

Introduction

Objectives

The JSE is operating within the framework of the FMA.

Principles underlying this document

It is the function of the JSE under the FMA to provide for the listing, trading, clearing and settlement of debt securities in a transparent, efficient and orderly market place.

The Debt Listings Requirements reflect, inter alia, the rules and procedures governing new applications and the ongoing obligations of Issuers, and are aimed at providing investor confidence via an orderly, secure, efficient and transparent financial market.

The JSE believes it is important for the exchange to be in a position to facilitate offerings and listings by continually enhancing its requirements to ensure a high level of investor protection and confidence.

The “Debt Listings Requirements” provide for the minimum disclosure which investors and their professional advisers would reasonably require for the purpose of making an informed assessment of the nature and state of an applicant issuer’s business.

The type of protection afforded to the investor often distinguishes the different types of debt securities from one another. The greater the protection, the lower the risk and yield.

Documentation is central to any issuance of debt securities. The placing document consists of sections setting out all, or certain, of the terms and conditions of the debt securities and sections dealing with the issue of, subscription for and sale of the debt securities. The terms and conditions of the debt securities provide for the rights of the investor, the obligations of the applicant issuer, the terms of any underwriting or guarantee, the mechanics of payment and settlement and any credit enhancements or trust deeds, credit ratings, etc.

Applicant issuers engaged in specialised industries (e.g. banking, insurance, mining, and oil and gas) or issuing Specialist Securities (e.g. securitisation) may decide to, or be required by the JSE, to provide additional information.

The JSE encourages applicant issuers making application for the listing of debt securities to discuss, on a confidential basis, the Debt Listings Requirements to ascertain whether the debt security is eligible for listing and what additional requirements, if any, must be complied with.

Where applicant issuers are incorporated in terms of specific enabling legislation, which may have imposed limitations on disclosure, this fact must be disclosed in the placing documents.

“Objectives” amended with effect from 15 January 2014.

“Principles underlying this document” amended with effect from 15 January 2014 and 30 September 2014.

All information submitted to the JSE must be delivered timeously pursuant to the provisions of the Debt Listings Requirements and must not be misleading or deceptive and must not omit any material information.

Definitions and Interpretation

In these Debt Listings Requirements, unless otherwise stated or the context requires otherwise, any expression which denotes any gender includes the other gender and the singular includes the plural and vice versa. The introductory portion of these Debt Listings Requirements is included for ease of reference only and does not form part of the Debt Listings Requirements.

Throughout these Debt Listings Requirements, unless otherwise stated or the context requires otherwise the following terms will have the meaning set out below –

Term	Meaning
application	an application for the listing of debt securities or the registration of a Programme Memorandum, which application must contain the documents provided for in these Debt Listings Requirements;
applicant or applicant issuer	an issuer or a new applicant;
asset-backed debt securities	specialist debt securities directly backed by assets which are intended to produce funds to be applied towards interest payments and repayment of principal on maturity if applicable;
auditor	includes the audit firm and the individual auditor assigned and/or appointed to perform a statutory audit (or a review) of an applicant issuer;
authorised amount	the amount on outstanding debt securities which the board of directors or similar body in respect of a non-corporate issuer has approved;
books closed period	the period or periods stipulated by an Issuer as being the period or periods during which the Register in respect of its debt securities is closed for purposes of giving effect to transfers, redemption or the distribution of the debt securities;
business day	a day (other than a Saturday, Sunday or public holiday in the Republic of South Africa) on which commercial banks settle payments in Rand in Johannesburg;
calculation agent	a person identified as such in the placing document or pricing supplement which performs certain functions with regard to calculations in relation to a Debt

“auditor” introduced with effect from 4 August 2015.

“BESA” repealed with effect from 30 September 2014.

