

CORPORATE ACTIONS – T3 TIMELINE OVERVIEW

August 2015

Glossary:

	Abbreviation / Term	Meaning
	S	Settlement Day
	T	Trade Day
	RD	Record Date
	LDT	Last Day to Trade
	PD	Payment Day
	BTB	Back-to-Back
	SA	Settlement Authority
	BP	Business Partner
	SLB	Securities Lending & Borrowing
<u>KEY</u>	Failed Trade Procedures	Where the JSE Settlement Authority is unable to enter into a Securities Lending & Borrowing transaction, the <i>Failed Trade Procedures</i> will be instigated. This could result in: <ul style="list-style-type: none"> • Rolling Of Settlement • Failed Trade with a Re-transactions • Failed Trade with Compensation
	Rolling of Settlement	The action taken by the JSE Settlement Authority to roll the settlement date of a failing and a non-failing transaction to a future settlement date – typically a new T+3 settlement cycle
	Failed Trade Retransaction	The action taken by the JSE Settlement Authority to instruct a member to retransact for the non-failing client which will be booked to the client for a future settlement date – typically a new T+3 settlement cycle
	Failed Trade Compensation	The action taken by the JSE Settlement Authority to pay compensation between the failing and non-failing parties

Introduction:

This document encompasses all T+3 operational timelines for corporate action events in the equities market, as agreed upon with the market participants. The JSE and Strate’s Rules and Directives (as well as market practice notes) will be updated prior to the go-live of T+3 Phase 3.

The operational timelines have been broken down into the following categories:

- Mandatory events;
- Elective events (otherwise known as “Choice” or “Voluntary” events); and
- Warrants.

Furthermore, it also includes a proposed proxy meeting timeline for domestic as well as foreign incorporated companies.

1. Mandatory Events:

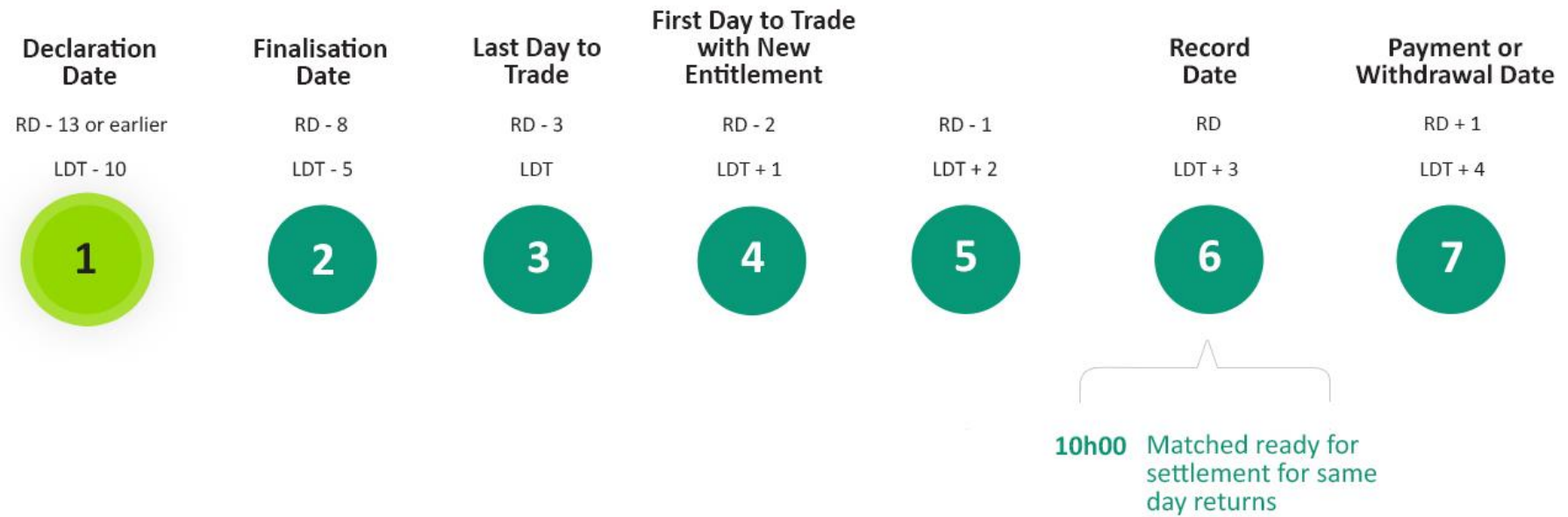


Figure 1 Mandatory Event Timeline

Event Information:

- The minimum required information on Declaration Date for Mandatory Events will be:
 - Last Day to Trade (Cum), Ex Date, Record Date and expected Payment Date
 - Cash Rates and Share Ratios can be announced no later than Finalisation Date by 12h00
 - Exceptions to this will be dealt with on a case by case basis
 - If applicable (Mandatory Security or Mandatory Cash and Security):
 - Delisting Date / Termination Date, Suspension Date, Effective Date
 - New ISIN
 - Should not all information have been made available on Declaration Date then the cut off date for the Event Finalisation should be no later than 12h00 on Finalisation Date
 - Exceptions to this will be dealt with on a case by case basis
 - Record Date will always be a Friday. In the event of a public holiday, Record Date will be the previous Business Day

Action	Action Detail	Actioned By	Current Timing - T+5	Future Timings - T+3
Declaration Date	Issuer announces the corporate action event details via SENS – Strate sends MT 564 to the CSDPs	Issuer	RD-15	RD-13 or earlier
Finalisation Date	Issuer announces final details of the event details via SENS – Strate sends MT 564 to the CSDPs	Issuer	RD-10	RD-8
Last Day to Trade (LDT) - also referred to as “cum-dividend date”	The date that investors can trade cum-entitlement	Investors	RD-5	RD-3
First day to trade new entitlement – LDT+1 – also referred to as “ex-dividend date”	The date that investors can start trading their new entitlement	Investors	RD-4	RD-2
Record Date (RD)	The date that investors have to be registered in the register to receive the entitlements	CSDPs and brokers – settlement	RD	RD
Payment Date (PD)	The date that shareholders are entitled to receive their entitlements	Issuer	RD+1	RD+1
Settlements for new entitlements	Payment of new entitlements	Issuer	RD+1	RD+1

