

# Amendment Schedule

## November 2018

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### Introduction

The definitions contained in the “Definitions” section of these Listings Requirements apply to this Introduction.

### Objectives

It is an integral function of the JSE to provide facilities for the listing of securities (including securities issued by companies, domestic or foreign), to provide the JSE’s users with an orderly market place for trading in such securities and to regulate the market accordingly.

The Listings Requirements set out in this document apply to companies seeking a listing for the first time, presently listed companies, all other securities that applicants may wish to list and those presently listed and, where applicable, to directors (as defined in each relevant section) of applicant issuers, ~~and to~~ sponsors, designated advisers and VCC advisers. The Listings Requirements contain the rules and procedures governing new applications, all corporate actions and continuing obligations applicable to issuers and issuers of specialist securities. They are furthermore aimed at ensuring that the business of the JSE is carried on with due regard to the public interest.

### Definitions

#### New Definitions

VCC adviser

as described in section 21 of the Listings Requirements;

VCC

a venture capital company pursuant to Section 12J of the Income Tax Act No.58 of 1962 and registered with the Financial Sector Conduct Authority;

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## Section 21

### Alternative Exchange

#### Conditions for listing

- 21.3 In addition to the requirements of paragraphs 4.1 to 4.27, an issuer wishing to apply for a listing on ALT<sup>x</sup> must comply (and other than in respect of paragraphs (f), (h) and (i) after the listing has been granted must comply on a continuing basis) with the following requirements:
- (a) The applicant issuer must appoint a DA and the terms of the appointment must be in accordance with paragraph 21.13. If the applicant issuer is a VCC, the applicant issuer may either appoint a DA or VCC adviser and the VCC adviser terms of appointment must be in accordance with paragraph 21.26;

#### Designated Adviser (“DA”)

##### Appointment

- 21.13 A new applicant seeking a listing of securities on ALT<sup>x</sup> must appoint a DA in terms of a written contract and must ensure that it has a DA at all times.
- 21.14 The DA must comply with, and is subject to, all the provisions of the Listings Requirements as though they were a sponsor.
- 21.15 All references in the Listings Requirements to sponsors apply mutatis mutandis to DAs and VCC advisers for companies that are applying for, or which have, a listing on ALT<sup>x</sup>.

New paragraphs to be added with remaining paragraphs to be renumbered:

#### VCC Adviser

##### Appointment

- 21.26 A new VCC applicant issuer seeking a listing of securities on ALT<sup>x</sup> which elects to appoint a VCC adviser must appoint a VCC adviser in terms of a written contract and must ensure that it has a VCC adviser at all times.
- 21.27 The VCC adviser must comply with, and is subject to, all the provisions of the Listings Requirements as though they were a DA.
- 21.28 All references in the Listings Requirements to DAs apply mutatis mutandis to

VCC advisers and the responsibilities of the VCC adviser are equivalent to that of a DA.

21.29 In order to be admitted to the list of eligible VCC advisers, a VCC adviser must meet the requirements for a VCC adviser pursuant to the provisions of Schedule16.

## VCC

21.38 The eligibility of a VCC pursuant to the provisions of the Income Tax Act is paramount. In the event that any circumstance or event impacting the tax status of the VCC, the issuer must immediately –

(a) notify the JSE in writing; and

(b) announce such circumstance or event on SENS.

21.39 The VCC tax status of the issuer and the details of the VCC adviser must be provided in all announcements, circulars, pre-listing statements prospectuses, the annual report of the issuer and any document issued by the VCC pursuant to the provisions of the Listings Requirements.

## Schedule 16

This Schedule contains certain Listings Requirements applicable to sponsors (Part I) and VCC advisers (Part II) and should be read with Section 2.

### **Part I - Sponsors**

This schedule contains certain Listings Requirements applicable to sponsors and should be read with Section 2.

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### **Part II - VCC Adviser**

This Part II of Schedule 16 contains certain Listings Requirements applicable to VCC advisers and should be read with Section 2 and 21 of the Listings Requirements to which this Schedule is attached.