CSDP

Security;
Central Securities Depository Participant as authorised by Strate as a participant in terms of section 31 of the FMA to perform electronic settlement on funds and scrip;

“CSDP” amended with effect from 30 September 2014 and with effect from 22 December 2014.

company	a body corporate, wherever incorporated or established, including any other legal person, undertaking, association of persons or entities and any trust or similar device, wherever established, that issues debt securities, which are capable of being listed by the JSE;
the Companies Act	the Companies Act 71 of 2008 as amended or replaced from time to time;
common monetary area	Lesotho, Namibia, Swaziland and South Africa;
coupon	The stated interest payment on a bond;
coupon rate indicator	It indicates the type of coupon payment relevant to the bond for example, fixed, floating, zero, inflation linked or variable, etc.
CP Regulations	the commercial paper regulations of 14 December 1994 issued pursuant to paragraph (cc) of the definition of “the business of a bank” in the Banks Act, 1990, as set out in Government Notice 2172, published in Government Gazette 16167 of 14 December 1994, as amended from time to time;
CPI	Consumer Price Index;
“dealer”, “manager” and arranger”	a person or persons identified as such in the placing document or the pricing supplement which performs certain functions with regard to establishing the programme memorandum and/or the placing of debt securities, which functions may include the marketing of, and making a market in, such debt securities (and which person may be the issuer of such debt securities);
Debt Listings Requirements or requirements	the debt listing requirements of the JSE pursuant to the provisions of the FMA for the listing of debt securities on the JSE, as amended from time to time including the “Introduction”, “Definitions”, “Sections” and “Schedules”, save that the section headings, paragraph headings and the introductory text to each section headed “Scope of Section” do not form part of the listing requirements and are for guidance and ease of reference only and are not to be construed as affecting the substance or interpretation of the listing requirements;
debt market process document	a document available on the JSE’s website (www.jse.co.za) detailing the process that applicant issuer’s must follow in order to register a placing document or list debt securities;
debt securities	the “securities” (as defined in the FMA, which are designated by the JSE as “debt securities” from time to time, including, without limitation, debentures,

“the Companies Act” amended with effect from 15 January 2014 and 30 September 2014.

“common monetary area” inserted with effect from 30 September 2014.

“Debt Listings Requirements or requirements” amended with effect from 15 January 2014.

debt sponsor

debenture stock, loan stock, bonds, notes, certificates of deposit, preference shares or any other instrument creating or acknowledging indebtedness;

an entity which is:

- (a) approved as a debt sponsor by the JSE in terms of section 2 of these Debt Listings Requirements; and
- (b) appointed by an applicant issuer in respect of a placing document or pricing supplement;

director	a “director” as defined in section 1 of the Companies Act, and in relation to an applicant issuer that is not a company, a person with corresponding powers and duties;
effective date	the date on which these Debt Listings Requirements come into force as published on the JSE’s website;
Exchange Control Regulations	the Exchange Control Regulations, 1961, promulgated under the Currency and Exchanges Act, 1933;
extraordinary resolution	a resolution passed at a meeting (duly convened of the holders of debt securities, by a majority consisting of not less than 66.67% (sixty-six point sixty-seven percent) of the value of a class of notes or all the Holders of notes% (sixty-six point sixty-seven percent) of the holders of debt securities present in person or by proxy voting at such meeting upon a show of hands or if a poll be duly demanded, by a majority consisting of not less than 66.67% (sixty-six point sixty-seven percent) of votes given on such poll;
formal approval	the final approval granted by the JSE;
FMA	the Financial Markets Act (Act No.19 of 2012), as amended or replaced from time to time;
FSB	Financial Services Board; Practice as approved by the accounting practices board or such other body authorised in terms of the relevant legislation to issue such accounting standard;
Guarantee Fund	Fund operated by the JSE to guarantee settlement of trades on the JSE’s trading platforms;
holder of debt securities	the holders of debt securities (as recorded in the register of debt securities maintained by the Transfer Secretary);
high yield debt securities or HYDS	debt securities that are sub-investment grade, usually with a Standard and Poor credit rating of BB+ or below;
IAS	International Auditing Standards;
Income Tax Act	the Income Tax Act 58 of 1962, as amended or replaced from time to time;
index calculation agent	an entity which calculates the performance measure of a group or set of financial instruments;
International Financial Reporting Standards or IFRS	the International Financial Reporting Standards formulated by the International Accounting Standards Committee;

“EFT” repealed with effect from 30 September 2014.

“Exchange Control Regulations” amended with effect from 15 January 2014.

“extraordinary resolution” amended with effect from 30 September 2014.

“FMA” inserted with effect from 15 January 2014.

