

## 4AX DEBT LISTING REQUIREMENTS

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4 AFRICA EXCHANGE PROPRIETARY LIMITED

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VERSION 01

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### Preface

This document contains the Debt Listing Requirements of 4AX for the Listing of Debt Securities on the List. In accordance 4AX operates pursuant to the awarding of an exchange license by the FSCA and within the framework of the FMA. The definitions contained in Chapter 1 of these Debt Listing Requirements applies to this Preface. 4AX will operate a securities exchange to maintain and provide an infrastructure for, *inter alia*,

- bringing together buyers and sellers of Debt Securities;
- matching bids and offers for Debt Securities; and
- matching bids and offers in respect of Debt Securities, which constitute a transaction.

These Debt Listing Requirements governs:

- the admission to Listing of New Applicants seeking a Listing for the first time;
- Issuers already Listed on 4AX;
- the admission to Listing of or other additional Debt Securities which Issuers may wish to List or those presently Listed;
- Directors, Debt Issuer Agents and / or Designated Persons;
- rules and procedures governing corporate actions or transactions by Applicant Issuers and / or their Subsidiaries;
- compliance with continuing obligations pursuant to Listings and the enforcement of those obligations; and
- the suspension and / or withdrawal from the List (resulting from non-compliance or on request by an Applicant Issuer).

### **The Principles underlying these Debt Listing Requirements**

It is a function of 4AX to provide for the Listing, trading, clearing and settlement of Debt Securities in a transparent, efficient and orderly market place.

These Debt Listing Requirements are aimed at providing Investor confidence through an orderly secure, efficient and transparent financial market. It is important for 4AX to be able to facilitate offerings and Listings by continually enhancing its requirements to ensure a high level of Investor protection and confidence.

These Debt Listing Requirements set out, *inter alia*, the methods for the Listing of Debt Securities, including but not limited to Debt Securities targeting special categories of Investors. Where application for Listing is made in respect of Debt Securities which are not specifically addressed in these Debt Listing Requirements, 4AX should be consulted at an early stage.

### **These Debt Listing Requirements are designed to ensure ("Objectives of the Debt Listing Requirements"):**

- that the market infrastructure provided by 4AX is fair, efficient and transparent;
- that the business of 4AX is carried on with due regard to the public interest;
- increase confidence in the South African financial markets by:
  - o requiring Debt Securities services in respect of Listed Debt Securities be provided in a manner which is fair, efficient and transparent;
  - o contributing to the maintenance of a stable financial market environment;

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- promote the protection of Regulated Persons and Investors;
- reduce systemic risk; and
- promote the international and domestic competitiveness of the South African financial markets and Debt Securities services in South Africa.

In complying with the disclosure requirements of these Debt Listing Requirements, Applicant Issuers must ensure compliance with the requirements of the FMA and / or any regulations, codes of conduct or notices issued in terms of the FMA.

To the extent that an Applicant Issuer is subject to the Companies Act, the requirements of the Companies Act apply to such Applicant Issuer, and no provision of these Debt Listing Requirements should be read to waive or reduce or decrease any obligation in terms of the Companies Act. These Debt Listing Requirements may, however, impose a higher standard or greater obligation and / or restriction on an Applicant Issuer.

These Debt Listing Requirements apply equally to Applicant Issuers incorporated in South Africa and in jurisdictions outside South Africa, so far as compliance is not contrary to the law in the country of its incorporation.

The rules for trading Listed Debt Securities are set out in the Exchange Rules.

### **Competent authority**

4AX is the holder of an exchange license in terms of the FMA. An Applicant Issuer wishing to have its Debt Securities Listed on 4AX must apply for a Listing and must comply with these Debt Listing Requirements before being granted such Listing. The 4AX Board is the competent authority responsible for:

- the Listing of Debt Securities;
- applications by Applicant Issuers for the Listing of Debt Securities; and
- the annual revision of the List of Debt Securities.

The 4AX Board has delegated its authority in relation to these Debt Listing Requirements to the IRC, the ultimate decision-making body in respect of these Debt Listing Requirements. The day to day administration, management and implementation of these Debt Listing Requirements will be carried out by the IRD. When a Listings matter is considered by 4AX, representatives of the Applicant Issuer and other advisors may accompany the relevant Debt Issuer Agent or Designated Person, any of whom may, subject to 4AX's consent, address the meeting. 4AX reserves the right to limit the number of Persons attending such meetings.

The IRD is always available to offer guidance on any aspect of these Debt Listing Requirements and discussions take place in strict confidence.

### **IMPORTANT NOTE**

**TO AVOID ANY MISUNDERSTANDING, IT IS EMPHASISED THAT THESE DEBT LISTING REQUIREMENTS ARE ENTIRELY INDEPENDENT OF, AND WITHOUT PREJUDICE TO, THE PROVISIONS OR CONTENTS OF PLACING DOCUMENTS AND COMPLIANCE WITH THESE DEBT LISTING REQUIREMENTS DOES NOT IN ANY WAY GUARANTEE THAT THE PLACING DOCUMENTS COMPLY WITH THE RELEVANT REQUIREMENTS OF ANY APPLICABLE LAW.**

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## CHAPTER 1: INTERPRETATION

Throughout these Debt Listing Requirements, the following terms, save where the context otherwise requires, have the following meanings:

<b>“4AX”</b>	4 Africa Exchange Proprietary Limited, registration number 2013/031754/07, a private company duly registered and incorporated under the laws of South Africa and licensed as an exchange under the FMA;
<b>“4AX Board”</b>	the Board of 4AX;
<b>“4AX News Service”</b>	the news service operated by 4AX for the purpose of disseminating information in relation to 4AX, Applicant Issuers, Listed Debt Securities and for communication between 4AX, Applicant Issuers and / or Debt Issuer Agents or Designated Persons;
<b>“4AX Registry”</b>	4 Africa Exchange Registry Proprietary Limited, registration number 2016/396777/07, a private company duly registered and incorporated under the laws of South Africa and a wholly-owned subsidiary of 4AX, which acts as Transfer Secretary to Issuers Listed on 4AX;
<b>“4AX Supplement”</b>	the South African supplement to a Secondary Registered Issuer's Prospectus, which contains the disclosures required by the Debt Listings Requirements;
<b>“4AX Website”</b>	4AX's website at <a href="http://www.4AX.co.za">www.4AX.co.za</a> ;
<b>“Announce”</b>	shall be at the Applicant Issuer's expense and <ul style="list-style-type: none"> <li>(a) shall include:             <ul style="list-style-type: none"> <li>i. publication (in English) on the 4AX News Service;</li> <li>ii. publication (in English and any other official language that the Applicant Issuer may elect) on its Website, but not before publishing on the 4AX News Service;</li> <li>iii. dissemination (in English and any other official language that the Applicant Issuer may elect) by 4AX Registry to holders of Listed Debt Securities or Debt Securities to be Listed, as applicable, by electronic or other means, but not before posting on the 4AX News Service, provided that dissemination may include referencing to a section of the Website; and</li> <li>iv. the name and contact details of the Debt Issuer Agent or Designated Person;</li> </ul> </li> <li>(b) may include, but not before posting on the 4AX News Service:             <ul style="list-style-type: none"> <li>i. presenting at a meeting, forum or public event;</li> <li>ii. publication in or by any other media;</li> <li>iii. making available at an Applicant Issuer's and / or Debt Issuer Agent's offices;</li> </ul> </li> </ul>

- iv. broadcasting on radio, television or the internet; and / or
- v. any other means as directed or authorised by 4AX,

and “Announcement” shall be construed accordingly; and provided where an Announcement is in a language other than English and there is an inconsistency, the English version shall prevail;

<b>“Annual Report”</b>	the annual report prepared by Applicant Issuers in terms of the provisions of these Debt Listings Requirements;
<b>“Applicant Issuer”</b>	an Issuer or New Applicant;
<b>“Application”</b>	an application made by the Applicant Issuer in relation to the registration of a Placing Document or the Listing of Debt Securities, which application must comply with these Debt Listing Requirements;
<b>“ASISA”</b>	the Association for Savings and Investment South Africa;
<b>“Asset-Backed Debt Securities”</b>	Debt Securities (excluding credit-linked Debt Securities), collateralised by a pool of assets which are intended to produce cash flows to be utilised for interest payments and the repayment of the principal amount of the debt on maturity as and if applicable;
<b>“Auditor”</b>	an individual auditor, a firm of auditors or the Auditor General, registered with IRBA (or such similar body outside of South Africa), appointed by the Applicant Issuer and is responsible for the audit and / or a review of an Applicant Issuer in accordance with these Debt Listing Requirements;
<b>“Auditor General”</b>	the Auditor General of South Africa established in terms of Chapter 9 of the Constitution of the Republic of South Africa, 1996;
<b>“Authorised Amount”</b>	the maximum aggregate outstanding nominal amount of all Debt Securities as determined by the Applicant Issuer from time to time, that may be issued under the Placing Document;
<b>“BASA”</b>	the Banking Association of South Africa;
<b>“Beneficial Owner”</b>	in relation to a Debt Security, the Person holding any one or more of the following: <ul style="list-style-type: none"> <li>(a) the <i>de facto</i> right or entitlement to receive or participate in any dividend, interest or other income payable in respect of that Debt Security; and / or</li> <li>(b) the <i>de facto</i> right or entitlement to exercise or cause to be exercised, in the ordinary course of events, any or all of the voting, conversion, redemption or other rights attached to such Debt Security; and / or</li> <li>(c) the <i>de facto</i> right or entitlement to dispose, cause or direct the disposal or part of a disposal of Debt Securities or any part of a distribution in respect of the Debt Securities;</li> </ul>

<b>“Board”</b>		the board of Directors, or equivalent members of a governing authority;
<b>“Books Closed Period”</b>		the period, or periods, during which the Register in respect of the Applicant Issuer's Debt Securities is closed for the purposes of giving effect to transfers of the Debt Securities which period or periods are to be stipulated by the Applicant Issuer in the Placing Document or Pricing Supplement;
<b>“Business Day”</b>		a day that is not a Saturday, Sunday or official public holiday in South Africa and on which 4AX is open for trading;
<b>“Business Rescue”</b>		has the meaning ascribed to it in section 128 of the Companies Act;
<b>“Calculation Agent”</b>		a Person appointed by the Applicant Issuer as set out in the Placing Document or Pricing Supplement to perform specific functions with regards to calculations in respect of Debt Securities;
<b>“Client Protection Fund”</b>		the fund established by the 4AX Board in terms of the Exchange Rules for the protection of Investors on 4AX;
<b>“Common Monetary Area”</b>		Lesotho, Namibia, Swaziland and South Africa;
<b>“Companies Act”</b>		the Companies Act 71 of 2008, as amended from time to time;
<b>“Compliance Committee”</b>		the compliance committee appointed by the 4AX Board in terms of the Exchange Rules;
<b>“Convertible Debt Securities”</b>		the Debt Securities convertible into or exchangeable for Equity Securities, and Debt Securities with non-detachable options, warrants or similar rights to subscribe for or purchase Equity Securities attached;
<b>“Coupon”</b>		the interest payment payable, as specified in the Pricing Supplement, in respect of the Debt Securities;
<b>“Coupon Indicator”</b>	<b>Rate</b>	the applicable interest or coupon rate indicator pertaining to Debt Securities as described in the Placing Document or Pricing Supplement;
<b>“CPI”</b>		the Consumer Price Index, being an economic indicator constructed to measure changes over time in the general level of prices of consumer goods and services that households acquire, use or pay for;
<b>“CP Regulations”</b>		the commercial paper regulations issued pursuant to paragraph (cc) of the definition of “the business of a bank” in the Banks Act, 1990, as provided in Government Notice 2172, published in Government Gazette 16167 of 14 December 1994, as amended from time to time;
<b>“CSD”</b>		a licensed "central securities depository" as that term is defined in the FMA;