2. Elective Events

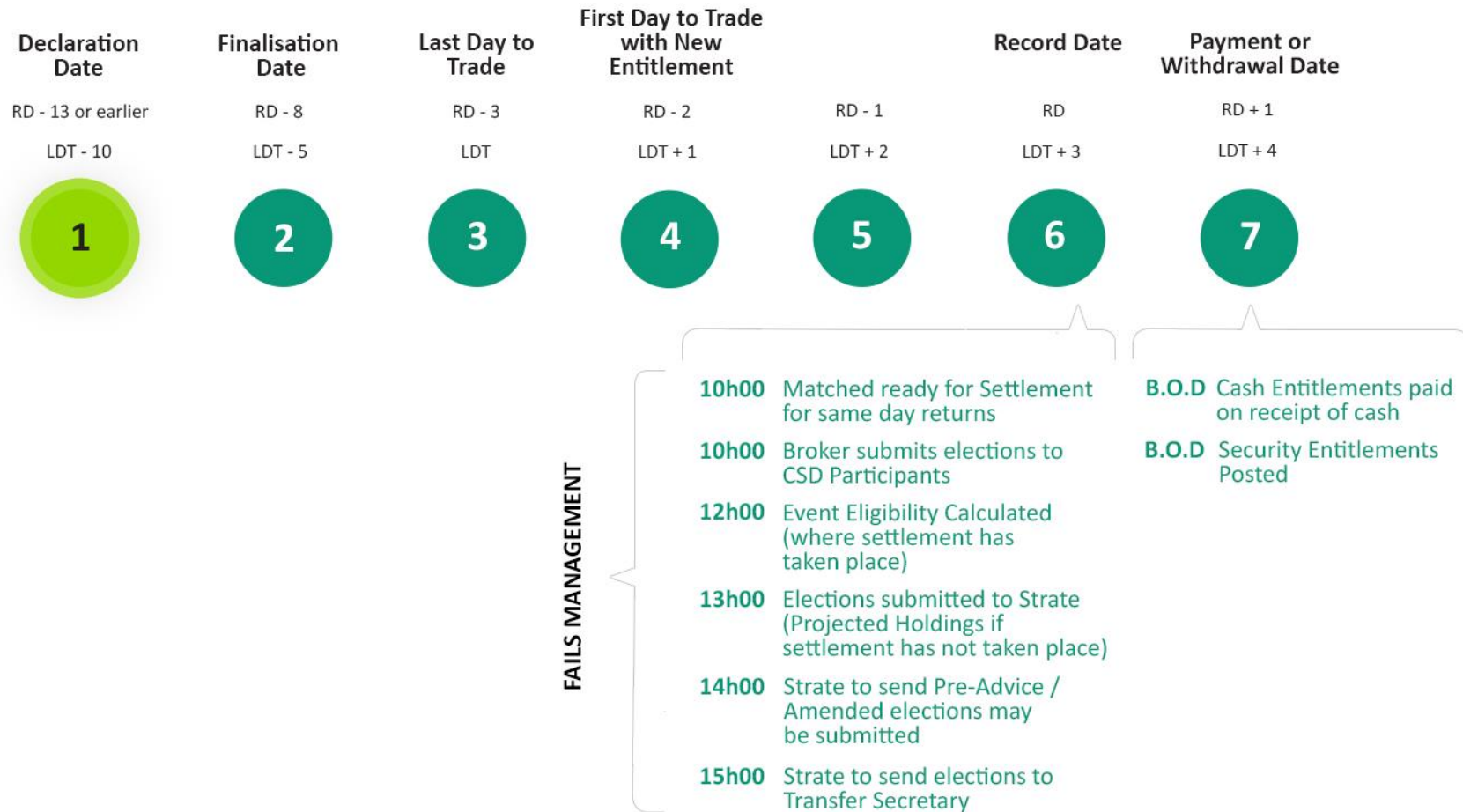


Figure 2 Elective Events Timeline

Event Information:

- The minimum required information on Declaration Date for Elective Events will be:
 - Last Day to Trade (Cum), Ex-Date, Record Date, Election Deadline Date and expected Payment Date
 - Cash Rates and Share Ratios can be announced no later than 12h00 on Finalisation Date
 - Default Option and whether Part Elections and / or Restrictions are applicable
 - Elections will be sent to Strate by the CSDPs at 13h00 with possible amendments being submitted up until 14h00. CSDPs and brokers will update their client mandates to ensure that they receive their clients' elections timeously to align to these agreed timelines
 - Amended elections will only be allowed in the event that the JSE's fail trade procedures affect elections
 - Strate to forward Election Instructions to Transfer Secretary at 15h00

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Last Day to Trade (LDT) - also referred to as “cum-dividend date”	The date that investors can trade cum-entitlement	Investors	RD-5	RD-3
First day to trade new entitlement – LDT+1 – also referred to as “ex-dividend date”	The date that investors can start trading their new entitlement	Investors	RD-4	RD-2
Matched ready for settlement for same day transactions	Any same day transactions must be matched ready for settlement	CSDPs		RD (10h00)
Brokers elections to their CSDPs	Elections sent to the CSDPs for their elections	JSE members		RD (10h00)
Event Eligibility calculated where settlement has taken place	Eligibility calculated after settlement	Strate		RD (12h00)
Election submitted to Strate	All elections submitted to Strate	CSDPs	RD (13h00)	RD (13h00)

Amended election submitted to Strate	Amended elections submitted to Strate where Fails Management has occurred	CSDPs		RD (between 13h00 and 14h00)
Strate to send pre-advice	Strate send pre-advice to the CSDPs	Strate		RD (14h00)
Strate to send elections to the Transfer Secretary	Strate collates and sends elections to the Transfer Secretary	Strate		RD (15h00)
Record Date (RD)	The date that investors have to be registered in the register to receive the entitlements	CSDPs and brokers – settlement	RD	RD
Payment Date (PD)	The date that shareholders are entitled to receive their entitlements	Issuers	RD+1	RD+1
Settlements for new entitlements	Payment of new entitlements	Issuers	RD+1	RD+1

NOTE:

These timelines may be extended at the discretion of the JSE Settlement Authority during the Fails Management process

Warrants

a. Warrants (Delisting on Expiry)

Normal Expiry:

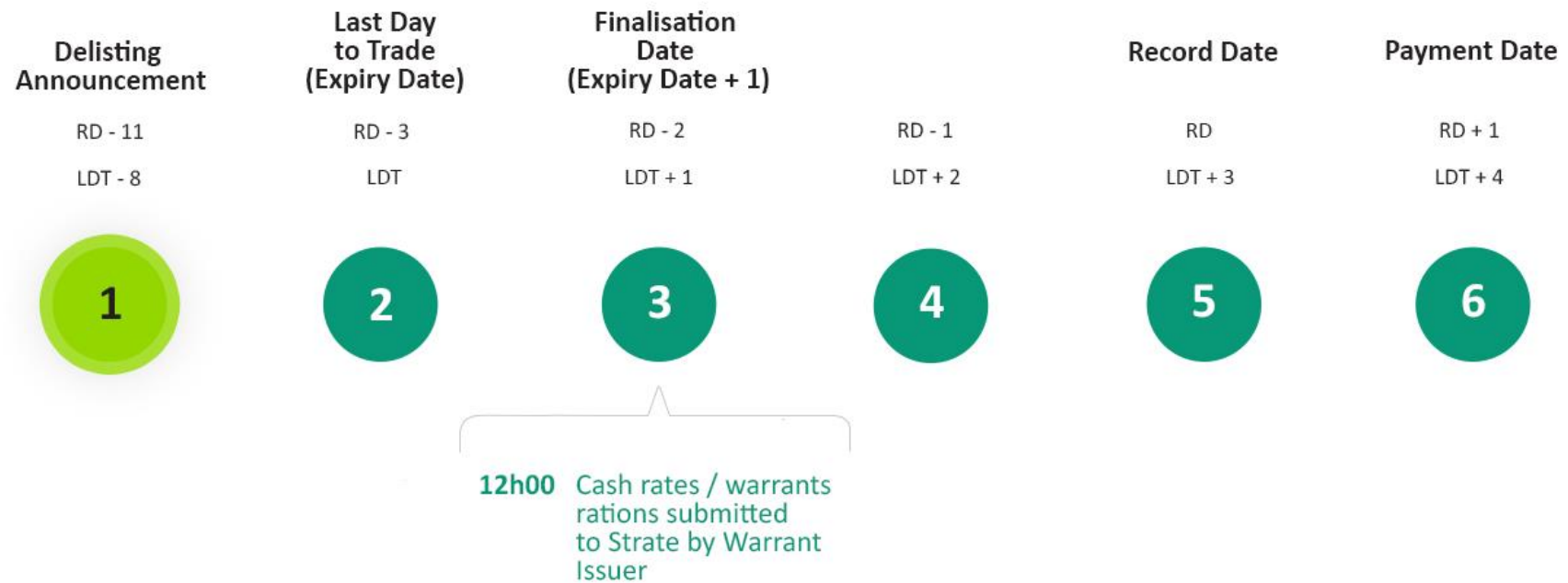


Figure 3 Normal Warrant Expiry

Normal Warrant Expiry:

- Preliminary Notice of the Event (PNOE) is sent out on RD – 11 (LDT – 8)
- Expiry Date is on Last Day to Trade
- Cash and Share Ratios to be announced by 12h00 on LDT + 1 to cater for entitlement trades
- Final Notice of the Event (FNOE) is sent out on LDT + 1.
- Withdrawal Date is RD + 1

b. Warrants (Delisting on Breach of Barrier)

Warrants where the Underlying Security Breaches the Barrier Level



Figure 4 Breach of Barrier

Warrants where the Underlying Security Breaches the Barrier Level:

- Notification of the Barrier Breach must be made no later than 17h00 on Last Day to Trade / Expiry Date. As an exception, if notification is made after 17h00 then the next Business Day is Last Day to Trade / Expiry Date
- Preliminary Notice of the Event (PNOE) is sent out on day of Breach or next Business Day
- Expiry Date is on Last Day to Trade
- Final Notice of the Event (FNOE) is sent out on LDT + 1
- Payment / Withdrawal Date is RD + 1

3. SHARE INSTALMENTS

a. Share Instalments (effects on the Underlying Security)

