 19.89
19.91 to 19.94
19.96 to 19.105

General

19.87 Due to the complex nature of DRs the JSE must be consulted at an early stage before formal application for listing is made. Depending on the nature and structure of any particular issue, the requirements set out in the following paragraphs may be modified or additional requirements may apply.

Sponsor

19.88 The issuer of both sponsored and unsponsored DRs must comply with the provisions of Section 2 regarding the appointment of a sponsor. In relation to unsponsored DRs, the depository will carry out limited duties and responsibilities, in accordance with the provisions set out below.

Criteria for DRs

19.89 An applicant issuer or depository seeking a listing of DRs must satisfy the following criteria:

- (a) it must be a sponsored or unsponsored DR;
- (b) the DRs must be issued by a depository which must be independent of the issuer or underlying entity;
- (c) The depository must maintain adequate arrangements to safeguard DR holders' rights to the securities to which the DRs relate, and to all rights relating to the securities and all money and benefits that it may receive in respect of them, subject only to payment of the remuneration and proper expenses of the issuer of the depository;
- (d) the entity referred to in (c) above must hold in trust or custody, for the sole benefit of the holders of DRs, the securities to which the DRs relate, all rights relating to the securities and all the money and benefits that it may receive in respect of them, subject only to payment of remuneration and proper expenses of the entity;
- (e) the DRs must be fully covered at all times;
- (f) the DRs must be fully paid up and freely transferable;
- (g) the securities which the DRs represent must be free from all liens and any restrictions on the right of transfer to the depository;
- (h) there must be a duly signed deposit agreement in accordance with paragraph 19.94 in place between the issuer, the depository and the custodian (if applicable), for sponsored DRs;
- (i) there must be a duly signed unsponsored terms and conditions in accordance with paragraph 19.94 for unsponsored DRs; and
- (j) the entity referred to in (c) above must be independent from the issuer or underlying entity, unless otherwise agreed to by the JSE, and such entity must be insolvency remote.

19.90 An issuer of sponsored DRs must:

- (a) demonstrate to the JSE that it meets the Listings Requirements set out in paragraphs 18.1 to 18.6; and
- (b) be in full compliance with all the requirements of the exchange on which it has its listings.

19.91 For unsponsored DRs, the underlying entity must:

- (a) be sufficiently liquid to ensure efficient price formation in the secondary market; and
- (b) have its primary listing on another exchange and it must:
 - (i) be listed on an exchange that is a member of the World Federation of Exchanges, and such primary listing must be at least on an equivalent board/exchange to the JSE Main Board; or
 - (ii) have a subscribed capital, as defined in section 4.28(a) of at least R500 million.

19.92 The depository must satisfy the JSE that it has the relevant expertise to arrange an issue of DRs or has access to such expertise.

19.93 Arrangements must be made to the satisfaction of the JSE's Clearing and Settlement Division, to ensure that sufficient DRs are available on the South African DR register.

The Deposit agreement or unsponsored terms and conditions

Amendment 5 of 2014

19.94 The deposit agreement for sponsored DRs, or unsponsored terms and conditions for unsponsored DRs, must provide without limitation for the following:

- (a) In the case of sponsored DRs, the appointment of the depository by the issuer with authorisation to act on behalf of the issuer in accordance with the deposit agreement;
- (b) the status of DRs as instruments, representing ownership interests in securities of an issuer or underlying entity, that have been deposited via the depository;
- (c) the status of beneficial holders of DRs as the legal owners of those DRs;
- (d) the role of the depository to issue DRs, the role of the depository to issue DRs as agent of the issuer in the case of sponsored DRs, and to arrange for the deposit of the securities which the DRs represent;
- (e) the duties of the depository, which must include the duty to keep in South Africa and make available for inspection a register of holders of DRs and the transfers of the DRs, as well as the duty to keep a record of the deposits of securities which the DRs represent, the issue of DRs, the cancellation of DRs and the withdrawal of securities;
- (f) the role and duties of the custodian, if applicable, appointed by the depository to hold the deposited securities for the account of the depository on behalf of the holders of the DRs, segregated from all other property of the custodian;
- (g) the mechanism for the issue and registration of DRs by the depository upon receipt of securities in the issuer or underlying entity and the form of the DR;
- (h) the right of DR holders to surrender DRs to be cancelled in exchange for the delivery of the shares which the DRs represent, subject to payment of any applicable charges and taxes and any legal or regulatory restrictions;
- (i) the right of DR holders to corporate action entitlements. The deposit agreement or unsponsored terms and conditions should address the rights (if any) and procedures applying to cash distributions, distributions of shares, rights issues or any other distribution accruing to the securities which the DRs represent, as per Schedule 24 or in such other manner acceptable to the JSE;
- (j) to the extent applicable, the right of DR holders to exercise the voting rights attached to the securities represented by the DRs and the procedures by which DR holders will be notified of shareholder meetings or solicitations of proxy votes and their entitlement to issue instructions to the depository as to how to exercise their voting rights;
- (k) the manner in which any corporate action, or other reclassification of the issuer or underlying entity's securities, will be represented by and accrue to the DRs, in accordance with the principle that holders of DRs are to be treated as having generally equivalent rights to holders of the securities which the DRs represent;
- (l) the conditions and process for the issue of new DRs if any DR instrument is lost, destroyed, stolen or mutilated (if applicable);
- (m) the obligations of holders of DRs, including any liabilities for taxes and other charges and the obligation to disclose the beneficial ownership of the DRs on request of the issuer (for sponsored DRs), the depository or the JSE;
- (n) a clear statement of the fees and charges payable by holders of DRs, including fees and charges payable to the depository and the custodian (if applicable);
- (o) procedures for the replacement or removal of the depository and/or the custodian, by or with the consent of the issuer in the case of sponsored DRs, including an obligation to inform DR holders by advance announcement, of any prospective resignation, removal and replacement of the depository and/or the custodian;
- (p) procedures for the amendment of the deposit agreement or unsponsored terms and conditions;
- (q) the governing law of the deposit agreement or unsponsored terms and conditions should be that of South Africa or, if another jurisdiction is chosen, one that is generally used in accordance with international practice and that is acceptable to the JSE;
- (r) For sponsored DRs:
 - (i) the procedures by which the depository and/or the custodian, at the direction of the depository, will, in consultation with the issuer for sponsored DRs, fix corporate action dates in accordance with Schedule 24;
 - (ii) the procedures by which the depository will, at the direction of the issuer, dispatch to holders of DRs copies of all notices, reports, voting forms or other communications sent by the issuer to its shareholders; and
 - (iii) an obligation to provide sponsored DR holders with a minimum of 30 days notice period prior to any material changes to the unsponsored terms and conditions being effected;
- (t) For unsponsored DRs:
 - (i) an obligation to provide unsponsored DR holders with a minimum of 30 days notice period prior to any material changes to the unsponsored terms and conditions being effected; and
 - (ii) the procedures by which the depository will notify holders of DRs as to where copies of all notices, reports, voting forms or other communications published by the underlying entity to its shareholders can be obtained.

Listing documents in respect of sponsored DRs

19.95 An issuer must produce a listing document and address the following in such document:

- (a) disclosure as follows:
 - (i) in respect of the issuer and the depository:
 1. its full name;
 2. its place and date of incorporation;
 3. the full names and addresses of its directors; (or in the event that the issuer is not a company, the persons with corresponding duties and powers in relation to the issuer of the DRs);

- (ii) a statement that the JSE's approval of the listing of the DR is not to be taken in any way as an indication of the merits of the issuer of the DR, and that the JSE has not verified the accuracy and truth of the contents of the documentation and that to the extent permitted by law, the JSE will not be liable for any claim of whatsoever kind;
- (iii) the names and addresses of the advisors and transfer secretaries to the issuer, if any;
- (iv) a statement to the effect that investors must seek their own independent tax advice; and
- (v) every pre-listing statement must contain the following statement on the front of the document:
 - “Prospective purchasers of any DRs must ensure that they understand fully the nature of the product and the extent of their exposure to risks, and that they consider the suitability of DRs as an investment in light of their own circumstances and financial position”;
- (b) the provisions relating to pre-listing statements as set out in paragraphs 18.11 to 18.18;
- (c) full details of the deposit agreement must be included as per paragraph 19.94; and
- (d) any other details that the JSE may deem appropriate.

Listing documents in respect of unsponsored DRs

19.96 The depository must produce a listing document and include the following in such document:

- (a) in respect of the underlying entity to the extent available through public filings, as well as the depository:
 1. its full name;
 2. its place and date of incorporation;
 3. the description of business of the underlying entity; and
 4. The alpha code, ISIN number, and a description of where information on the underlying entity can be obtained;
- (b) a statement that the JSE's approval of the listing of the DR is not to be taken in any way as an indication of the merits of the issuer of the DR, and that the JSE has not verified the accuracy and truth of the contents of the documentation and that to the extent permitted by law, the JSE will not be liable for any claim of whatsoever kind;
- (c) the names and addresses of the advisors and transfer secretaries to the issuer, if any;
- (d) a statement to the effect that investors must seek their own independent tax advice; and
- (e) every listing document must contain the following statement on the front of the document:
 - “Prospective purchasers of any DRs must ensure that they understand fully the nature of the product and the extent of their exposure to risks, and that they consider the suitability of DRs as an investment in light of their own circumstances and financial position. It must be noted that it is the investors' responsibility to seek and obtain the information pertinent to the underlying entity.”
- (f) full details of the unsponsored terms and conditions must be included as per paragraph 19.94; and
- (g) any other details that the JSE may deem appropriate.