<b>“CSDP”</b>	a CSD participant, authorised in terms of section 31 of the FMA to perform custody and administration services or settlement services or both in terms of the central securities depository rules, and includes an external participant, where appropriate;
<b>“Days”</b>	any day of the week, or calendar days;
<b>“Dealer”, “Manager” and “Arranger”</b>	a Person(s) appointed by the Applicant Issuer as set out in the Placing Document or Pricing Supplement to perform specific functions with respect to the placing of Debt Securities and / or Placing Document;
<b>“Dealing”</b>	includes any sale or purchase of, or agreement to sell or purchase, any Debt Securities and the grant, acceptance, acquisition, disposal, exercise or discharge of any option or other right or obligation, present or future, conditional or unconditional, to acquire or dispose of Debt Securities, or any interest in Debt Securities, and “Deal” shall be construed accordingly;
<b>“Debt Listing Requirements” or “Requirements”</b>	these debt listing requirements contained herein, including the preface, interpretation, appendices, Schedules and Guidance Notes, as published, amended or replaced from time to time by 4AX in accordance with Requirement 2.18, and “Requirement” shall be construed accordingly;
<b>“Debt Market Process Document”</b>	a document detailing the process that an Applicant Issuer must follow in order to register a Placing Document or List Debt Securities, as amended from time to time, which document is available on the 4AX Website;
<b>“Debt Securities”</b>	loan stock, debentures, bonds, notes, commercial paper, fixed or floating rate instruments and other Securities or instruments acknowledging, evidencing or creating indebtedness, whether secured or unsecured;
<b>“Debt Securities Resolution”</b>	a resolution passed at a meeting (duly convened) of the Holders of Debt Securities or the Holders of a specific class of Debt Securities, by a majority consisting of not less than 66.67% of the value of a class of Debt Securities or all outstanding Debt Securities 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% of votes given on such a poll;
<b>“Debt Securities Written Resolution”</b>	a resolution passed by the Holders of Debt Securities or the Holders of a specific class of Debt Securities, other than at a meeting of such Holders of Debt Securities or the Holders of a specific class of Debt Securities, with the written consent of the Holders of Debt Securities or the Holders of the specific class of Debt Securities, holding not less than 66.67% of the value of all outstanding Debt Securities or the specific class of Debt Securities, as the case may be;



<b>“Debt Issuer Agent”</b>	an entity (including any Directors, prescribed officers, managers and personnel of such entity) appointed as a debt issuer agent by the Applicant Issuer (and approved by 4AX in terms of Chapter 4 of these Debt Listing Requirements) for purposes of assisting the Applicant Issuer in its compliance with these Debt Listing Requirements as described in the Placing Document or Pricing Supplement and subject to Chapter 4 of these Requirements;
<b>“Designated Person”</b>	a natural person who is appointed as a designated person by the Applicant Issuer or Secondary Registered Issuer as set out in the Placing Document or 4AX Supplement (and approved by 4AX in terms of Chapter 4 of these Debt Listings Requirements) for purposes of assisting the Applicant Issuer or Secondary Registered Issuer in its compliance with these Debt Listings Requirements and which designated person is subject to Chapter 4 of these Requirements;
<b>“DIA”</b>	the Debt Issuers Association;
<b>“Director”</b>	has the meaning ascribed to such term in sections 1, 66 and 76 of the Companies Act;
<b>“Effective Date”</b>	the date on which the Debt Listings Requirements come into force as published on the 4AX Website;
<b>“Entity”</b>	a juristic person that issues Debt Securities in terms of these Debt Listing Requirements (wherever incorporated or established) including any undertaking, association of persons or entities or similar entity or other legal person and any trust and having governance arrangements and an operational bank account;
<b>“Equity Securities”</b>	Equity Shares and Securities convertible into Equity Shares;
<b>“Equity Share Capital”</b>	in relation to a Company, its issued share capital excluding any part of that capital which, neither as respect to dividends nor as respect to capital, carries any right to participate beyond a specified amount in a distribution;
<b>“Equity Shares”</b>	Shares comprised in a Company's Equity Share Capital;
<b>“Exchange Control Regulations”</b>	Exchange Control Regulations, 1961, promulgated under the Currency and Exchange Act, 1933;
<b>“Exchange Rules”</b>	the exchange rules of 4AX as amended from time to time;
<b>“Financial Assets”</b>	an intangible asset which assets' value is derived from a contractual claim (including without limitation, loans, investments with bonds or equities, cash deposits, amounts receivable and derivatives etc.);

<b>“Financial Information”</b>	the annual financial statements, interim financial statements, quarterly financial statements or Annual Report (including any additional unaudited information) prepared by the Applicant Issuer in accordance with IFRS or any other accounting framework acceptable to 4AX as determined in consultation with the Registrar;
<b>“FMA”</b>	the Financial Markets Act, 19 of 2012, as amended from time to time;
<b>“Foreign Applicant Issuer”</b>	an Applicant Issuer incorporated or otherwise established outside of South Africa;
<b>“Formal Approval”</b>	the formal approval in final form, granted by 4AX;
<b>“FSCA”</b>	the Financial Sector Conduct Authority or its successor organisation established under the Financial Sector Regulation Act, 2017;
<b>“Guidance Note”</b>	a guidance note issued by 4AX, as contemplated in Requirement 2.12 and published on the 4AX Website;
<b>“Greenshoe”</b>	a provision set out in an Applicant Issuer's programme agreement or any other similar document which entitles the Arranger or Dealer to sell more Debt Securities to Investors than initially planned by the Applicant Issuer pursuant to a higher demand for the Debt Securities;
<b>“General Principles”</b>	the General Principles contained in Requirement 2;
<b>“Group”</b>	has the meaning ascribed to a “Group of companies” in Chapter 1 of the Companies Act;
<b>“Head of IRD”</b>	the senior manager of 4AX appointed to manage the IRD;
<b>“Holding Company”</b>	has the meaning ascribed to it in Chapter 1 of the Companies Act;
<b>“Holder of Debt Securities”</b>	a Person who is recorded as the holder of Debt Securities in the Register of Debt Securities;
<b>“IASB”</b>	the International Accounting Standards Board, an independent private-sector body that develops and approves IFRS;
<b>“IFRS”</b>	International Financial Reporting Standards, the standards and interpretations adopted by the IASB;
<b>“Immediate” or “Immediately”</b>	prompt, vigorous action without any undue delay, ideally within 24 hours but not later than 48 hours, unless otherwise specified in these Debt Listing Requirements;
<b>“Index” or “Indices”</b>	has the meaning ascribed to such term in the FMA;
<b>“Index Calculator”</b>	the entity responsible for calculating or administering a given Index;

<b>“Income Tax Act”</b>	the Income Tax Act 58 of 1962 as amended or replaced from time to time;
<b>“Investors”</b>	Persons who have acquired or may acquire Debt Securities Listed on 4AX and "Potential Investors" shall be construed accordingly;
<b>“IRBA”</b>	the Independent Regulatory Board for Auditors;
<b>“IRC”</b>	the Issuer Regulation Committee responsible for Listing matters established by the 4AX Board which has the responsibility of ensuring compliance with these Debt Listing Requirements and taking the appropriate actions as may be necessary to manage non-compliance with these Debt Listing Requirements by Applicant Issuers and any risks arising as a result of non-compliance;
<b>“IRD”</b>	the Issuer Regulation Division of 4AX which carries out the day-to-day administration, management, enforcement and implementation of the Debt Listing Requirements and the Exchange Rules;
<b>“Issue Date”</b>	the date specified in the Offering Circular, Placing Document or Pricing Supplement as the date upon which the Applicant Issuer issues the Listed Debt Securities on 4AX;
<b>“Issuer”</b>	has the meaning ascribed to such term in the FMA;
<b>“JIBAR”</b>	the Johannesburg Interbank Agreed Rate, being the mid-market rate for deposits in South African Rand for a designated period that appears on the Reuters Screen SAFEX Page as published, at 10:00 Johannesburg time or such time determined by SARB on each trading day;
<b>“King Code”</b>	the King Code on Corporate Governance for South Africa, as amended from time to time;
<b>“Last Day to Register”</b>	close of business on the Business Day Immediately preceding the first day of a Books Closed Period;
<b>“List”</b>	the list of all Debt Securities Listed on 4AX as updated from time to time;
<b>“Listed” or “Listing”</b>	being admitted to the List and “Listing” shall be construed accordingly;
<b>“Listing Date”</b>	the date on which the Debt Securities are Listed on 4AX;
<b>“Listing Undertaking”</b>	the undertaking (in the form set out in Schedule 4) by an Applicant Issuer to 4AX;
<b>“Material”</b>	any information that enables an Investor to make an informed assessment of the activities, management, assets and liabilities, financial position, profits and losses and prospects of the Applicant Issuer and of the rights attaching to such Debt Securities, including a change in any other factor that 4AX may regard as being material in such circumstances;

<b>“MOI” “Memorandum Incorporation”</b>	<b>or of</b> the memorandum of incorporation, constitution or equivalent constitutional documents of an Applicant Issuer;
<b>“New Applicant”</b>	an applicant which is proposing to apply, or is applying, for Listing of its Debt Securities, none of whose Debt Securities are already Listed;
<b>“Objectives of the Debt Listing Requirements”</b>	the objectives as provided for in the preface of these Debt Listing Requirements;
<b>“Offering Circular”</b>	the offering circular containing <i>inter alia</i> the provisions required under these Debt Listing Requirements for an issuance of Debt Securities;
<b>“Originator”</b>	an originator as defined in the Securitisation Regulations;
<b>“Pari Passu”</b>	identical and equal in each and every respect;
<b>“Paying Agent”</b>	the entity (which entity may also be the Applicant Issuer) appointed as a paying agent by the Applicant Issuer as set out in the Placing Document or the Pricing Supplement for purposes of performing specific functions with regard to payments in relation to Debt Securities;
<b>“Person”</b>	has the meaning ascribed to such term in Chapter 1 of the Companies Act and includes a natural or juristic person;
<b>“Physical Assets”</b>	items of economic, commercial or exchange value that has a tangible or material existence (e.g. properties, plant and equipment);
<b>“Placing” or “Offering”</b>	the method of offering Debt Securities for subscription or sale to Potential Investors before such Debt Securities are Listed;
<b>“Placing Document”</b>	a Programme Memorandum, Offering Circular or any other placing document (including without limitation, issuer supplements, transaction supplements etc.) but excluding Pricing Supplements, which sets out amongst other things the provisions required under these Debt Listing Requirements. In the case of a Secondary Registered Issuer and where a separate 4AX specific Programme Memorandum or Offering Circular is not produced, the Prospectus or Offering Circular read with the 4AX Supplement will be regarded by 4AX as the Placing Document;
<b>“Pricing Supplement”</b>	a supplement to a Programme Memorandum (or in the case of a Secondary Registered Issuer, the 4AX Supplement) which specifies the additional terms and conditions applicable to a specific tranche of Debt Securities to be Listed and for which an application is made;
<b>“Primary Listing”</b>	a listing of Securities by a Recognised Exchange by virtue of which the Applicant Issuer is, with respect to those Securities, subject to the full requirements applicable to listing of that Recognised Exchange;

<b>“Programme Memorandum”</b>	a document containing <i>inter alia</i> the provisions in respect of multiple Debt Securities which may be issued by an Applicant Issuer as required by these Debt Listings Requirements;
<b>“Prospectus”</b>	the document registered with a Recognised Exchange which establishes the Secondary Registered Issuer’s debt programme in terms of which Debt Securities may be Listed, and contains the disclosure requirements set out in the rules and regulations of the Recognised Exchange;
<b>“Quasi-Governmental Entities”</b>	provincial and local authorities or municipalities or state-owned entities and 'Quasi-Governmental Entity' shall be construed accordingly;
<b>“Recognised Exchange”</b>	a regulated stock exchange, whether in South Africa or elsewhere, as approved by the 4AX Board and which list of recognised exchanges are set out in Schedule 8;
<b>“Register of Debt Securities”</b>	the register maintained by the Transfer Secretary which records the Holders of Debt Securities;
<b>“Regulated Person”</b>	a regulated person as defined in the FMA, including <i>inter alia</i> a licensed CDP, licensed clearing house, licensed exchange, licensed trade depository, authorised user, clearing member, nominee, or participant in terms of the FMA;
<b>“Reporting Accountant”</b>	an individual auditor or a firm of auditors appointed by the Applicant Issuer and approved by 4AX, registered with IRBA (or such similar body outside of South Africa) and responsible for performing any functions required under these Debt Listing Requirements including without limitation, the preparation and the issuing of the Reporting Accountant’s Report;
<b>“Reporting Accountant’s Report”</b>	the Reporting Accountant’s assurance report compiled in terms of International Standards on Auditing on the Financial Information of the Applicant Issuer;
<b>“Registrar”</b>	the Registrar of Securities Services, as defined in the FMA;
<b>“SAICA”</b>	the South African Institute of Chartered Accountants;
<b>“Sanction”</b>	a sanction and / or penalty imposed on an Applicant Issuer, Director, Debt Issuer Agent, Designated Person or entity for non-compliance with these Debt Listing Requirements, whether as prescribed by the FMA, these Requirements or otherwise, and "Sanctioning" will have a corresponding meaning;
<b>“SARB”</b>	the South African Reserve Bank;
<b>“Schedule”</b>	a schedule issued by 4AX as contemplated in Requirement 2.9 and published on the 4AX Website;