“Income Tax Act” inserted with effect from 30 September 2014.

investors	persons, natural or juristic, who acquire debt securities Listed on the JSE and “Potential Investors” shall be construed accordingly;
issue date	the date upon which the debt securities listed on the JSE are issued by the applicant issuer, as specified in the placing document or, in the case of debt securities issued under a programme memorandum as specified in the pricing supplement;
issuer	any entity whose debt securities have been listed on the JSE;
Issuer Regulation Division	the division of the JSE which is tasked with the listings function of the JSE;
JSE Limited or the JSE	the JSE Limited (registration number 2005/03339/06), a company duly registered and incorporated with limited liability under the company laws of the Republic of South Africa, licensed as an “exchange” under the FMA;
last day to register	close of business on the business day immediately preceding the first day of a books closed period;
listing	the admission of a Debt Security to the List and “Listed” shall be construed accordingly;
listing date	the date upon which a Debt Security is listed on the JSE;
listing particulars	the particulars required to be disclosed by an applicant issuer from time to time in its placing document which are set out in section 4 hereof;
List	the official list, maintained by the JSE, of debt securities which have been Listed;
offering circular	a document containing inter alia the provisions required by these Debt Listings Requirements, for a single issue of debt securities;
paying agent	an entity identified as such in the placing document or the pricing supplement which undertakes certain functions with regard to payments in relation to debt securities, which entity may also be the applicant issuer;

“JSE Limited or the JSE” amended with effect from 15 January 2014.

“listed amount” repealed with effect from 30 September 2014.

“Listings Approval Committee” repealed with effect from 30 September 2014.

placing or offering	the method of offering debt securities to be Listed, for subscription or sale to potential investors and that takes place before such debt securities are listed;
placing document	an offering circular, a programme memorandum or any other placing document, as the case may be, which contains inter alia the provisions required by the Debt Listings Requirements for an issue of debt securities. <u>In the case of a foreign issuer, 'placing document' refers to both the legal document establishing the issuer's debt programme (for example the base prospectus) and the JSE supplement (as defined in section 4);</u>
pre-issued debt securities	entitlements to debt securities, the listing of which on the JSE has been approved, but where the listing becomes effective only after a number of conditions have been fulfilled on or before the commencement of official trading;
pricing supplement	a supplement to a programme memorandum setting out additional and/or other terms and conditions as are applicable to a specific tranche of debt securities, for which application is made;
programme memorandum	a document containing the provisions required by these Debt Listings Requirements in respect of debt securities which may be issued by an applicant issuer;
profit forecast	a form of words which expressly states, or by implication indicates, a figure or a minimum or maximum figure for the likely level of profits or losses for the current financial period and/or financial periods subsequent to that period, or contains data from which a calculation of such a figure for future profits or losses may be made, even if no particular figure is mentioned and the word "profit" is not used;
profit estimate	a form of words which expressly states, or by implication indicates, a figure or a minimum or maximum figure for the likely level of profits or losses for a financial period ended but for which no financial information has yet been published, or contains data from which a calculation of such a figure may be made, even if no particular figure is mentioned and the word "profit" is not used;
Registrar	the Registrar of Securities Services, as defined in the FMA;
Securities Regulations Code	[Repealed]
<u>Securitisation Regulations</u>	<u>the securitisation regulations of 1 January 2008 issued pursuant to paragraph (cc) of the definition of</u>

“Registrar” amended with effect from 15 January 2014.

“Rules” amended with effect from 15 January 2014 and repealed with effect from 30 September 2014.

“SARB” repealed with effect from 30 September 2014.

“the business of a bank” in the Banks Act, 1990, as set out in Government Notice 2, published in Government Gazette 30628 of 1 January 2008, as amended from time to time;

specialist debt securities	asset-backed debt securities and any other debt securities which the Issuer Regulation Division determines to be specialist debt securities from time to time;
Strate	means Strate Proprietary Limited (registration number 1998/022242/07) a company licensed as a central securities depository in terms of the FMA or any successor depository operating in terms of the FMA;
subsidiary	a subsidiary company as defined in section 1 of the Companies Act; or an entity which would have been a subsidiary as defined in section 1 of the Companies Act but for the fact that it is incorporated outside of South Africa;
tap issue	the issue of debt securities, having terms and conditions which are identical to existing debt securities already in issue (save for their respective issue dates, issue prices, and aggregate principal amounts), so that such new debt securities (i) are consolidated and form a single series with such existing debt securities; and (ii) rank pari passu in all respects with such existing debt securities; and
transfer secretary or transfer agent	an entity who maintains a register of debt securities, which entity may be the Issuer of such debt securities.

“SSA” repealed with effect from 15 January 2014.

“Strate” amended with effect from 15 January 2014 and 30 September 2014.