**Part 1A of 2018 Amendments to the JSE Debt Listings Requirements**

**April 2018**

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| **Item** | **Section** | **Proposed Amendment** | **Nature of amendment and rationale** |
|  | **Definitions** | Certain new definitions were inserted as a consequence of the amendments proposed below. | Certain new definitions were inserted as a consequence of the amendments proposed below. |
|  | **Section 4** | **Offering circular or pricing supplement****Amended paragraph 4.22(dd)**This paragraph was amended to request the insertion of the URL address, where the report produced by issuers (“**investor report**”) will be available, to be included in the pricing supplement or offering circular. | This amendment was made to clarify that the website address of the investor report must be included in the pricing supplement or offering circular. |
|  | **Section 4** | **Offering circular or pricing supplement****New paragraph 4.22(ff)**New paragraphs were introduced to require the insertion of specific definitions for Interest Period, Interest Payment Dates and Interest Rate Determination Dates in offering circulars and pricing supplements. | There is a serious concern in the market regarding the payment of interest by issuers on floating rate debt securities, stemming from the differing applications of the Following Business Day and Modified Following Business Day conventions when the interest payment date falls on a non-business day (e.g. Saturday, Sunday or public holiday). In certain cases, issuers accrue interest up to the calendar day before the payment date where other issuers do not, which has affected entitlement calculations. It has also led to inconsistencies when valuing the debt securities affected by these conventions, as certain systems automatically accrue interest and the price of the debt security on the actual interest payment date reverts to 100% of the nominal amount, whilst other systems do not. These specific definitions ensure that the interest period will always change when the payment date moves due to a business day convention. |
|  | **Section 5** | **Financial statements****Amended paragraph 5.6**This paragraph was amended to refer to applicant issuers rather than new applicants and to confirm what information such applicant issuers are required to provide to the JSE. | This amendment was made to clarify that all issuers (both new and existing) that are only funding/financing arms of the guarantor are not required to provide the issuer’s annual financial statements to the JSE. The amendments also clarify that such issuers must instead provide the guarantor’s financial information. |
|  | **Section 5** | **Report of the independent auditor****Amended paragraph 5.9**The defined term IAS was amended to ISA. | This was to correct an error made in the Part 1 of 2016 amendments to the Debt Listings Requirements. |
|  | **Section 7** | **Additional continuing obligations for issuers of asset‑backed debt securities****Amended paragraph 7.62(a)(ii)**This paragraph was amended to include a description of the types of asset-backed debt securities to which this requirement will be applicable. | This amendment was made to clarify that issuers of asset-backed debt securities, where the underlying assets will not change between reporting dates, are not required to comply with this paragraph. |
|  | **Section 8** | **Documents to be submitted on formal submission****New paragraph 8.3(s) and amended paragraph 8.4(b)(ii)**The amendments to these paragraphs were to include reference to the letter that an applicant issuer is required to provide at the same time as the signed placing document/amended document is submitted to the JSE for final formal approval. | These amendments were to confirm that the letter required by paragraph 4.21 is a document that must be submitted in order to obtain final formal approval of a new placing document or amended document. |
|  | **Section 8** | **Fast Track Listing Process - Documents to be submitted****New paragraph 8.5(g)**This paragraph was inserted to include a letter that a secondary registered issuer is required to provide at the same time as the signed JSE supplement is submitted to the JSE for final formal approval.**New paragraph 8.5(h)**This paragraph was inserted to require a letter from the legal adviser that all relevant agreements have been signed. | This insertion clarifies that the issuer must provide a letter confirming that the signed JSE supplement is materially the same as the draft that was conditionally formally approved by the JSE.This letter is required by the JSE to ensure that all documents relevant to the JSE supplement are signed and in place before the JSE supplement is registered with the JSE. |
|  | **Schedules** | **Schedule 4****New Form A4**A new Form A4 was created to provide a corporate action timetable that issuers are required to comply with whenever such action occurs in relation to their debt security.The creation of this timetable has also required consequential amendments to paragraphs 4.22(gg) and 7.44 to 7.59 of the Debt Listings Requirements. | The market has requested the creation of a corporate action timetable for debt securities listed on the Interest Rate Market of the JSE. This is to ensure that the market participants (including investors, Strate and CSDPs) are notified in advance of the effective date of such corporate actions and will enable them to process these actions correctly and timeously on their systems. |