<b>“Secondary Registered Issuer”</b>	Foreign Applicant Issuers with a Primary Listing on a Recognised Exchange;
<b>“Securities”</b>	has the meaning ascribed to such term in the FMA;
<b>“Securitisation”</b>	securitisation, whether synthetic or traditional as defined in the Securitisation Regulations or a transaction backed by a pool of fungible Financial Assets;
<b>“Securitisation Regulations”</b>	the securitisation regulations of 1 January 2008 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 2, published in Government Gazette 30628 of 1 January 2008, as amended from time to time;
<b>“Security SPV”</b>	a ring-fenced insolvency remote SPV;
<b>“Security Structure”</b>	a structure in term of which an Applicant Issuer issues Debt Securities which are guaranteed by a Security SPV which in turn has recourse against the assets of the Applicant Issuer and / or other entities within the Applicant Issuer’s Group pursuant to an indemnity and any related security provided by the Applicant Issuer and / or other entities within the Applicant Issuer’s Group in favour of the Security SPV;
<b>“Servicing Agent”</b>	servicing agent as defined in the Securitisation Regulations;
<b>“Share”</b>	has the meaning ascribed to such term in the Companies Act and “Shares” shall be construed accordingly;
<b>“South Africa”</b>	the Republic of South Africa as constituted from time to time;
<b>“Specialist Debt Securities”</b>	any Debt Securities determined by the IRC to be specialist Debt Securities including without limitation to Securitisations and Asset-Backed Debt Securities as set out in Chapter 7 of these Debt Listing Requirements;
<b>“SPV”</b>	an entity classified as a special purpose vehicle;
<b>“Subject Experts”</b>	<p><b>Matter</b> subject matter experts who will provide input into the deliberations of 4AX and / or the IRC, who will comprise of:</p> <ul style="list-style-type: none"> <li>- a representative of a medium to large accounting firm in South Africa; or</li> <li>- a representative of a medium to large legal firm in South Africa; or</li> <li>- other ad-hoc members based on the required skills and expertise (e.g. representatives from industry associations such as ASISA, DIA, BASA, etc.);</li> </ul>
<b>“Subsidiary”</b>	an entity, whether a Company or otherwise, controlled by another entity, whether a Company or otherwise (where “control” has the meaning ascribed thereto in section 2(2) of the Companies Act);

<b>“Tap Issue”</b>	the issue of Debt Securities which have identical terms and conditions (save for their respective issue dates, issue prices and aggregate principal amounts) to existing Debt Securities which are already in issue and which new Debt Securities are consolidated and form a single series with the existing Debt Securities and rank <i>Pari Passu</i> in all respects with such existing Debt Securities;
<b>“Transfer Secretary”</b>	4AX Registry which maintains a register of Holders of Debt Securities that are Listed on 4AX;
<b>“Website”</b>	the Applicant Issuer’s website (or any other relevant website which may include the use of a third party’s website) as defined in the Electronic Communications and Transactions Act, 2002 and which website shall include at least all Announcements made in terms of these Debt Listing Requirements; and
<b>“World Federation of Exchanges”</b>	the World Federation of Exchanges Limited, a private company limited by guarantee established in the United Kingdom which operates as a non-profit organisation and represents market infrastructure providers and its members;

1.1 In these Requirements:

- 1.1.1 Headings are for convenience only and do not affect interpretation;
- 1.1.2 Words denoting the singular number shall include the plural, and *vice versa*;
- 1.1.3 Words denoting any gender shall include all genders;
- 1.1.4 A reference to a Requirement includes all components of that Requirement;
- 1.1.5 A reference to time is a reference to the time in Johannesburg, South Africa;
- 1.1.6 A reference to currency is South African Rand (R or ZAR), unless otherwise indicated;
- 1.1.7 Words and expressions defined in the Companies Act and the FMA will, unless otherwise defined in these Requirements or the contrary intention appears, have the same meaning in these Requirements;
- 1.1.8 A reference to:
  - 1.1.8.1 A legislative provision or legislation (including subordinate legislation) is to that provision or legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;
  - 1.1.8.2 A document (including this document) or agreement, or a provision of a document (including this document) or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;
  - 1.1.8.3 A party to this document or to any other document or agreement includes a successor in title, permitted substitute or a permitted assign of that party;
  - 1.1.8.4 A person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and

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- 1.1.8.5 Anything (including a right, obligation or concept) includes each part of it;
    - 1.1.9 An interpretation that promotes the purpose of a Requirement (whether expressed in the Requirements or not) is to be preferred to another interpretation;
    - 1.1.10 A Requirement is not to be interpreted against the interests of 4AX merely because 4AX prepared these Requirements or because it relies on a provision of these Requirements to protect itself; and
    - 1.1.11 The relevant Requirements, to be considered when considering an act or omission that may constitute a breach of the Requirements, are those Requirements that are in force at the relevant time of the act or omission.
- 1.2 Governing Law and Jurisdiction
  - 1.2.1 These Requirements will be interpreted in accordance with and governed by the laws in force in South Africa.
  - 1.2.2 4AX and each Applicant Issuer and each Secondary Registered Issuer irrevocably and unconditionally submit to and accept the non-exclusive jurisdiction of the High Court of South Africa, Gauteng Local Division, Johannesburg or its successor, and irrevocably and unconditionally waive any immunity from, or any objection to, any action in the courts exercising any jurisdiction in South Africa.
- 1.3 In these Debt Listing Requirements references to documents being certified shall mean certified to be a true copy or extract (as the case may be) by a commissioner of oaths, a Director, the Company Secretary or by a member of the Applicant Issuer's Auditors or by a notary public, and references to a translation being certified shall mean certified to be a correct translation by a sworn translator.



## CHAPTER 2: GENERAL REQUIREMENTS AND THE LISTING PROCESS

### Objectives

The 4AX exchange licence enables 4AX to provide for the Listing, trading, clearing and settlement of Debt Securities in a transparent, efficient and orderly market place and to regulate same accordingly. These Debt Listing Requirements reflect, *inter alia*, the Requirements and procedures governing applications for Listing and the continuing obligations of Applicant Issuers.

### General Principles

- 2.1 These Debt Listing Requirements are designed to ensure a high level of Investor protection and that Investors have and can maintain confidence in the market and in particular that:
  - 2.1.1 a stable financial market environment is maintained;
  - 2.1.2 the Debt Securities for which application for Listing has been made are suitable for Listing;
  - 2.1.3 the issue and marketing of Debt Securities is conducted in a fair, efficient and orderly manner;
  - 2.1.4 Regulated Persons and Investors are given sufficient and accurate information to enable them to make a properly informed assessment of an Applicant Issuer and of the Debt Securities, such that they are protected;
  - 2.1.5 once a Listing has been granted, there is sufficient, equal and timeous disclosure of information to Investors and the public to ensure that they are kept fully informed by Listed Applicant Issuers of all factors which might affect their interests and in particular that Immediate disclosure is made on any information which might reasonably be expected to have a Material effect on market activity in, and the prices of Listed Debt Securities;
  - 2.1.6 all Holders of Listed Debt Securities are treated fairly and equally;
  - 2.1.7 Directors of a Listed Applicant Issuer act in the interest of its Holders of Debt Securities as a whole; and
  - 2.1.8 Holders of Debt Securities are given adequate opportunity to consider in advance and vote upon major changes in the Applicant Issuer's business operations and matters of importance concerning the Applicant Issuer's management and MOI.
- 2.2 These Debt Listing Requirements are not exhaustive and 4AX may impose additional requirements or make Listing subject to special conditions whenever it considers it appropriate (see Requirement 5.7).
- 2.3 In the case of New Applicants, 4AX may waive the requirement to comply or partly comply with these Debt Listing Requirements, provided prior approval has been obtained from the IRC and where the decision to waive relates to information otherwise required to be disclosed in the Placing Documents, 4AX shall require the Applicant Issuer to include a statement in relation to any such decision in the Placing Documents.
- 2.4 Suitability for Listing depends on various factors. Applicant Issuers should appreciate that compliance with these Debt Listing Requirements may not in itself ensure an Applicant Issuer's suitability for Listing. 4AX retains a discretion to accept or reject applications and in reaching its decision will pay particular regard to the general conditions outlined in Requirements 5.3 to 5.5. Applicant Issuers (including Listed Applicant Issuers) or their Debt Issuer Agents or Designated Persons are therefore encouraged to contact the IRD to seek informal and confidential guidance as to the eligibility of a proposed application for Listing at the earliest possible opportunity.

## 4AX DEBT LISTING REQUIREMENTS

### 4AX's Responsibilities for Listing

- 2.5 These Debt Listing Requirements are made, administered and enforced by 4AX subject to the approval of the IRC. Written decisions of 4AX shall be conclusive and binding on the Applicant Issuer, subject to any appeal process provided for in Chapter 3. 4AX may issue appendices, Schedules and Guidance Notes, from time to time, to assist Applicant Issuers or their advisers in interpreting and complying with these Debt Listing Requirements.

### IRC

- 2.6 The IRC is the body responsible for Listing matters established by and reporting to the 4AX Board. The IRC shall, *inter alia*, have the following responsibilities in respect to Listing matters:
- 2.6.1 advise the 4AX Board on these Debt Listing Requirements and matters arising therefrom;
  - 2.6.2 recommend amendments and / or variations to these Debt Listing Requirements to the 4AX Board, including the Listing fee rates as determined by 4AX from time to time;
  - 2.6.3 approve any Debt Securities to be Listed on 4AX in compliance with these Debt Listing Requirements;
  - 2.6.4 impose appropriate Sanctions for non-compliance and allow the Compliance Committee to hear and adjudicate on any reviews and appeals against actions and decisions of the IRC. The decision by the Compliance Committee is final and binding;
  - 2.6.5 suspend or remove any Applicant Issuer or Debt Securities from the List in compliance with these Debt Listing Requirements;
  - 2.6.6 any ruling regarding the interpretation of these Debt Listing Requirements or a waiver of non-compliance with these Debt Listing Requirements.
- 2.7 The IRC shall consist of:
- 2.7.1 Head of IRD or, in his absence, the Chief Executive of 4AX; and
  - 2.7.2 a minimum of 2 Independent Directors of 4AX; or
  - 2.7.3 if required, Subject Matter Experts, provided, however, that should such Subject Matter Expert, represent or advise an Applicant Issuer that is subject to the IRC's deliberations or be in any other way conflicted, then a representative from another Subject Matter Expert in South Africa, as agreed by the majority of the members of the IRC will be sought for at least such deliberations.
- 2.8 In the first instance, all matters concerning these Debt Listing Requirements and an application for Listing will be dealt with by the staff of the IRD. In this regard, 4AX shall provide the necessary staff and other resources to assist the IRC in carrying out its functions. In so doing, 4AX shall establish and resource the IRD and appoint a Head of IRD to have management responsibility of the IRD.

### Schedules

- 2.9 4AX may from time to time issue Schedules relating to the operation and application of these Debt Listing Requirements, the Exchange and the conduct of Issuers, Debt Issuer Agents and Authorised Users.
- 2.10 4AX may amend Schedules and publish new Schedule at any time by providing prior notice to Issuers and Issuer Agents.

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- 2.11 The Schedules do not form part of the Debt Listing Requirements except where a Requirement requires compliance with the Schedule in which case failure to comply with the Schedule is also a breach of that Requirement.

### Guidance Notes

- 2.12 4AX may from time to time to the extent required, issue written Guidance Notes to provide guidance to stakeholders on the interpretation and application of the provisions of the Debt Listing Requirements.
- 2.13 4AX may amend Guidance Notes and publish an updated version of such Guidance Note at any time on the 4AX Website.
- 2.14 The Guidance Notes do not form part of the Debt Listing Requirements except where a Listing Requirement requires compliance with the Guidance Note in which case failure to comply with the relevant Guidance Note would be a breach of the Debt Listing Requirements.

### Admission on the List

- 2.15 Every Company intending to issue Debt Securities onto the List or a Tap Issue shall make an application to 4AX.
- 2.16 On receipt of the application, 4AX shall refer the application to the IRC, which may after giving due consideration to the eligibility and suitability of the application:
- 2.16.1 grant the application subject to any conditions it deems fit; or
  - 2.16.2 reject the application.
- 2.17 Debt Securities shall be quoted on the List upon Announcement of the Placing Documents on the 4AX News Service for the benefit of Investors. The Placing Documents shall contain all such particulars as are specified in these Requirements to enable any interested Person to be reasonably well informed.