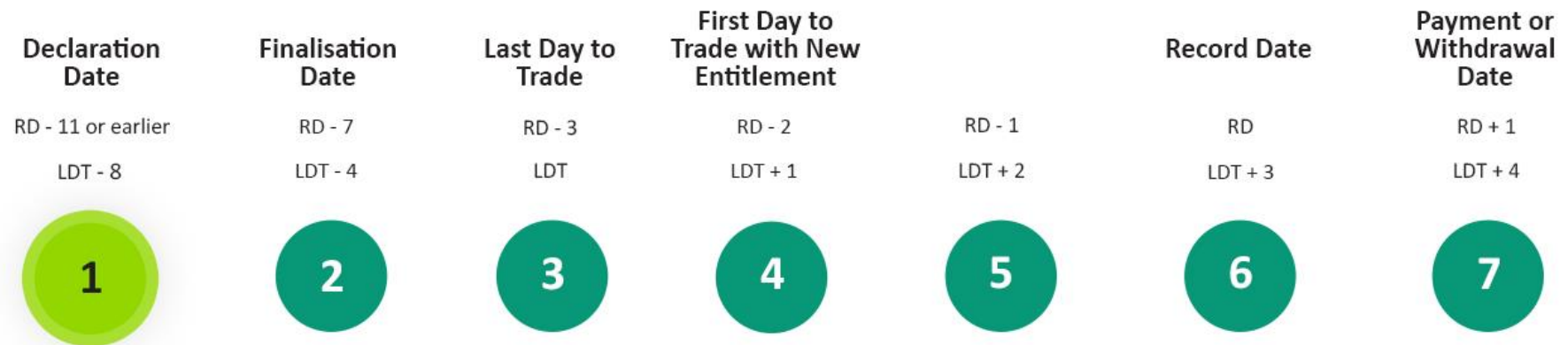


Figure 5 Share Instalments

Share Instalment (effects on the Underlying Security):

- Share Instalment Warrants to follow the same timeline as that of the Underlying Security
- Declaration Date must be made no later than two days after the Declaration Date of the Underlying Security
- Share Instalment Issuers to implement consistent processes i.e. Terms of Warrants are changed by some Warrant Issuers whilst others process a normal Equity Corporate Action Event e.g. Consolidations
- SWIFT Code will be the same code as utilised for the event on the Underlying Security

b. Share Instalments (Delisting on Breach of Barrier)

Share Instalments where the Underlying Security Breaches the Barrier Level

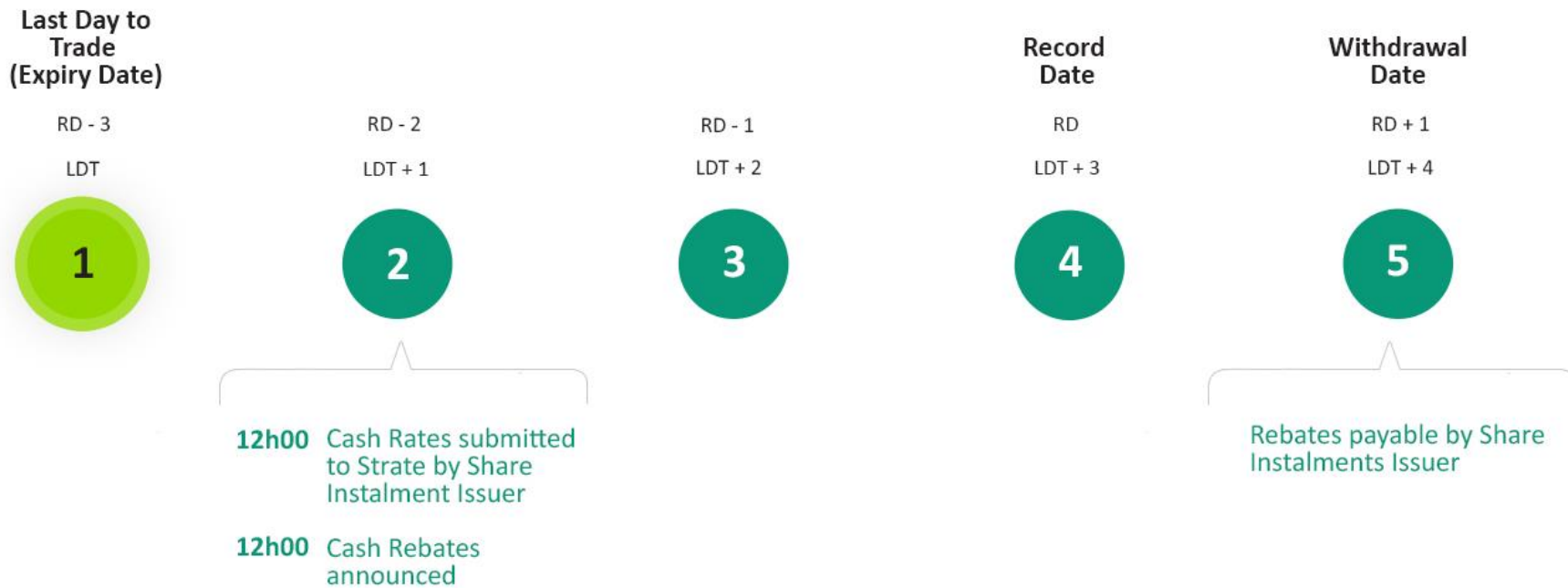


Figure 6 Delisting on Breach of Barrier

Proposed New Timeline – Share Instalments where the Underlying Security Breaches the Barrier Level:

- Notification of the Barrier Breach must be made no later than 17h00 on Last Day to Trade / Expiry Date. As an exception, if notification is made after 17h00 then the next Business Day is Last Day to Trade / Expiry Date
- Preliminary Notice of the Event (PNOE) is sent out on day of Breach or next Business Day
- Expiry Date is on Last Day to Trade
- Final Notice of the Event (FNOE) is sent out on LDT + 1
- Cash rates and rebates must be announced on LDT + 1 by 12h00. Exceptions will be dealt with on a case by case basis.
- Payment / Withdrawal Date is RD + 1. Rebates payable on this date

c. Share Instalments (Expiry / Roll-overs)

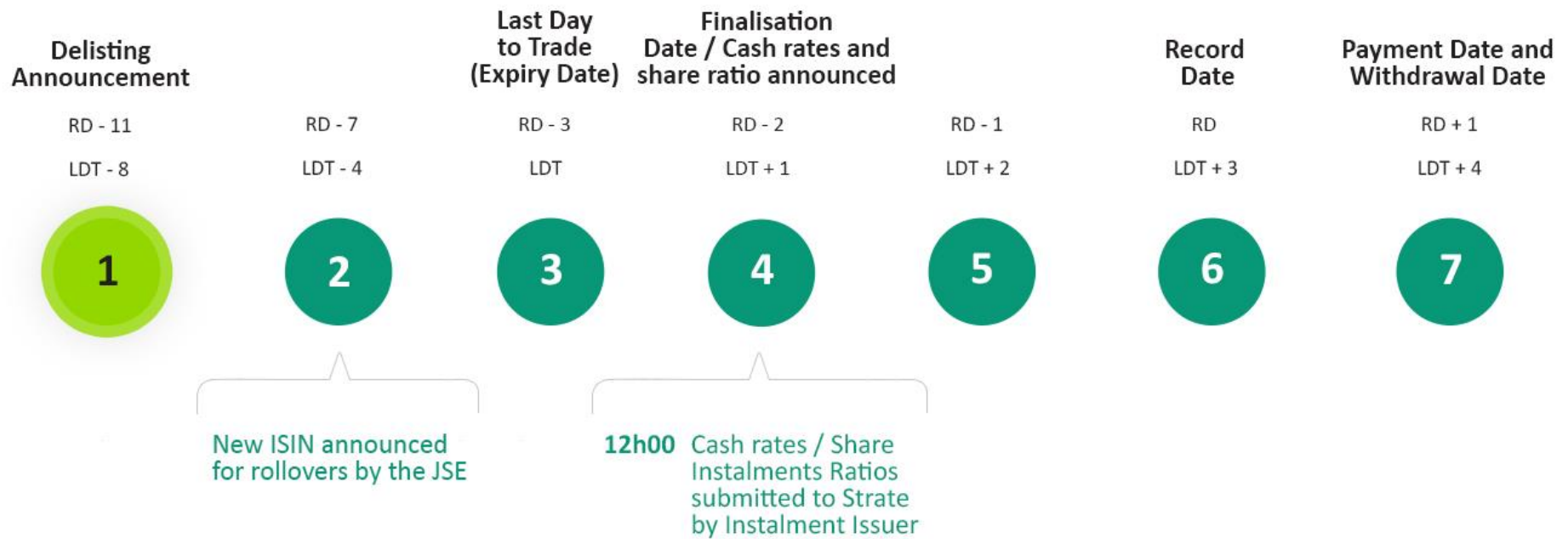


Figure 7 Expiry / Roll-overs

Proposed New Timeline – Warrant Rollovers:

- Preliminary Notice of the Event (PNOE) is sent out on RD – 11 (LDT – 8)
- JSE Ltd. to announce new ISIN for Warrant Rollovers on RD - 7
- Expiry Date is on Last Day to Trade
- Final Notice of the Event (FNOE) is sent out on LDT + 1
- Cash Rates and Share Ratios must be announced by 12h00 on LDT + 1
- Final Notice of Event (FNOE) will be sent as soon as ratios and rates are announced
- Exceptions will be dealt with on a case by case basis
- Payment / Withdrawal Date is RD + 1