**Section 6 – Checklist**

Please complete the relevant portions of the following checklist if the debt securities will be asset-backed debt securities or issued on the Green Segment of the Interest Rate Market.

Please indicate the specific paragraph and page numbers of the document that show compliance with the Debt Listings Requirements in this checklist.

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| --- | --- | --- | --- | --- |
|  | **DLR Ref** | **Requirement** | **Response by the Debt Sponsor / Designated Person** | **JSE comments** |
|  | ***6.1 – 6.3*** | ***Securitisations*** |
|  | 6.2 | The placing document or pricing supplement published in connection with the issue of debt securities in a securitisation must, over and above the information required as per section 4, include the following additional information where applicable: |
|  | 6.2(a) | A general description of the underlying assets/rights forming the subject matter of the securitisation specifying at least the following, where applicable: |  |  |
|  | 6.2(a)(i) | the legal jurisdiction(s) where the assets are located |  |  |
|  | 6.2(a)(ii) | the title/recourse to the assets |  |  |
|  | 6.2(a)(iii) | the eligibility criteria for the selection of the assets must be fully stated in the placing document or pricing supplement and a statement must be included that any amendments to the eligibility criteria will require approval from holders of debt securities in accordance with paragraph 7.26 |  |  |
|  | 6.2(a)(iv) | the number and value of the assets in the pool |  |  |
|  | 6.2(a)(v) | the seasoning of the assets |  |  |
|  | 6.2(a)(vi) | the level of collateralisation |  |  |
|  | 6.2(a)(vii) | rights of the applicant issuer or seller/originator to substitute the assets and the qualifying criteria |  |  |
|  | 6.2(a)(viii) | the treatment of early amortisation/pre-payments of the assets |  |  |
|  | 6.2(a)(ix) | the general characteristics and descriptions of the underlying assets, providing the details where applicable as contained in Schedule 4 Form A3 available on the JSE website |  |  |
|  | 6.2(b) | Details on the following: |  |  |
|  | 6.2(b)(i) | a description of the sale or transfer of the assets or assignment of any rights in the assets to the applicant issuer, indicating the extent of the right of recourse to the originator or seller of the assets |  |  |
|  | 6.2(b)(ii) | a description of the structure and a flow diagram of the structure |  |  |
|  | 6.2(b)(iii) | an explanation of the flow of funds stating: |  |  |
|  | 6.2(b)(iii)(1) | how often payments are collected in respect of the underlying assets (eg. daily/monthly/quarterly, etc.) |  |  |
|  | 6.2(b)(iii)(2) | a description of all fees payable by the applicant issuer and the amounts payable |  |  |
|  | 6.2(b)(iii)(3) | the order of priority of payments made by the applicant issuer |  |  |
|  | 6.2(b)(iii)(4) | details of any other arrangements upon which payments of interest and principal to holders of debt securities are dependent |  |  |
|  | 6.2(b)(iii)(5) | an indication of where potential material liquidity shortfalls may occur and plans to cover potential shortfalls |  |  |
|  | 6.2(b)(iv) | information regarding the accumulation of surpluses in the applicant issuer and an indication of the investment criteria for the investment of any liquidity surpluses |  |  |
|  | 6.2(b)(v) | details of any interest held in the debt securities by the originator |  |  |
|  | 6.2(b)(vi) | the name, address, description and significant business activities of: |  |  |
|  | 6.2(b)(vi)(1) | the originator of the underlying assets to the securitisation |  |  |
|  | 6.2(b)(vi)(2) | the seller of the underlying assets to the securitisation (if different to the originator) |  |  |
|  | 6.2(b)(vi)(3) | the servicing agent or equivalent. A summary of the servicing agent’s responsibilities and a summary of the provisions relating to the appointment or removal of the servicing agent and back-up servicing agent and their details must also be included in the placing document or pricing supplement |  |  |
|  | 6.3 | The following information, as required by paragraph 6.2, can instead be included in the report produced by issuers for its investors, provided that the website (where such report will be available) must be included in the placing document or pricing supplement and such report must be available on the relevant website at least 1 business day before the issue date: |  |  |
|  | 6.3(a) | 6.2(a)(iv) |  |  |
|  | 6.3(b) | 6.2(a)(v) |  |  |
|  | 6.3(c) | 6.2(a)(vi) |  |  |
|  | 6.3(d) | 6.2(a)(ix) |  |  |
|  | 6.3(e) | 6.2(b)(iii)(1) |  |  |
|  | ***6.4 – 6.9*** | ***Other asset-backed debt securities*** |
|  | 6.6 | For asset-backed debt securities, which will be backed by a pool of fungible financial assets and where no obligor accounts for more than 10% of the value of the assets the placing document or pricing supplement published in connection with the issue of the debt securities must, over and above the information required as per section 4, include the following additional information (where applicable): |