### Amendment to the Requirements

- 2.18 These Requirements may only be added to, amended, varied or deleted (amendments) by 4AX in accordance with this Requirement and subject to the provisions of the FMA.
- 2.18.1 To amend a Requirement 4AX will:
    - 2.18.1.1 Publish the proposed amendments on the 4AX News Service;
    - 2.18.1.2 Consult with Issuers, industry associations (e.g. ASISA, DIA, BASA, etc.), and Debt Issuer Agents or Designated Persons on the proposed amendment(s);
    - 2.18.1.3 Allow the public 30 Days to provide 4AX with written comments via email, which email address will be provided by 4AX at the time;
    - 2.18.1.4 Once the consultation process is completed 4AX will submit any proposed amendment/s of the Requirements, together with an explanation of the reasons for the proposed amendment/s and any concerns or objections raised during the consultation process to the FSCA for approval in accordance with the provisions of the FMA.
  - 2.18.2 Amendments to these Debt Listing Requirements will take effect on the date published by the FSCA in terms of the FMA.
  - 2.18.3 4AX will also publish the approved amendments to these Debt Listing Requirements and the Effective Date of the amendments on the 4AX News Service and the 4AX

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Website.

### **Fees**

- 2.19 Applicant Issuers whose Debt Securities are granted a Listing on 4AX are required to pay the relevant fees to 4AX, which fees are published and available on the 4AX Website, per Schedule 7.
- 2.20 The fees may be reviewed on a periodic basis to reflect general economic and market conditions, and any amendments thereto will be Announced on the 4AX News Service and published on the 4AX Website.

## **CHAPTER 3: COMPLIANCE WITH AND ENFORCEMENT OF THESE DEBT LISTING REQUIREMENTS**

### **Compliance with Debt Listing Requirements**

- 3.1 Applicant Issuers must comply with all Debt Listing Requirements.
- 3.2 In the case of applications for Listing, Applicant Issuers must provide the following to 4AX as part of the Application:
  - 3.2.1 all the information and explanations that 4AX may reasonably require for the purpose of deciding whether to grant Listing;
  - 3.2.2 all the information that 4AX considers appropriate in order to protect Investors and ensure the proper operation of the market; and
  - 3.2.3 any other information or explanations that 4AX may reasonably require for the purpose of verifying whether these Debt Listing Requirements are being and have been complied with.
- 3.3 In cases other than Applications for Listing, Applicant Issuers must provide to 4AX, within such period as 4AX deems appropriate in the circumstances:
  - 3.3.1 all the information that 4AX considers appropriate in order to protect Investors and ensure the proper operation of the market; and
  - 3.3.2 any other information or explanations that 4AX may reasonably require for the purpose of verifying whether these Debt Listing Requirements are being and have been complied with.

### **Refusal of Application for Listing**

- 3.4 4AX may refuse an Application for Listing if it considers that:
  - 3.4.1 the Listing of the Applicant Issuer's Debt Securities would be detrimental to the interests of Investors;
  - 3.4.2 the Listing of the Applicant Issuer's Debt Securities will not be in the public interest;
  - 3.4.3 the Listing of the Applicant Issuer's Debt Securities will not meet the objects of the FMA or these Debt Listing Requirements;
  - 3.4.4 the Applicant Issuer does not comply or has not complied with these Debt Listing Requirements or with any special condition imposed upon the Applicant Issuer by 4AX under Requirement 5.7.
- 3.5 Notwithstanding Requirement 3.4, 4AX must, before refusing an Application to be admitted:
  - 3.5.1 inform the Applicant Issuer of its intention to refuse the Application;
  - 3.5.2 provide the Applicant Issuer with the reasons for the intended refusal; and
  - 3.5.3 call upon the Applicant Issuer to show cause within a specified period of not less than 5 Business Days why the Application should not be refused.

### **Investigations, Compliance and Appeal**

- 3.6 The Head of IRD or in his / her absence any senior manager of 4AX will inform the affected Applicant Issuer, Director, Debt Issuer Agent or Designated Persons of:
  - 3.6.1 any alleged contravention(s) of the Requirement(s);
  - 3.6.2 the right to make written representations to the IRD in response to the alleged contraventions and to be allowed to produce any evidence in its defence within a period reasonably determined by the IRD; and

#### 4AX DEBT LISTING REQUIREMENTS

- 3.6.3 any additional information that the IRD may consider to be useful, appropriate or necessary to make a finding.
- 3.7 If the IRD determines that an Applicant Issuer, Director, Debt Issuer Agent or Designated Person has contravened any of the Requirements (taking into account any representations or evidence provided by the affected party in terms of Requirement 3.6.2), it shall, within 10 Business Days of making such a determination, issue a notice to the affected party:
- 3.7.1 containing details of the Requirement that has been contravened;
  - 3.7.2 containing the facts and circumstances that gave rise to the contravention and reasons in support of the determination;
  - 3.7.3 notifying the affected party that it has the right to object to the determination made by lodging an objection with the IRC within 10 Business Days of receipt of the notice, setting out the grounds for the objection; and
  - 3.7.4 notifying the affected party that if it elects not to object to the determination, that it has an opportunity to provide the IRC with mitigating factors within 10 Business Days of receipt of the notice that should be taken into account by the IRC before it decides upon the appropriate Sanction.
- 3.8 If the affected party has not objected to the determination as provided for in Requirement 3.7.3, the IRC will decide upon the appropriate Sanction (taking into account any mitigating factors provided by the affected party in terms of Requirement 3.7.4). The IRC will issue a notice to the affected party:
- 3.8.1 containing the Sanction imposed in terms of Requirement 3.14; and
  - 3.8.2 notifying the affected party that it has the right to appeal to the Compliance Committee in respect of the Sanction imposed within 10 Business Days of receipt of the notice in accordance with Requirement 3.11.
- 3.9 The IRC will consider an objection in terms of Requirement 3.7.3 and confirm, revoke, vary or amend the IRD's determination (taking into account the grounds for objection provided by the affected party in terms of Requirement 3.7.3) by issuing a notice to the affected party:
- 3.9.1 containing reasons in support of such confirmation, revocation, variation of amendment;
  - 3.9.2 notifying the affected party that it has the right to appeal to the Compliance Committee in accordance with Requirement 3.11 within 10 Business Days of receipt of the notice; and
  - 3.9.3 notifying the affected party that if it elects not to appeal the determination, that it has an opportunity to provide the IRC with mitigating factors within 10 Business Days of receipt of the notice that should be taken into account by the IRC before it decides upon the appropriate Sanction.
- 3.10 If the affected party has not appealed the decision as provided for in Requirement 3.9.2, the IRC will decide upon the appropriate Sanction (taking into account any mitigating factors provided by the affected party in terms of Requirement 3.9.2), and will issue a notice to the affected party:
- 3.10.1 Containing the Sanction imposed in terms of Requirement 3.14; and
  - 3.10.2 Notifying the affected party that it has the right to appeal to the Compliance Committee in respect of the Sanction imposed within 10 Business Days of receipt of the notice in accordance with Requirement 3.11.

## 4AX DEBT LISTING REQUIREMENTS

- 3.11 An Applicant Issuer, Director, Debt Issuer Agent or Designated Person which wishes to appeal a decision of the IRC as contemplated in Requirement 3.8.2, 3.9.2 or 3.10.2 may appeal to the Compliance Committee in accordance with the following procedures:
- 3.11.1 An Applicant Issuer, Director or Debt Issuer Agent or Designated Person may give notice of an appeal to the Compliance Committee of any determination within 10 Business Days of the determination, and such notice shall set out:
- 3.11.1.1 The name of the Applicant Issuer, Director or Debt Issuer Agent or Designated Person seeking the appeal;
  - 3.11.1.2 The grounds for the appeal;
  - 3.11.1.3 All material facts (including any mitigating factors with regard to Sanction); and
  - 3.11.1.4 All relevant documents including any on which the Applicant Issuer, Director or Debt Issuer Agent or Designated Person seeks to rely.
- 3.11.2 The Compliance Committee may determine that the Applicant Issuer, Director or Debt Issuer Agent or Designated Person must make written submissions on the appeal, rather than attend the appeal in person, or who may be invited to attend the appeal, including 4AX or Applicant Issuer employees, or witnesses, observers or experts.
- 3.11.3 4AX will charge a fee for the Compliance Committee to hear an appeal as per Schedule 7 and the Compliance Committee has the discretion as to whether to refund all or part of such fee to the affected party.
- 3.11.4 The Chairman of the Compliance Committee will give reasonable notice to the relevant Applicant Issuer, Director or Debt Issuer Agent or Designated Person of the nominated date, time and place of appeal, which shall be at least 5 Business Days after the appeal notice under Requirement 3.11.1 has been received by the Compliance Committee. Provided, however, that the Chairman may amend the appeal date for which notice has previously been given and appoint a substitute appeal date. The Chairman of the Compliance Committee will provide reasonable notice of the new date to the Company and may adjourn and reconvene proceedings as he sees fit.
- 3.12 The Compliance Committee has the power to direct what details of its decision in terms of Requirement 3.13 are made available to the public generally.
- 3.13 The Compliance Committee will consider an appeal as set out in a notice in terms of Requirement 3.11 and make a determination by issuing a notice to the Applicant Issuer, Director or Debt Issuer Agent or Designated Person:
- 3.13.1 Containing reasons in support of the determination; and
  - 3.13.2 In the event of an appeal in terms of Requirement 3.9.2, the Compliance Committee may confirm, vary or replace the decision of the IRC. If the Compliance Committee determines that there has been a breach of these Debt Listing Requirements, providing that:
    - (a) The matter will be referred back to the IRC for a determination on Sanction; and
    - (b) That the affected party has an opportunity to provide the IRC with mitigating factors within 10 Business Days of receipt of the notice that should be taken into account by the IRC before it decides upon the appropriate Sanction in accordance with Requirement 3.8.

## 4AX DEBT LISTING REQUIREMENTS

### Sanction

- 3.14 The IRC or the Compliance Committee, as the case may be, without derogating from their powers of suspension and / or removal, will be entitled to impose any of the penalties (or a combination of them) set out in section 11(1)(g) of the FMA on any Applicant Issuer, Director or Debt Issuer Agent or Designated Person in accordance with this Chapter 3.
- 3.15 In the case of a reprimand constituting a written warning, such a reprimand may be issued by the Head of IRD or the Chief Executive Officer of 4AX.
- 3.16 In the case of a Debt Issuer Agent or Designated Person, Sanctioning may include removing the Debt Issuer Agent or Designated Person from the List maintained by 4AX.
- 3.17 If the affected party fails to pay a fine, 4AX may file with the clerk or registrar of any competent court a statement certified by it as correct, stating the amount of the fine imposed and such statement thereupon has all the effects of a civil judgment lawfully given in that court against the affected party in favour of 4AX for a liquid debt in the amount specified in the statement.
- 3.18 Any fine issued and paid in terms of these Debt Listing Requirements will be allocated to the Client Protection Fund.

### Publication of Information

- 3.19 4AX may, at any time, require an Applicant Issuer to publish such information in such form and within such time limits as it considers appropriate for the purpose of promoting the Objectives of these Debt Listing Requirements the objects of the FMA or the General Principles.
- 3.20 If an Applicant Issuer fails to comply with a requirement under Requirement 3.19, 4AX may itself publish the information or impose an alternate Sanction after having given the Applicant Issuer an opportunity to make representations to 4AX as to why the information should not be published.

### Suspension of a Listing from the List or registration of a Placing Document initiated by 4AX

- 3.21 4AX may, subject to the suspension provisions of section 12 of the FMA, 4AX may at any time, with the approval of the IRC, suspend Dealings in any Debt Securities of an Applicant Issuer from the List or the registration of a Placing Document if one of the following applies:
- 3.21.1 it will further one or more of the objects contained in section 2 of the FMA which may also include if it is necessary for the protection of Investors, not in the public interest or the maintenance of an orderly market; or
- 3.21.2 an Applicant Issuer has materially failed to comply with these Debt Listing Requirements or its Listing Undertaking; or
- 3.21.3 the Applicant Issuer or its business is no longer suitable for Listing; or
- 3.21.4 the Applicant Issuer is placed under provisional liquidation, Business Rescue, curatorship or similar action which has the effect of removing the decision-making power from its Board and vesting such power with a party not bound to the Requirements (the Applicant Issuer must inform 4AX within 24 hours of such occurrence); or
- 3.21.5 if the Applicant Issuer has Debt Securities Listed on 4AX or a Recognised Exchange and such Debt Securities are suspended (the Applicant Issuer must inform 4AX within 24 hours of such occurrence); or
- 3.21.6 where an Applicant Issuer's Debt Securities reference the Debt Securities or obligation of a single company (hereafter referred to as the 'Reference Entity') and trading in any Reference Entity's Debt Securities is suspended by 4AX or any Recognised Exchange



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(the Applicant Issuer must inform 4AX within 24 hours of such occurrence).

- 3.22 4AX may impose such conditions as it may deem fit in the circumstances for the lifting of such suspension. The Applicant Issuer or its Debt Issuer Agent or Designated Person shall be given the opportunity to make written representations to the IRC as to why the suspension should not be effected prior to 4AX making any decision to suspend from the List such Listing or registration.

