



Johannesburg
Stock Exchange

Tel: +27 11 520 7000
Fax: +27 11 520 8584

www.jse.co.za

SERVICE HOTLINE

REFERENCE NUMBER: 123/2018

10 July 2018

CORPORATE ACTIONS PROCESSING - SYGNIA ETF TRACKERS

Members are advised that the SYGNIA ETF tracker events have been processed in BDA as per below.

The CA events were processed as follows:

1. Credit journals for the Gross Dividends - designation code FD
2. Debit journals for Foreign Tax - designation code FX
3. Credit journals for 'Interest' income - designation code IT
4. Debit journals for interest expense under 'Other' income - designation code OI
5. Debit journals for the portfolio costs 'ETF FEE' - designation code EM

Kindly note that the tax deductions are provided as a rand/cent value and BDA uses a percentage value to calculate the tax; refer the below example for SYGEU:

Gross dividends	160.09552
Foreign dividend withholding tax	-39.98400
Less Interest expense	-0.07032
Less Portfolio costs	-24.16655
Distributable dividend	95.87465

To ensure correct calculation and processing of the foreign tax, the JSE had to manually calculate the foreign tax percent rate for the ETF instruments.

In the case of the SYGEU ETF, the foreign tax percent was erroneously captured as 20.97509% instead of 24.97509% ($39.98400/160.09552*100$) which resulted in incorrect tax journal transactions being processed to client accounts. These journals for the foreign tax were reversed and the correct tax journal transactions processed to client accounts.

We sincerely apologise for any inconvenience this error may have caused you or your clients.

Markets/ Service (s):

BDA – Corporate Actions

Environment(s):

Production

Additional Information:

If you have any queries about this announcement, please contact the Client Services Centre on +27 11 520 7777 or Customersupport@jse.co.za