|  | 6.6(a) | all the information required by paragraph 6.2. The information required by paragraphs 6.2(a)(iv), 6.2(a)(v), 6.2(a)(vi), 6.2(a)(ix) and 6.2(b)(iii)(1) can instead be included in the report produced by issuers for its investors, provided that the website (where such report will be available) must be included in the placing document or pricing supplement and the report produced by issuers for its investors must be available on the relevant website at least 1 business day before the issue date |  |  |
|  | 6.6(b) | details on the following: |  |  |
|  | 6.6(b)(i) | the names and addresses and brief description of: |  |  |
|  | 6.6(b)(i))(1) | the provider/s of material forms of credit enhancement. Details of the credit enhancement provided must also be included in the placing document |  |  |
|  | 6.6(b)(i)(2) | the provider/s of liquidity facilities. Details of the liquidity facility provided must also be included in the placing document |  |  |
|  | 6.7 | For asset-backed debt securities, other than those described in paragraph 6.6, with debt securities as the underlying instruments, the placing document or pricing supplement published in connection with the issue of the debt securities must, over and above the information required as per Section 4, include the following additional information (where applicable): |
|  | 6.7(a) | all the information required by paragraphs 6.2(a)(i) to (iv), (vii) and (viii), 6.2(b) and 6.6(b). The information required by paragraphs 6.2(a)(iv),and 6.2(b)(iii)(1) can instead be included in the report produced by issuers for its investors, provided that the website (where such report will be available) must be included in the placing document or pricing supplement and such report must be available on the relevant website at least 1 business day before the issue date |  |  |
|  | 6.7(b) | for each underlying asset that accounts for 10% or more of the total value of the underlying assets, the following must be disclosed: |  |  |
|  | 6.7(b)(i) | the name of the issuing entity of the underlying asset |  |  |
|  | 6.7(b)(ii) | the maturity date |  |  |
|  | 6.7(b)(iii) | payment periods (for example, daily / monthly / quarterly / etc.) |  |  |
|  | 6.7(b)(iv) | whether the asset is amortising or not |  |  |
|  | 6.7(b)(v) | the nominal value |  |  |
|  | 6.7(b)(vi) | the financial year-end of the issuing entity of the underlying asset |  |  |
|  | 6.7(b)(vii) | if there is a physical asset to which the financial asset is related, information on the physical asset must also be disclosed |  |  |
|  | 6.7(b)(viii) | if the asset is guaranteed, details of the guarantor must be included |  |  |
|  | 6.7(b)(ix) | The statement regarding the financial information of the issuing entity of the underlying asset |  |  |
|  | 6.7(c) | where there is no asset that accounts for 10% or more of the total value of the underlying assets, the general characteristics and description of the underlying assets, providing the details where applicable as required in the Schedule 4 Form A3, which is available on the JSE website |  |  |
|  | 6.7(d) | the weighted average time to maturity |  |  |
|  | 6.7(e) | the weighted average interest rate unless there is only a single underlying asset, in which case the interest cover ratio must be provided |  |  |
|  | 6.7(f) | where the underlying assets have been provided with a public credit rating, such credit rating with respect to the underlying assets must be disclosed |  |  |
|  | 6.8 | For asset-backed debt securities with equity securities as the underlying instruments: |
|  | 6.8(a) | These instruments must: |  |  |
|  | 6.8(a)(i) | have underlying assets that are listed on the JSE, unless otherwise agreed to by the JSE |  |  |
|  | 6.8(a)(ii) | have underlying assets which are minority interests and must not confer legal or management control of the companies |  |  |
|  | 6.8(a)(iii) | in respect of each underlying asset that accounts for 10% or more of the total market value of the underlying assets, the financial information of the company related to such asset must be available on a website |  |  |
|  | 6.8(b) | The following information, where applicable, must be disclosed in either the placing document or pricing supplement over and above the information required as per Section 4: |  |  |
|  | 6.8(b)(i) | details of the underlying assets, including but not limited to the following. The following information can also be included in the report produced by issuers for its investors, the website where such report will be available must be included in the placing document or pricing supplement and the report produced by issuers for its investors must be available on the relevant website at least 1 business day before the issue date: |  |  |