### **Suspension of an Applicant Issuer from the List at the Request of the Applicant Issuer**

- 3.23 Where an Applicant Issuer itself seeks a suspension of its Listing or registration of a Placing Document, its Debt Issuer Agent or Designated Person shall make a written request for suspension duly supported by specific reasons and signed by a Director of the Applicant Issuer, to 4AX. 4AX will respond to the Applicant Issuer's request in writing, setting out any such requirements as it sees fit.
- 3.24 Where Dealings have been suspended, the procedure for lifting the suspension will depend on the circumstances and 4AX may impose such conditions as it considers appropriate. For example, a temporary suspension pending an Announcement on the 4AX News Service will usually be lifted when the Announcement is made on the 4AX News Service. Further, a suspension will not normally be lifted unless the Applicant Issuer has Announced the reasons for the suspension and, where appropriate, the anticipated timing of the lifting of the suspension.
- 3.25 When a suspension continues for such period without the Applicant Issuer taking adequate action to obtain restoration of Listing (such as failing to comply promptly with the conditions imposed for the lifting of the suspension), 4AX may, with the approval of the IRC, withdraw the Company from the List, provided that it notifies the Applicant Issuer in advance of its intention to terminate the Listing on a specified date.

### **Continuing obligations of Applicant Issuers suspended at own request**

- 3.26 If the Listing of an Applicant Issuer's Debt Securities or the registration of a Placing Document is suspended at its request it must, unless 4AX decides otherwise:
- 3.26.1 continue to comply with all these Debt Listing Requirements applicable to it;
  - 3.26.2 submit to 4AX a monthly progress report pertaining to the current state of affairs of the Applicant Issuer and, any action proposed to be taken by the Applicant Issuer in order to have the Listing reinstated; and
  - 3.26.3 advise the Holders of Debt Securities on a quarterly basis concerning the current state of affairs of the Applicant Issuer and, any action proposed by the Applicant Issuer in order to have the Listing reinstated, including the date on which the suspension is expected to be lifted.

### **Removal of Applicant Issuers from the List initiated by 4AX**

- 3.27 4AX may, subject to the provisions of section 12 of the FMA, at any time, with the approval of the IRC, upon the occurrence of any of the following aspects remove from the List any Debt Securities previously included; provided that the Listing of such Debt Securities shall first have been suspended in accordance with the above provisions:
- 3.27.1 in the event that it furthers one or more of the objects contained in section 2 of the FMA, which may also include the necessity in respect of, the protection of Investors; or
  - 3.27.2 in the event that a continued Listing is not in the public interest or the maintenance of an orderly market; or

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- 3.27.3 an Applicant Issuer has failed to comply with these Debt Listing Requirements or its Listing Undertakings; or
  - 3.27.4 if the Applicant Issuer or its business is no longer suitable for Listing; or
  - 3.27.5 the Applicant Issuer is placed under provisional liquidation, Business Rescue, curatorship, receivership or similar action which has the effect of removing the decision-making power from the Board of the relevant Applicant Issuer and vesting such power with a party not bound to the Requirements.
- 3.28 When the Listing of Debt Securities is under threat of removal, the affected Applicant Issuer shall be given the opportunity to make written representations, through its Debt Issuer Agent or Designated Person, to 4AX why the removal should not be effected prior to 4AX making any decision to remove such Listing.
- 3.29 If at any point the Applicant Issuer has no Debt Securities Listed on 4AX due to removal of the Applicant Issuer from the List by 4AX, such Applicant Issuer must either:
- (a) elect to comply with its continuing obligations and where Announcements on the 4AX News Service are required to be made in terms of those obligations, such Announcements must be made forthwith and in accordance with these Debt Listing Requirements; or
  - (b) elect not to comply with its continuing obligations, from that point until such time as Debt Securities are Listed on 4AX.
- 3.30 Upon the election in Requirement 3.29 being made, the Applicant Issuer is required to immediately notify 4AX of its election. If the Applicant Issuer elects option (b) and after a period of 3 months no Debt Securities have been issued under the Placing Document or in the case of Secondary Registered Issuers, the 4AX Supplement will automatically terminate and a new application must be submitted to 4AX should the Applicant Issuer or Secondary Registered Issuers wish to list Debt Securities on 4AX.

### **Removal of Applicant Issuers from the List initiated by Applicant Issuers**

- 3.31 An Applicant Issuer may make written application to 4AX for the deregistration of the Placing Document, 4AX Supplement or withdrawal of the Listing of any of its Debt Securities from the List stating from which time and date it wishes the removal to be effective. 4AX may grant the request for removal, provided Requirements 3.32 and 3.33 are properly complied with and executed, except where all Debt Securities have been redeemed on their maturity date or redeemed early in accordance with the terms and conditions of the Debt Securities or all the Debt Securities are owned by the Applicant Issuer.
- 3.32 Prior to being able to effect Requirement 3.31 an Applicant Issuer must send a notice to the Holders of Debt Securities, which must be published on the 4AX News Service, complying with the following:
- (a) it obtains the approval from Holders of Debt Securities in a meeting for the removal of the Listing of the Debt Securities and / or deregistration of the Placing Document prior to the Applicant Issuer making written application for such removal; and
  - (b) the reasons for removal from the List.
- 3.33 Where approval is required in terms of Requirement 3.32 (a), a Debt Securities Resolution must be passed at a meeting of Holders of Debt Securities or a Debt Securities Written Resolution. The Applicant Issuer will be excluded from voting in respect of such resolution.
- 3.34 Where all Debt Securities are redeemed, the registration of the Placing Document or 4AX Supplement will be removed once the Applicant Issuer has notified 4AX of such redemption.

**Annual Revision of the List**

- 3.35 All Listings of Debt Securities shall be revised annually by 4AX after receipt by 4AX of a certificate from each Applicant Issuer complying with Schedule 12 (“the Certificate”), which must be submitted to 4AX together with the Applicant Issuer’s annual financial statements pursuant to Requirement 11.10. If the Certificate is not received by 4AX:
- (a) a notification will be sent by 4AX to the Applicant Issuer that it rectifies the situation within 14 days from the date of the reminder, failing which the Applicant Issuer must make representations to 4AX within 7 days thereafter as to why the Debt Securities and Placing Document should not be suspended and subsequently removed in terms of Requirement 3.31;
  - (b) failure by the Applicant Issuer to comply with Requirement 3.35(a) above, 4AX will release an Announcement through the 4AX News Service, informing the Holders of Debt Securities that the Applicant Issuer has not provided 4AX with the Certificate and cautioning Holders of Debt Securities that the Listing of the Debt Securities and registration of the Placing Document concerned are under threat of suspension and possible removal; and
  - (c) if the Certificate is not received and representations made in terms of Requirement 3.35(a) are not satisfactory, the Listing of the relevant Debt Securities and registration of the Placing Document will be suspended and the suspension will only be lifted on receipt of the Certificate by 4AX.
- 3.36 For Applicant Issuers issuing Debt Securities under the Securitisation Regulations, CP Regulations and other Asset-Backed Debt Securities, the annual compliance Certificate must include a statement by its Board confirming that any new assets acquired in the previous financial year have been transferred to the Applicant Issuer and, if applicable, that such assets have been sufficiently registered in the name of the Applicant Issuer.

## CHAPTER 4: DEBT ISSUER AGENTS OR DESIGNATED PERSONS

### Objectives

- 4.1 This Chapter sets out the qualification criteria, role and responsibilities of Debt Issuer Agents and Designated Persons representing Applicant Issuers with 4AX.
- 4.2 An Applicant Issuer must at all times have a Debt Issuer Agent or a Designated Person provided that such Debt Issuer Agent or Designated Person has, in the sole discretion of 4AX, considerable relevant debt capital markets experience.

### Applications

- 4.3 Applications to become a Debt Issuer Agent or Designated Person must be made to 4AX by submission of an application letter detailing:
  - (a) the name and full contact details of the Applicant Issuer that the Debt Issuer Agent or Designated Person will represent;
  - (b) the name and full contact details of the Debt Issuer Agent or the Company that the Designated Person is employed by;
  - (c) the nature of the entity (private company, public company, sole proprietor etc.) of the Debt Issuer Agent;
  - (d) the Debt Issuer Agent or Designated Person's relevant debt capital markets experience;
  - (e) a statement that the Debt Issuer Agent or Designated Person has undergone the prescribed training or equivalent, where considered necessary by 4AX;
  - (f) a statement that the Debt Issuer Agent or Designated Person has procedures and controls in place to ensure that it is not acting outside the scope of its authority; and
  - (g) a statement that the key personnel (i.e. Directors, associated Directors, prescribed officers and other personnel who will be fulfilling the Debt Issuer Agent or Designated Person responsibilities) of the Debt Issuer Agent or Designated Person has not been convicted of an offence resulting from dishonesty, the Companies Act, censured or fined by a self-regulating organization or recognized professional body or barred from entry into any profession or occupation.
- 4.4 Applications must be accompanied by a separate document signed by an authorised signatory of the Applicant Issuer and the Debt Issuer Agent or signed by the Designated Person confirming:
  - (a) that an agreement has been signed between the Applicant Issuer and the relevant Debt Issuer Agent or Designated Person (in respect of the Designated Persons, this statement is not required if the Designated Person is an employee of the Applicant Issuer);
  - (b) that the Applicant Issuer is satisfied with the expertise and experience of the Debt Issuer Agent or Designated Person and the Applicant Issuer has appointed such person to act on its behalf in relation to the execution of the Applicant Issuer's responsibilities, to the extent possible, in terms of these Debt Listing Requirements; and
  - (c) the Debt Issuer Agent or Designated Person accepts the appointment and agrees to act on behalf of the Applicant Issuer in relation to the execution of the Applicant Issuer's responsibilities to the extent applicable and possible, under these Debt Listing Requirements and agrees to the obligations and responsibilities placed on a Debt

Issuer Agent and Designated Person in terms of these Debt Listing Requirements.

### **Responsibilities**

- 4.5 Each Debt Issuer Agent or Designated Person must satisfy 4AX that:
- 4.5.1 it is competent to properly discharge its responsibilities with due care and skill in terms of these Debt Listing Requirements;
  - 4.5.2 it accepts the responsibilities of a Debt Issuer Agent or Designated Person, as the case may be, and undertakes to 4AX in the form set out in Schedule 3 to accept and discharge the responsibilities of a Debt Issuer Agent or Designated Person at all times to the satisfaction of 4AX.
- 4.6 The Debt Issuer Agent or Designated Person must be registered with 4AX and:
- 4.6.1 on or before 28 February of each year after its admission, pay the prescribed fee, which fees are published and available on the 4AX Website as per Schedule 7;
  - 4.6.2 meet the eligibility criteria set out in this Chapter 4; and
  - 4.6.3 be entered on 4AX's register of Debt Issuer Agents and Designated Persons ("Register") after having completed all the necessary application forms and / or training as required by 4AX and having been approved by the IRC as well as having paid the necessary fees.

### **Termination and resignation**

- 4.7 In the event that the appointment of the Debt Issuer Agent or Designated Persons is terminated by the Applicant Issuer, for whatever reason, such termination must be approved by the Board of the Applicant Issuer. Once the termination of the Debt Issuer Agent or Designated Person has been approved by the Applicant Issuer's Board, the Applicant Issuer and the Debt Issuer Agent or Designated Persons must notify 4AX in writing stipulating the reasons for the termination, within 48 hours of such termination.
- 4.8 In the circumstances set out in Requirement 4.7 and in the event of the Debt Issuer Agent or Designated Persons resigning from such role, the Applicant Issuer must Immediately publish an Announcement on 4AX News Service confirming the termination or resignation of the Debt Issuer Agent or Designated Person. The Applicant Issuer must make Immediate arrangements to appoint a replacement Debt Issuer Agent or Designated Person, within 30 Business Days of the date on which the former Debt Issuer Agent or Designated Person ceased to act and must inform 4AX in writing and publish a further Announcement on 4AX News Service Immediately after the appointment of the replacement Debt Issuer Agent or Designated Person has been made.
- 4.9 The replacement Debt Issuer Agent or Designated Person must ensure, before accepting the appointment, that it has requested the report referred to in Requirement 4.7 from the outgoing Debt Issuer Agent or Designated Person. The outgoing Debt Issuer Agent or Designated Person must supply this report to the replacement Debt Issuer Agent or Designated Person within 5 Business Days of such request and the replacement Debt Issuer Agent or Designated Person must take account of the reasons for the termination before accepting the appointment.
- 4.10 Failure by an Applicant Issuer and / or Debt Issuer Agent or Designated Person to comply with this requirement may result in disciplinary action being taken in terms of the Debt Listings Requirements.