### **Introduction**

16.26 This schedule sets out the Listings Requirements of the JSE pertaining to the appointment and eligibility criteria of VCC advisers.

16.27 Only a VCC issuer is permitted to appoint a VCC adviser provided it seeks a listing on AltX.

16.28 A VCC adviser must execute all DA requirements and responsibilities in accordance with the Listings Requirements. If a listing is being sought on the Main Board, a sponsor must be appointed and not a VCC adviser.

16.29 The responsibilities of a DA are set out in Section 2 and 21 respectively.

### **Qualifications for appointment as a VCC adviser**

16.30 A VCC adviser must have at least three staff members with VCC experience of which one must have a Category 1.8 licence (shares) registered with the Financial Sector Conduct Authority.

16.31 Applications to become a VCC adviser must be made to the JSE by submitting:

(a) an application letter detailing the following:

(i) the name of the applicant issuer that the VCC adviser wishes to represent;

(ii) the name of the VCC adviser, directors and shareholders;

(iii) the VCC adviser will be acting as agent of the applicant issuer;

(iv) the contact details of the VCC adviser;

(v) the VCC adviser general expertise and capabilities, with specific reference to the staff members referred to in paragraph 16.30 above; and

(vi) a statement confirming that the staff members referred to in paragraph 16.30 above have undergone the prescribed training; and

(b) a letter signed by an authorised signatory of the applicant issuer and by the VCC adviser confirming the following:

(i) that an agreement has been signed between the applicant issuer and the VCC adviser;

(ii) that the applicant issuer is satisfied with the expertise and capabilities of the VCC adviser and has appointed the VCC adviser in the capacity of VCC adviser to act as agent and on its behalf in relation to the execution of the applicant issuer's responsibilities pursuant to the provisions of the Listings Requirements; and

(iii) that the VCC adviser accepts the appointment as VCC adviser and agent of the applicant issuer and agrees to act on behalf of the applicant issuer in relation to the execution of the applicant issuer's responsibilities pursuant to the provisions of the Listings Requirements and agrees to the requirements placed on a VCC adviser pursuant to the Listings Requirements.

For the purposes of this paragraph 16.31, the following definition shall apply:

“prescribed training” means training on the Listings Requirements as further detailed on the JSE's website.

16.32 From time to time, the JSE will arrange courses relating to the Listings Requirements and all the designated representatives of the VCC adviser must attend these, within the time periods prescribed by the JSE, in order to remain registered.

16.33 Any representatives of the VCC adviser must not have been:

(a) convicted of an offence resulting from dishonesty, fraud or embezzlement;

(b) censured or fined by a self-regulatory organisation or recognised professional body;

(c) barred from entry into any profession or occupation; or

(4) convicted in any jurisdiction of any criminal offence or an offence under legislation relating to the Act and/or the FMA, have been a director or alternate director or officer of a company at the time such company was convicted of any similar offence;

### Limitations

16.34 A VCC adviser may not act as a VCC adviser for more than [5] VCC issuers.

### Fees

16.35 The relevant fees, as determined by the JSE from time to time, are published and available on the JSE’s website, www.jse.co.za, per Section 17.

16.36 If annual subscription fees payable by a VCC adviser are not paid by 31 January of any year, no document from such VCC adviser will be accepted for submission to the JSE until the fees have been paid in full.

### **Register**

16.37 A register of VCC advisers will be published by the JSE.

### **Designations**

16.38 A VCC adviser shall be entitled to, but not required, to state on its business documentation that it is a VCC adviser registered with the JSE.

## **Appendix to Schedule 16**

**Code of ethics and standards of professional conduct applicable to sponsors, designated advisers, VCC advisers and debt sponsors**

### **Preamble**

The JSE Code of Ethics and Standards of Professional Conduct (“Code and Standards”) is essential for the maintenance of exceptional regulation in the listed environment. All sponsors, designated advisers, VCC advisers and debt sponsors and their approved executives (“Sponsors and Executives”) (if applicable) must adhere to the Code and Standards.

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