|  | 6.8(b)(i)(1) | number of assets held |  |  |
|  | 6.8(b)(i)(2) | total market value of the assets and total costs or projected costs of the assets, if different to the total market value |  |  |
|  | 6.8(b)(i)(3) | historical financial performance of the assets for the past 12 months |  |  |
|  | 6.8(b)(i)(4) | all the information required by paragraphs 6.2(a)(i) to (iii) and (vii) |  |  |
|  | 6.8(b)(i)(5) | for each underlying asset that accounts for 10% or more of the total market value of the underlying assets, the following details must be disclosed: |  |  |
|  | 6.8(b)(i)(5)(aa) | the name of the issuing entity of the underlying asset and ISIN |  |  |
|  | 6.8(b)(i)(5)(bb) | the financial year-end of the issuing entity |  |  |
|  | 6.8(b)(i)(5)(cc) | the exchange that the issuing entity is listed on |  |  |
|  | 6.8(b)(i)(5)(dd) | the percentage of equity held as a proportion of the listed issuing entity’s total issued shares |  |  |
|  | 6.8(b)(i)(5)(ee) | the market value of the equity held by the applicant issuer (as at the last practicable date prior to finalisation of the placing document or pricing supplement) |  |  |
|  | 6.8(b)(i)(5)(ff) | the cost of the asset or projected cost |  |  |
|  | 6.8(b)(i)(5)(gg) | the website address where the financial information of the issuing entity can be obtained |  |  |
|  | 6.8(b)(ii) | all the information required by paragraphs 6.2(b)(ii) to (iv) and (vi) and 6.6(b)(i)(2) |  |  |
|  | 6.8(b)(iii) | the dividend/interest payment policy |  |  |
|  | 6.8(b)(iv) | how corporate actions in the underlying asset/s or affecting the underlying asset/s will influence the rights of the holders of debt securities |  |  |
|  | 6.8(b)(v) | whether or not the holders of debt securities will receive any distributions receivable on the underlying asset/s and the frequency thereof |  |  |
|  | 6.9 | In relation to all asset-backed debt securities that do not fit within the definition of securitisations, a letter from the applicant issuer must be submitted to the JSE confirming, where applicable, the following: |  |  |
|  | 6.9(a) | that the applicant issuer is insolvency remote from the creditors of the originator/seller |  |  |
|  | 6.9(b) | that all assets have been transferred to or acquired by the applicant issuer and whether these assets have been registered in the name of the applicant issuer |  |  |
|  | 6.9(c) | that the security structure is enforceable |  |  |
|  | 6.9(d) | that the assets are held by a company, whose sole shareholder is a trust. The trust must be administered by trustees who are independent of the applicant issuer and represent the interests of the holders of the debt securities |  |  |
|  | ***6.10 – 6.14*** | ***Green Segment*** |
|  | 6.11 | Applicant issuers must appoint an Independent Advisor confirming to the JSE that the instrument is classified as green pursuant to the green standards |  |  |
|  | 6.12 | For green instruments that comply with the green standards, the placing document published in connection with the issue of these instruments must, over and above the information required as per Section 4, include the following additional information in order to qualify for the green segment. This information can also be incorporated by reference and must then be available on the issuer’s website. The information must be available on the website of the issuer at least three business days before the issue date: |
|  | 6.12(a) | a statement as to the use of proceeds which explains how such proceeds will be managed and allocated towards eligible green projects |  |  |
|  | 6.12(b) | a report from an Independent Advisor. The report must confirm that the instruments are classified as green pursuant to the green standards |  |  |
|  | 6.12(c) |  the information required pursuant to paragraph 6.14 in relation to the Independent Advisor |  |  |
|  | 6.14 | The Independent Advisor responsible for issuing the report confirming that the instrument is classified as a green instrument pursuant to the green standards must adhere to the below criteria and the applicant issuer must include this information in the placing document: |
|  | 6.14(a) | a statement by the applicant issuer confirming that an Independent Advisor has been appointed pursuant to paragraph 6.14 |  |  |
|  | 6.14(b) | be an entity specialising in assessing the framework of the instruments’ environmental objectives, with sufficient financial and market-specific expertise to perform a comprehensive assessment of the use of proceeds. Such expertise is demonstrated by: |  |  |
|  | 6.14(b)(i) | affiliation with relevant and widely recognised industry bodies such as Climate Bonds Standard (or any industry body acceptable to the JSE, in its discretion) |  |  |
|  | 6.14(b)(ii) | significant and appropriate previous experience in providing external reviews on green instruments |  |  |