**Eligibility Qualifications and Responsibilities**

- 4.11 The Debt Issuer Agent or Designated Person must:
- 4.11.1 not be disqualified from being a Director in terms of the Companies Act or have been convicted of an offence or crime involving dishonesty;
  - 4.11.2 where considered necessary by the 4AX, have completed all 4AX mandatory approved training courses relating to these Debt Listing Requirements;
  - 4.11.3 undertake that it will at all times act in strict accordance with these Debt Listing Requirements;
  - 4.11.4 Immediately notify 4AX in writing, with reason/s, and Announce on the 4AX News Service if it terminates or resigns from the Applicant Issuer whereafter it will be removed from the Register when such termination takes effect; and
  - 4.11.5 on or before 28 February of each year after its admission to the Register confirm that it is still eligible to act as a Debt Issuer Agent or Designated Person and that it has familiarised itself with any amendments to these Debt Listing Requirements in the 12 months up to end of the month preceding such declaration.
- 4.12 The Debt Issuer Agent or Designated Persons must:
- 4.12.1 in the case of a New Applicant, satisfy itself, to the best of its knowledge and belief, having made due and careful enquiry of the Applicant Issuer and its advisers, that the Applicant Issuer has satisfied all relevant conditions for Listing, and other relevant requirements of these Debt Listing Requirements and is suitable to be Listed;
  - 4.12.2 ensure that the Applicant Issuer is guided and advised as to the application of these Debt Listing Requirements and has satisfied itself that the Applicant Issuer is not in breach of these Debt Listing Requirements to the best of its knowledge and belief;
  - 4.12.3 have satisfied itself on all the available information, that the Directors of the Applicant Issuer appreciate the nature of their responsibilities and can be expected to comply with their obligations under these Debt Listing Requirements and the Listing Undertaking;
  - 4.12.4 be satisfied that, where an Applicant Issuer prepares Placing Documents or an Announcement on the 4AX News Service under these Debt Listing Requirements which includes a statement by the Directors of the Applicant Issuer as to the adequacy of working capital, this statement has been made by the Directors after due and careful enquiry and, if applicable, the Persons or institutions providing finance have stated in writing that such facilities duly exist;
  - 4.12.5 be satisfied that, where an Applicant Issuer prepares Placing Documents or an Announcement on the 4AX News Service under these Debt Listing Requirements which contains a profit forecast or estimate, such forecast or estimate has been made after due and careful enquiry and consideration by the Directors of the Applicant Issuer and its financial affairs; and
  - 4.12.6 confirm to 4AX on or before 28 February each year in writing that each of its responsibilities in terms of these Debt Listing Requirements has been duly fulfilled.
- 4.13 A Debt Issuer Agent or Designated Persons shall:
- 4.13.1 be present at all formal discussions between 4AX and Applicant Issuers, but need not be involved in discussions of principle or interpretation, provided that where discussions do take place without its presence, the Applicant Issuer shall ensure that

## 4AX DEBT LISTING REQUIREMENTS

the Debt Issuer Agent or Designated Person is informed of these discussions Immediately;

- 4.13.2 conduct itself in a professional manner which shall include acting within the law, including, but not limited to, the FMA, Companies Act and these Debt Listing Requirements as well as any professional body governing their professional activities and where any of these conflicts the Debt Issuer Agent or Designated Persons must comply with the more onerous aspects of such provisions;
- 4.13.3 conduct itself in an honest manner, without fraud, deceit or commissioning any act which might reflect negatively on 4AX or on the professional reputation, integrity and competence of the Debt Issuer Agent or Designated Person;
- 4.13.4 other than any relationship allowed under Requirement 4.2, disclose fully to Applicant Issuers and 4AX any matter which may be reasonably be seen to impair its independence and / or objectivity; and
- 4.13.5 conducts itself fairly and professionally with Applicant Issuers which shall include acting with reasonable care and diligence and respecting confidential information.

### **Additional Responsibilities**

- 4.14 The Debt Issuer Agent or Designated Person is responsible for the following in relation to any application for Listing:
  - 4.14.1 communications and interactions with 4AX on all matters arising in connection with the application for Listing;
  - 4.14.2 preparing the formal application for Listing and lodging it and all the documents supporting the application including but not limited to the Placing Document; and
  - 4.14.3 seeking the approval of the Placing Documents.
- 4.15 The Debt Issuer Agent or Designated Person is responsible for the following in relation to each Listed Debt Security:
  - 4.15.1 notifying 4AX Immediately of any change in its appointment by the Applicant Issuer;
  - 4.15.2 publishing all Announcements on the 4AX News Service after:
    - 4.15.2.1 approval by the Board of the Applicant Issuer; and
    - 4.15.2.2 ensuring that such Announcements complies with these Debt Listing Requirements;
  - 4.15.3 notifying 4AX Immediately of non-compliance, contravention or any potential non-compliance or contravention of a breach or potential breach of these Debt Listing Requirements by the Applicant Issuer which it is aware of or reasonably expected to be aware of; and
  - 4.15.4 making applications to IRD for rulings on the interpretation and application of these Debt Listing Requirements.
- 4.16 A Debt Issuer Agent or Designated Person will be able, but not required, to state that it is a Debt Issuer Agent or Designated Person registered with 4AX.

### **Non-Compliance with Responsibilities**

- 4.17 If 4AX determines, after taking account of written representations, that a Debt Issuer Agent or Designated Person (who is not an employee of the Applicant Issuer) has not complied with or contravened any of its responsibilities under these Debt Listing Requirements, 4AX is entitled

#### 4AX DEBT LISTING REQUIREMENTS

to take one or more of the following actions:

- (a) censure the Debt Issuer Agent or Designated Person;
- (b) remove the Debt Issuer Agent or Designated Person from the Register maintained by 4AX;
- (c) impose a penalty as prescribed in terms of section 11(1)(g) of the FMA as the case may be which includes:
  - (i) a reprimand;
  - (ii) a fine not exceeding R7.5 million, to be adjusted by the Registrar annually to reflect the CPI, as published by Statistics South Africa;
  - (iii) disqualification, in the case of a natural person, from holding the office of Director or officer of a Listed company for any period of time;
  - (iv) suspension or termination of Listing; or
  - (v) any other penalty that is appropriate in the circumstances; and / or
- (d) publish details of the action that has been taken by 4AX and furnishing the reasons.

4.18 Where 4AX has decided to take any action in terms of Requirement 4.17 above, the Debt Issuer Agent or Designated Person shall be entitled to request the decision be taken on appeal with 4AX in writing within 48 hours of the decision and the Debt Issuer Agent or Designated Person must provide reasons for the appeal.



## CHAPTER 5: CONDITIONS FOR LISTING

### Introduction

- 5.1 Registration of a Placing Document and / or Listings of Debt Securities are granted subject to compliance with these Debt Listings Requirements.
- 5.2 All applications for Listings of Debt Securities or registration of the Placing Document are to be submitted to 4AX through a Debt Issuer Agent or Designated Person.

### General Conditions

- 5.3 In order for the Debt Securities or the registration of a Placing Document to be admitted to the List, 4AX must be of the opinion that:
  - 5.3.1 the Listing or registration is in the interests of the Investors; and
  - 5.3.2 the Listing of such Debt Securities promotes the Objectives of these Debt Listing Requirements including the General Principles set out in Chapter 2.
- 5.4 Where unusual features exist regarding a Listing and / or an Issuer, 4AX must be consulted by the Debt Issuer Agent or Designated Person to discuss such features at the earliest possible date and to discuss any rulings required from 4AX at that time.
- 5.5 Applicant Issuers are required to submit to 4AX, at the earliest practicable date, any matter or unusual feature pertaining to the Listing that is not specifically provided for in, or is otherwise in conflict with, these Debt Listing Requirements.
- 5.6 Secondary Registered Issuers seeking a listing on 4AX must submit a letter to IRD from the relevant Recognised Exchange confirming that (i) such Secondary Registered Issuer is in good standing with the Recognised Exchange and (ii) complies with the Recognised Exchange's listing requirements.

### Special Conditions

- 5.7 4AX may make the admission of Debt Securities to Listing subject to any special condition which it considers appropriate, if it is of the view that it is:
  - 5.7.1 in the interests of protecting Investors; and / or
  - 5.7.2 to promote the Objectives of these Debt Listing Requirements and the General Principles, described in Chapter 2; and / or
  - 5.7.3 to promote the objects of the FMA,and of which 4AX has explicitly informed the Applicant Issuer.

### Status of Debt Securities

- 5.8 Debt Securities for which a Listing is sought must be issued in conformity with the law of the Applicant Issuer's country of incorporation or establishment and in conformity with the Applicant Issuer's MOI and all authorisations needed for their creation and issue under such law. 4AX must be consulted for a ruling if it is not possible to comply with these Debt Listings Requirements as a result of a conflict between these Debt Listings Requirements and the relevant legislation in the Applicant Issuer's country of incorporation.
- 5.9 4AX may grant an application or at any time thereafter, in consultation with the FSCA, impose conditions in addition to those provided for in these Debt Listing Requirements on an Applicant Issuer if it is:
  - 5.9.1 necessary or desirable to facilitate the sustainability of the Listing pertaining to the Applicant Issuer; or

## 4AX DEBT LISTING REQUIREMENTS

- 5.9.2 justifiable in furtherance of the South African government's objectives to encourage participation in financial markets.

## 4AX DEBT LISTING REQUIREMENTS

### Waiver

5.10 Requirement 2.4 applies *mutatis mutandis*, save that it may be applicable not only to New Applicants but any Applicant Issuer or registration of a Programme Memorandum.

### Pre-requisites for Admission to List

5.11 An Applicant Issuer seeking a Listing shall:

- 5.11.1 subject to Requirement 5.12, issue the Placing Documents which complies with the content requirements for Placing Documents set out in these Debt Listing Requirements (see particularly Chapters 8 and 9);
- 5.11.2 have a Website;
- 5.11.3 enter into a contract with 4AX Registry who will act as Transfer Secretary;
- 5.11.4 appoint a Debt Issuer Agent or Designated Person;
- 5.11.5 comply with any applicable requirements of the Companies Act; and
- 5.11.6 enter into a Listing Undertaking in the form set out in Schedule 4.

5.12 Where a Prospectus is issued pursuant to the Companies Act in connection with the issue of Debt Securities, 4AX may treat the Prospectus as constituting the Placing Documents if the Prospectus complies with the content requirements for Placing Documents set out in these Debt Listing Requirements.

### Conditions relating to New Applicants

#### *Incorporation*

5.13 Applicant Issuers must be duly incorporated or otherwise validly established according to the relevant laws and regulations of its place of incorporation or establishment, and be operating in conformity with its MOI. Its MOI must not frustrate or prohibit compliance with the provisions of these Debt Listing Requirements. All New Applicants (save for Secondary Registered Issuers) must comply with the provisions of Schedule 5.

5.14 An Applicant Issuer seeking a Listing of Debt Securities must contractually undertake to 4AX, by completing Schedule 6, that from the date of admission to Listing of any of its Debt Securities, or from registration of the Placing Document, the Applicant Issuer will comply fully with all the Debt Listings Requirements of 4AX, irrespective of the jurisdiction in which the Applicant Issuer is incorporated or established.

#### *Reporting Accountant*

5.15 The Applicant Issuer shall appoint a Reporting Accountant who must be independent of the Applicant Issuer, and comply with guidelines on independence issued by its respective recognised professional bodies.

5.16 The Applicant Issuer must obtain a written undertaking, in the form of Schedule 9, from the Reporting Accountant that the Reporting Accountant will Immediately inform 4AX of any sanction issued by IRBA or similar recognised regulatory body against the Reporting Accountant.

#### *Accounts*

5.17 A New Applicant must provide audited accounts which:

- 5.17.1 cover at least 3 years (or such applicable shorter period in respect of SPVs that have not been operational for 3 years) except as provided for in Requirement 5.19 and the latest accounts must be in respect of a period ended not more than 9 months before the date of the Placing Documents. If more than 9 months have lapsed since the New

## 4AX DEBT LISTING REQUIREMENTS

- Applicant's financial year-end, reviewed interim financial statements for the New Applicant must be submitted;
- 5.17.2 are consolidated accounts in respect of the Applicant Issuer and all its Subsidiaries;
  - 5.17.3 have been prepared in accordance with the Applicant Issuer's national law and, in all Material respects, with IFRS (but save for Requirement 11.56 in respect of Secondary Registered Issuers) or any other accounting framework acceptable to the 4AX as determined in consultation with the Registrar). Government, municipalities, parastatals and utilities that are subject to enabling legislation, may require adherence to other standards and this fact should be disclosed;
  - 5.17.4 have been independently audited in accordance with International Standards on Auditing. Government, municipalities, parastatals and utilities that are audited by the Auditor General, are not required to comply with this Requirement; and
  - 5.17.5 have been reported on by the Reporting Accountant, of which the most recent financial year must not contain a qualification or disclaimer of opinion.
- 5.18 With reference to Requirement 8.11.16 accounts relating to a period shorter than 3 years may be accepted if 4AX is satisfied that:
- 5.18.1 Investors have the necessary information available to enable them to make an informed judgement concerning the New Applicant and the Debt Securities for which Listing is sought (e.g. in the case of a newly formed "project" Company concerned with the construction of a major infrastructure project or an SPV). In this regard 4AX may impose additional information requirements, for example, a formal business plan, containing at least the information required by 4AX, signed off by a Reporting Accountant; or
  - 5.18.2 where the application for Listing is in respect of guaranteed Debt Securities, the guarantor has published audited accounts pertaining to the last 3 consecutive years.