Continuing obligations

19.97 The issuer, or depository in the case of unsponsored DRs, must ensure the following:

- (a) the continued suitability of the depository for listing in the case of sponsored DRs;
- (b) that prior notification per the procedures outlined in the deposit agreement or unsponsored terms and conditions, is given to holders of DRs of any material change to such document;
- (c) application is made for the additional listing or withdrawal of listings of DRs in compliance with the listings requirements. Arrangements can be made with the JSE which will allow the creation of uncovered DR inventory pending transfer of underlying securities. Such arrangement must be made by the issuer in writing and is subject to the approval of the JSE;
- (d) the listing document and the deposit agreement or unsponsored terms and conditions, must be made available on the issuer's and depository's websites, for sponsored DRs, and must be available on the depository's website for unsponsored DRs;
- (e) that a semi-annual submission is made to the JSE, providing a reconciliation of the amount of DRs outstanding at that time, the amount of underlying securities that such DRs represent and confirmation that the amount of DRs in issue did not exceed the authorised amount at any point in time, in terms of the DR listing documentation;
- (f) compliance with the provisions as set out in paragraph 18.19 for sponsored DRs;
- (g) where the DRs are to be held in dematerialised form, the issuer and/or the depository must be approved by and comply with the Central Securities Depository Rules and Directives;

19.98 When a sponsored DR issuer whose securities and/or DRs are listed on a foreign exchange, wishes to release any information on that exchange, it must ensure that such information is also released through SENS and that such release take place no later than the equivalent release on any other exchange, provided that if the JSE is not open for business, it must ensure that such information is released through SENS at the commencement of business on the next business day; and

19.99 The provisions relating to the responsibilities of the depository for unsponsored DRs set out in paragraph 19.102 and 19.103 apply to unsponsored DRs.

Documents to be submitted to the JSE on application for listing

Amendment 5 of 2014

19.100 The following documentation must be submitted to the JSE for approval via a sponsor or depository in the case of unsponsored DRs:

- (a) the listing document;
- (b) exchange control approval;
- (c) the deposit agreement or unsponsored terms and conditions, depository agent agreement, and custody agreement;
- (d) the formal application for listing complying with Schedule 1;
- (e) confirmation in writing from the Central Securities Depository that the applicant has been approved in terms of the Central Securities Depository Rules and Directives; and
- (f) such other information as may be requested by the JSE.

Announcements

19.101 In addition to paragraphs 19.27 to 19.29 above, the issuer, or depository in the case of unsponsored DRs, must publish the following via SENS:

- (a) after the JSE has approved an application for listing of the DRs, an announcement must be made five business days prior to listing, containing the following:
 - (i) the information referred to in paragraph 19.94 in respect of the issuer of the DRs; and
 - (ii) places where copies of the DR offering circular and deposit agreement or unsponsored terms and conditions can be obtained.

Responsibilities of the depository for unsponsored DRs

19.102 The responsibilities of the depository in the case of unsponsored DRs are provided below and must be complied with at all times. Failure to carry out these responsibilities may result in the JSE taking one or more steps referred to in Section 1.

19.103 In addition to the depository's responsibilities set out in the unsponsored terms and conditions as well as 19.97 relating to continuing obligations above, the depository must:

- (a) at all times remain independent of the issuer and must provide an undertaking that it will not act as depository for any entity from which it is not independent upon application to the JSE to act as a depository;
- (b) complete a Schedule 1 application prior to the listing;
- (c) ensure that the underlying entity is sufficiently liquid to ensure reasonable and transparent price formation;
- (d) manage the submission of the relevant documentation to the JSE and ensure its completeness and correctness before submission;
- (e) discharge its responsibilities with due care and skill;
- (f) apply the Listings Requirements, including the application of the spirit of the Listings Requirements and upholding the integrity of the JSE;
- (g) must make any documentation or public information on the underlying entity available via a SENS announcement, specifying the web link where such information can be obtained, by no later than one business day where the depository has had receipt of a publication in its capacity as shareholder, provided that if the JSE is not open for business, the depository must ensure that such information is available at the commencement of business on the following business day;
- (h) must make any documentation relating to all financial information on the underlying entity available on the web, or an announcement must be made specifying the web link where such information can be obtained, within 10 calendar days from the publication of such information;
- (i) when the underlying entity releases any price-sensitive information on another exchange that impacts the DR instrument, the depository must ensure that such information is also released on SENS specifying the web link where such information can be obtained. Such release must take place no later than one business day after the release on any other exchange provided that, if the JSE is not open for business, the depository must ensure that such information is released through SENS at the commencement of business on the following business day. The announcement must be submitted via the depository, and such announcements must also be available on the depository's website. The JSE must be consulted in the event that the aforementioned requirement cannot be complied with; and
- (j) the depository must advise, and obtain approval from the JSE with regard to the timetables for corporate actions stipulated in Schedule 24. The depository must ensure that the JSE is notified in advance in order to ensure that the JSE can accommodate the processing of these corporate actions for DR holders on the South African share register.