



# The JSE Limited Listings Requirements

**BULLETIN 1 of 2009**

23 JANUARY 2009

Dear Subscriber

The JSE received a request from the Investment Management Association of South Africa ("IMASA") to amend certain Listings Requirements to ensure that the source (capital vs. income) of dividends/distributions is disclosed. This information is critical for IMASA to ensure that clients/shareholders are properly advised and this information can only be obtained from the company.

The Listings Requirements as detailed below are amended with effect from 19 January 2009, with regards to the announcements and circulars. The announcements and circulars (where applicable) will state whether the payment/issue contemplated is paid out of capital or income reserves.

## Section 16: Documents to be submitted to the JSE

### Capitalisation issues and scrip dividends

#### Exchange control approval

- 11.16 Issuers seeking a listing for securities issued by way of a capitalisation of reserves and/or an application of share premium or capital redemption reserve fund are required to comply with the actions in the relevant timetable in Schedule 24.
- 11.17 (a) In the case of a scrip dividend a circular should be sent to shareholders containing the information set out in paragraph 7.C.15 and complying with the requirements of paragraphs 5.44 to 5.49.
- (b) In the case of a capitalisation issue an announcement must be published complying with paragraphs 5.39 to 5.43 which must indicate whether the issue is distributed from capital or income reserves.

---

**Specific payments (as defined in Section 5)**

11.28 The circular must be sent to shareholders within 28 days of publication of the announcement and must contain the following information:

- (c) Source of payment (i.e. capital or income payment), the reason for, and method by which the company intends to make the payment;

11.31 In the case of a general payment, an announcement must be published in accordance with Schedule 24 and in addition it must contain the following information:

- (b) Indicate the source of the payment, i.e. whether it is distributed from capital or income reserves

### **Schedule 24**

24.2 The following timetables, read with 24.1, apply to all corporate actions:

- (d) Cash dividends and interest payments

Definition: Cash dividends and interest payments are payments made by an issuer to its shareholders normally out of the issuer's current or accumulated earnings in proportion to their holdings. A special dividend is a cash payment that is separate from the typical recurring dividend cycle. An issuer needs to state whether a special dividend should be treated as capital or income payment.

Parusha Bachan  
LexisNexis  
Editor: Legal and Business Looseleaf  
[parusha.bachan@lexisnexis.co.za](mailto:parusha.bachan@lexisnexis.co.za)  
January 2009