### *Nature and duration of business activities*

- 5.19 A New Applicant which is a Company must be carrying on as its main activity, either by itself or through one or more of its Subsidiaries, an independent business which is revenue earning and must have done so for at least the period covered by the accounts required by Requirement 5.17.1, unless the New Applicant is either an SPV due to the nature of such Entity or it satisfies the conditions of Requirements 11.51 to 11.58 (Secondary Registered Issuers).

### **Conditions relating to Debt Securities**

#### *Validity*

- 5.20 To be Listed, Debt Securities must:
- 5.20.1 conform to the law of the Applicant Issuer's place of incorporation;
  - 5.20.2 rank *Parri Passu* to all Debt Securities of the same class;
  - 5.20.3 be duly authorised, created and issued according to the requirements of the Applicant Issuer's MOI;
  - 5.20.4 be uncertificated; and
  - 5.20.5 have any other required and necessary statutory or other consents, as the case may be.

**Transferability of Debt Securities**

- 5.21 To be Listed, the Debt Securities must be freely transferable unless 4AX and 4AX Registry approve of a restriction on the transferability and such restriction:
- 5.21.1 applies equally to all Debt Securities of that class issued or proposed to be issued;
  - 5.21.2 is objectively determinable without ambiguity and uncertainty without requiring recourse to the Applicant Issuer and the Applicant Issuer has indemnified and undertaken to hold 4AX and / or 4AX Registry harmless from any interpretation or application of such transferability restriction made in good faith and in a bona fide manner and without negligence;
  - 5.21.3 is legally permissible in terms of the Applicant Issuer's MOI and the laws and regulations of South Africa and in the case of Secondary Registered Issuers in accordance with the laws and regulations of the place of incorporation or establishment of the Secondary Registered Issuer;
  - 5.21.4 is unconditional, or where subject to any condition, such condition is objectively determinable without ambiguity and uncertainty without requiring recourse to the Applicant Issuer and the Applicant Issuer has indemnified and undertaken to hold 4AX and 4AX Registry harmless from any interpretation or application of such condition made in a bone fide manner and without negligence;
  - 5.21.5 does not limit the Holders of Debt Securities in such a way as to make a Listing inappropriate because there will not be an adequate market demand for the Debt Securities in the market; and
  - 5.21.6 cannot be amended, removed, varied or waived without 4AX's approval.
- 5.22 In exceptional circumstances 4AX may permit an Applicant Issuer to decline to approve the transfer of Debt Securities provided that this does not disturb the market in those Debt Securities.
- 5.23 4AX shall promptly inform the FSCA of the transferability restrictions approved by 4AX in respect of any Debt Securities.

**Fully paid up Debt Security**

- 5.24 Notwithstanding the provisions of section 40(5) of the Companies Act, Debt Securities must be fully paid up for before being admitted to the List, unless otherwise required by statute or at the discretion of 4AX (taking into account the objects of the FMA), be freely transferable. Zero-coupon Debt Securities are not considered partly paid Debt Securities in terms of this Requirement.

**Whole class to be Listed**

- 5.25 Where an application for Listing is made in respect of any series and / or tranche of Debt Security:
- 5.25.1 if none of the Debt Securities of that series and / or tranche are already Listed, the application must relate to all Debt Securities of that class issued or proposed to be issued; or
  - 5.25.2 if some of the Debt Securities of that series and / or tranche are already Listed, the application must relate to all further Debt Securities of that class issued or proposed to be issued.
- 5.26 An application for Listing shall be made for all further issues of Debt Securities of a series and / or tranche already Listed prior to the issue of the Debt Securities.

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### Guarantors

5.27 In the event that a guarantor is applicable, the guarantee must be open for inspection in terms of Requirement 6.9.11 and the nature and details of the guarantee and guarantor must be disclosed in the Placing Document and / or Pricing Supplement.

### Pre-issued trading

5.28 An Debt Issuer Agent or Designated Person, may only execute transactions in pre-issued Debt Securities after such approval has been granted by 4AX.

5.29 4AX may permit pre-issued trading in Debt Securities subject to the following conditions:

- (a) the Debt Issuer Agent or Designated Person to the Listing must apply, at the time of informal comment submission of the Placing Document or the Pricing Supplement, and receive approval for pre-issued trading from 4AX;
- (b) 4AX must have approved the Listing of Debt Securities;
- (c) the Listing of Debt Securities for which pre-issued trading is requested, must be an initial offering and must be of such size that, in the opinion of 4AX, it is appropriate to permit pre-issued trading;
- (d) pre-issued trading will commence and end on such dates as specified by 4AX and contained in a market notice indicating that the pre-issued trading must end on the Listing date of the Debt Securities;
- (e) if the Listing in respect of which pre-issued trading has been approved becomes effective, all transactions effected during the period of the pre-issued trading will settle on settlement day of official trading on the same terms as all other transactions in Listed Debt Securities, but will not be covered by the Client Protection Fund; and
- (f) if the Listing is still ineffective on the first settlement date of official trading, every transaction effected under this Requirement will be void *ab initio* and neither a member of 4AX nor any Investors will have recourse against 4AX or the member, as the case may be, in respect of such transactions.

### Exchange control approval

5.30 Where approval for a Listing of Debt Securities is required from SARB, 4AX will not grant the Listing of the Debt Securities until such written approval is obtained.

5.31 The following should be considered in terms of exchange control:

- (a) information on any Exchange Control Regulation that may be relevant to an Investor and / or the proposed Listing transaction;
- (b) approval from SARB is required when the Applicant Issuer is incorporated or domiciled in a foreign country, including the Common Monetary Area (other than South Africa); and
- (c) where the Applicant Issuer issues Listed Debt Securities that will pay higher than the interest rate to be paid / discounted in terms of exchange control policy, and where there will be foreign participation cross-border funding, the Applicant Issuer is required to obtain a prior approval / directive from SARB in respect of the issue. Exchange control policy currently allows interest to be paid up to the prime overdraft rate (predominant rate) plus 3% per annum or as amended from time to time.

### Price stabilisation

5.32 Price stabilisation will be permitted by 4AX in accordance with the provisions of the FMA. Price

#### 4AX DEBT LISTING REQUIREMENTS

stabilisation may be affected through an over-allotment, with or without a Greenshoe. Over-allotment is a pre-cursor to a price stabilisation mechanism aimed at supporting and maintaining the price of newly Listed Debt Securities or Debt Securities which are the subject of a substantial offer for a limited period after the Listing. The main purpose is to establish an orderly market for Securities in the immediate secondary market after an offer.

- 5.33 There is no obligation on the Applicant Issuer to stabilise the price, but if the Applicant Issuer intends to do price stabilisation, the Applicant Issuer's Debt Issuer Agent or Designated Person must contact 4AX for a ruling.

## CHAPTER 6: LISTING PROCESS

- 6.1 The Placing Document shall contain sufficient information to provide full disclosure of the Applicant Issuer's operations, financial resources and requirements and the risks associated with the Applicant Issuer's business and market place for the purposes of a comprehensive analysis of the Applicant Issuer's ability to service and redeem the Debt Securities. It shall also contain all relevant information with respect to the particular nature of the Applicant Issuer's Debt Securities for which application is being made. It shall also contain details of any other Material Debt Securities of the Applicant Issuer, whether Listed or not, including but not limited to details of seniority, security, covenants, warranties, pledges or all other forms of security. The Placing Document shall contain that minimum disclosure which an Investor would reasonably require in order to be in a position to make an informed assessment of the nature and state of the Applicant Issuer's business and most particularly its ability to effect agreed scheduled interest payments on Debt Securities and the repayment of the principal amount.
- 6.2 The Placing Document and other documentation required for the Listing of Debt Securities in terms of the Debt Listings Requirements must be submitted to 4AX as detailed in the Debt Market Process Document available on the 4AX Website.
- 6.3 Approval for Listing of Debt Securities is subject to the submission to 4AX of all the documents required in terms of these Debt Listings Requirements and such documents as may be requested by 4AX prior to formal approval of the Listing.
- 6.4 No Placing Document is to be made available to the investing community unless 4AX has granted formal written approval as per the Debt Market Process Document. However, circulation of a draft or preliminary Placing Document to Potential Investors, which is clearly marked as such and which states that it has not been approved by 4AX is permitted with the prior written consent of 4AX.
- 6.5 No Placing Document shall bear the words "final" unless such Placing Document has been formally approved by 4AX. A Placing Document must be signed as provided for in these Debt Listings Requirements and a signed copy submitted to 4AX before it is issued to the public.
- 6.6 All Debt Securities to be Listed on 4AX shall be cleared and settled through a CSDP(s) and a CSD or any other system approved by 4AX to perform electronic settlement of funds and dematerialised scrip from time to time. All Applicant Issuers are required to be admitted by a CSD and comply with the central securities depository rules.
- 6.7 To the extent that the performance of an instrument relates to the performance of an Index and / or the calculation thereof, the Index Calculator for Debt Securities must be recognised as such by 4AX and the Index must be approved by 4AX in terms of Schedule 10.
- 6.8 The Placing Document for any Listing must describe the terms and conditions of the issue, including but not limited to provisions with respect to the description of the Debt Securities being offered, interest payments, conversions and redemption dates.
- 6.9 The following is a summary of the requirements for disclosure that must be contained in the Placing Document and / or Pricing Supplement:
- 6.9.1 details of the Applicant Issuer:
- (a) the Applicant Issuer's full name, registration number, date and place of incorporation, street and postal addresses and contact details. If the Applicant Issuer changed its name within the last year, the old name must be printed in bold type under the existing name on the cover and first page;
  - (b) a general description of the business carried or to be carried on by the Applicant Issuer and its Subsidiaries (if any), and where the Applicant Issuer or



its Subsidiaries will carry on two or more businesses that are Material having regard to the profit and losses, assets employed, or to be employed, or any other factor information as to the relative importance of each such business;

- (c) the full names, age and qualifications of the Applicant Issuer's Board;
- (d) the full names of the Applicant Issuer's company secretary (if a Company), and the address of its offices and of the registered office (if a Company). In relation to an Applicant Issuer that is not a Company, full disclosure must be made in relation to the person with corresponding powers and duties;
- (e) the full name, street and postal address of the attorneys, advisers, Auditors, Reporting Accountant, Dealers, Arrangers, Managers, Calculation Agent, Paying Agent, Transfer Secretary, trustees, and representatives, Debt Issuer Agent or Designated Person and other advisers or consultants;
- (f) a description of the Material risk factors of the issue of Debt Securities to such risk factors must be provided (e.g. Securitisation, derivative type issues). The risk factors must not only include matters concerning the business and financial condition of the Applicant Issuer, but also such matters (when applicable) like the absence of an operating history, the absence of profitable operations and future projections;
- (g) details of the legislation under which the New Applicant is incorporated and the legal form which it has adopted under the legislation;
- (h) a statement as to the adherence to the King Code (except for SPVs provided that alternate governance structures are in place), or if not fully compliant, the areas of non-compliance together with the reasons thereto. A Secondary Registered Issuer is required to state which corporate governance codes they comply with (if any); and
- (i) information on any legal or arbitration proceedings, pending or threatened, which have or will have a Material effect on the New Applicant's financial position, or an appropriate negative statement;

#### 6.9.2 terms and conditions to be included in the Placing Document:

- (a) a description of the types of Debt Securities that can be issued under the Placing Document;
- (b) a detailed description of the interest calculation and payment methods applicable to all Debt Securities under (a) above. The Placing Document must also include a statement that the interest amount will be communicated to 4AX and Announced on the 4AX News Service at least 3 Business Days prior to the relevant payment date;
- (c) a detailed description of the repayment and redemption provisions;
- (d) details of covenants including inter alia negative pledge, financial covenants and other covenants;
- (e) details of all possible rankings of the Debt Securities that can be issued under the Placing Documents;
- (f) a description of the events of default including any remedy periods;
- (g) a provision for modification to the Placing Document, Pricing Supplement, terms and conditions of the Debt Securities, the guarantee, security or credit

- enhancement agreement (as applicable); and
- (h) a statement of the law under which the Debt Securities are governed;
- 6.9.3 where the Debt Security to be issued is guaranteed, secured or subject to credit enhancement, the Placing Document must include:
- (a) a description of the effective date, salient terms and conditions of the guarantee, security and / or credit enhancement agreement, as the case may be;
  - (b) the full name, registration number, registered address and general business of the entity providing the guarantee, security and / or credit enhancement;
  - (c) full names of the entities Directors or the person with corresponding powers and duties where the entity is not a company;
  - (d) the financial position of the entity providing the guarantee, security and / or credit enhancement and its ability to meet its commitments under the guarantee;
  - (e) information on any legal or arbitration proceedings, pending or threatened, which have or will have a Material effect on the New Applicant's financial position, or an appropriate negative statement;
  - (f) whether the guarantee, security or credit enhancement is conditional or unconditional and whether revocable or irrevocable;
  - (g) confirmation that the duly executed Board resolution of the guarantor or appropriate legal authority authorising the provision of the guarantee, security document and / or credit enhancement will be available for inspection at the Registered Office of the Applicant Issuer;
  - (h) the effective date of the Security Structure, guarantee, security agreement and / or credit enhancement and mechanism;
  - (i) where a copy of the guarantee, security or credit enhancement agreement can be obtained;
  - (j) the trigger events and the conditions under which payments are made;
  - (k) a requirement for at least 66.67% of Holders of Debt Securities to approve any changes to the guarantee (excluding an amendment concomitant to an increase in the authorised amount) security or credit enhancement;
  - (l) the full names, registered addresses of trustees or of other representatives for the Holders of Debt Securities, their responsibilities and the terms or conditions under which the trustee or representative may be replaced; and
  - (m) a statement that the trust deed or the agreement entered into between the Applicant Issuer and the representative of the Holders of Debt Securities will be available to the public on the Website;
- 6.9.4 a statement regarding whether the Applicant Issuer is required to gross up income payments where there is a withholding tax on the income from the Debt Securities (in the country of origin and South Africa in the case of Listing Debt Securities on 4AX), or a negative statement as well as details of any taxation imposed or levied on the Applicant Issuer as a result of the issue of the Debt Securities as required by law, or a negative statement;

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- 6.9.5 information on any Exchange Control Regulations to be considered that may be relevant to an Investor and if applicable, a statement that exchange control approval has been granted to the Applicant Issuer and a negative statement if exchange control approval is not required;
- 6.9.6 the Financial Information in these Requirements shall either be included in the Placing Document or incorporated by reference. If the guarantor has no operating assets, then this Requirement will not apply;
- 6.9.7 a statement detailing any Material change in the financial or trading position of the Applicant Issuer and its Subsidiaries that has occurred since the end of the last financial period for which either audited annual financial statements or unaudited interim reports have been published and if this disclosure was reviewed and reported on by the Applicant Issuer's Auditors, or an appropriate negative statement;
- 6.9.8 the Reporting Accountant's Report to be included in the Placing Document or incorporated by reference;
- 6.9.9 the document must make provision for at least 66.67% of Holders of a specific class of Debt Securities or all Debt Securities approving changes to the terms and conditions of the Debt Securities as well as the fact that notification of Holders of Debt Securities meetings will be published on the 4AX News Service;
- 6.9.10 the Applicant Issuer must accept full responsibility for the accuracy of the information contained in this Placing Document. The Placing Document must include:
  - (a) the following statement: "The Applicant Issuer certifies that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made as well as that the Placing Document contains all information required by law and the Debt Listings Requirements. The Applicant Issuer hereby accepts full responsibility for the accuracy of the information contained in the Placing Document, Pricing Supplements, the annual financial statements, and / or the Annual Report, and any amendments or supplements to the aforementioned documents, except as otherwise stated therein"; and
  - (b) a limitation of liability provision must be provided in the Placing Document, that 4AX and 4AX Registry take no responsibility for the contents of the Placing Document, Pricing Supplements, and the Annual Report (as amended or restated from time to time) or the amendments to the Annual Report, makes no representation as to the accuracy or completeness of any of the foregoing documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of Placing Document, Pricing Supplements, or the Annual Report (as amended or restated from time to time) or the amendments to the Annual Report. The Applicant Issuer shall accept full responsibility for the accuracy of the information contained in the Placing Document, Pricing Supplements, and the Annual Report or the amendments to the Annual Report, and any amendments or supplements to the aforementioned documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents and 4AX will not be liable for any claim, loss, cost and / or expense of whatsoever nature;
- 6.9.11 a statement that the following documentation shall be available for inspection at the

registered office of the Applicant Issuer for as long as the Placing Document remains registered with 4AX:

- (a) the current Placing Document;
- (b) any supplementary documents published since the current Placing Document was published;
- (c) any Pricing Supplements;
- (d) any document incorporated into the Placing Document by reference;
- (e) the annual and interim financial statements of the Applicant Issuer;
- (f) the annual and interim financial statements of the guarantor, if applicable;
- (g) the constitutional documents of the Applicant Issuer; and
- (h) the guarantee, security and / or credit enhancement agreement, if applicable;

6.9.12 the documentation referred to in Requirement 6.9.11 must also be made available in electronic form on the 4AX Website must be made available on the Applicant Issuer's Website;

6.9.13 the Placing Document must be available to the public via placement of the document on the 4AX Website and the Website at least 5 Business Days before the Listing date of the first Debt Security. If the Applicant Issuer has a Listing on 4AX or any Recognised Exchange, the Placing Document must be available on the 4AX Website and the Website at least 3 Business Days before the Listing of the first Debt Security;

6.9.14 the Placing Document shall:

- (a) in the case where the Applicant Issuer is a Company, be signed by 2 Directors of such Company, or if such Company has only one Director, by that Director and by a duly authorised signatory of such Applicant Issuer;
- (b) in the case where the Applicant Issuer is not subject to the CP Regulations or Securitisation Regulations, be signed by duly authorised senior officials of such Applicant Issuer;
- (c) in the case where the Applicant Issuer is subject to the CP Regulations or Securitisation Regulations, be signed in accordance with the applicable regulation;
- (d) the signatories shall be deemed to have authorised the publication of the Placing Document; and
- (e) every signature to a Placing Document shall be dated, and the latest of such dates shall be deemed to be the date of the Placing Document;

6.9.15 the Offering Circular or Pricing Supplement relating to a specific issue of a Debt Security under a registered Programme Memorandum (or in the case of a Secondary Registered Issuer, the 4AX Supplement) must provide an Investor with enough information including the full terms and conditions of that Debt Security for an Investor to fully understand the product and must include, as a minimum if applicable, the following:

- (a) instrument code;
- (b) Issue Date;
- (c) issue price;
- (d) nominal value;

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- (e) ISIN;
- (f) the type of Debt Security to be issued (e.g. fixed rate note, floating rate note, zero coupon note etc.);
- (g) the date from which interest accrues;
- (h) day and method for interest calculation methodology;
- (i) if several interest rates are provided for, an indication of the conditions that will trigger the changes in the interest rates;
- (j) interest payment dates;
- (k) Coupon rate (limited to three decimals);
- (l) base CPI for linked instruments;
- (m) Last Day to Register;
- (n) books closed period;
- (o) redemption / maturity date and the legal maturity date if different to the maturity date;
- (p) a description of the underlying asset including the identity of the reference entity in the case of a credit linked note;
- (q) value of total notes in issue;
- (r) date of the Placing Document;
- (s) Business Day Convention;
- (t) final amount payable on maturity if different from nominal value;
- (u) whether the instrument is linked to another Listed instrument and the name, code and ISIN of that instrument;
- (v) credit rating for Applicant Issuer, guarantor, Placing Document or debt instrument, if applicable;
- (w) the arrangement for the amortisation of Debt Securities, if applicable, including any repayment procedures and schedules;
- (x) names and addresses of Paying Agents or Calculation Agents and settlement agents;
- (y) events of default;
- (z) capital raising process to be followed;
- (aa) date the credit rating was issued and the date it is up for review;
- (bb) responsibility statement by the Applicant Issuer complying with Requirement 6.9.10;
- (cc) any additional terms not disclosed in the Placing Document;
- (dd) In the case of credit-linked notes:
  - i. the name of the reference entity;
  - ii. the name of the issuing entity of the reference obligation, if applicable;
  - iii. the characteristics and ISIN of the reference obligation, if applicable;

- and
- iv. if the issuing entity of the reference obligation (or if there is no reference obligation, the reference entity):
    - (1) is Listed on 4AX, no additional information needs to be provided;
    - (2) is not Listed on 4AX but is guaranteed, a statement that the financial information of the guarantor will be available on the guarantor's website and the website address must be included; or
    - (3) does not fall within (1) or (2) above, a statement that the financial information of the issuing entity of the reference obligation (or if there is no reference obligation, the reference entity) will be available on the issuing entity's or reference entity's website and the website address must be included;
  - (ee) in the case of Asset-Backed Debt Securities:
    - i. supplementary information on the underlying assets as required by Chapter 7. Applicant Issuers must ensure that the Website addresses where the financial information of the issuing entities of the underlying assets, as referred to in Requirement 7.8.2(k), are included in the Pricing Supplement, Offering Circular or the report produced by Issuers for its Investors; and
    - ii. the Pricing Supplement, Offering Circular or report produced by Issuers for its Investors must indicate if the proceeds of the Debt Security issue will be used to acquire underlying assets and if so, the date on which the assets will be transferred to the Issuer;
  - (ff) any other relevant information including but not limited to exchange control approvals, confirmations or Material change statements;
- 6.9.16 the Applicant Issuer must include a statement in the Pricing Supplement relating to a specific issue of Debt Securities issued under a registered Placing Document (or in the case of a Secondary Registered Issuer, under the 4AX Supplement) that the authorised amount has not been exceeded;
- 6.9.17 the Pricing Supplement shall be signed by a duly authorised signatory, including their name(s) and capacity, of the Applicant Issuer who are deemed to have authorised the publication of the Pricing Supplement;
- 6.9.18 if the Pricing Supplement contains Material amendments to the original Placing Document, such changes must be Announced on the 4AX News Service 2 Business Days before the Issue Date of the Debt Securities;
- 6.9.19 where Asset-Backed Debt Securities are issued under a Placing Document, (or in the case of a Secondary Registered Issuer under the 4AX Supplement) the relevant Pricing Supplements must comprise supplementary information on the underlying assets as required by Chapter 7; and
- 6.9.20 an Applicant Issuer or guarantor of the Applicant Issuer's Debt Securities is not required to use the services of a rating agency. Should the Applicant Issuer or guarantor of the Applicant Issuer's Debt Securities elect to utilise the services of a credit rating agency and formally accepts the rating given to the Applicant Issuer or

guarantor of the Applicant Issuer's Debt Securities, such rating must be included in the Placing Document or the Pricing Supplement.

- 6.10 Government issuing Debt Securities must comply with Chapter 14 and Secondary Registered Issuers are covered under the Express Listing Process provided for under Requirements 6.11 and 6.12.

#### **Express Listing Process**

- 6.11 Secondary Registered Issuers utilising the Express Listing Process must appoint a Debt Issuer Agent or Designated Person, in accordance with Chapter 3, prior to the first submission of its Placing Document.

#### **Secondary Registered Issuers**

- 6.12 To register a Placing Document, Secondary Registered Issuers must comply with the following:

6.12.1 the Secondary Registered Issuer must provide the following documents:

- (a) a signed copy of the Placing Document;
- (b) a copy of the certificate of incorporation or related documents;
- (c) a copy of the resolution of the Board or governing authority of the Secondary Registered Issuer authorising the establishment and registration of the Placing Document;
- (d) a copy of the Secondary Registered Issuer's constitutive documents;
- (e) a signed copy of any applicable guarantee, security or credit enhancement agreement;
- (f) a duly executed resolution of the appropriate legal authority authorising the provision of the guarantee, security and / or credit enhancement;
- (g) confirmation from the CSD that the Secondary Registered Issuer has been authorised as a participant in terms of the CSD rules;
- (h) any trust deed relating to a debenture trustee or bond trustee;
- (i) a copy of the relevant approvals required for the proposed transaction, including but not limited to, approvals from SARB;
- (j) a letter from the Debt Issuer Agent or Designated Person complying with Chapter 4;
- (k) the Reporting Accountant's Report;
- (l) audited financial statements of the Secondary Registered Issuer and / or guarantor (if the guarantor has operating assets) in respect of the previous 3 years; and
- (m) a letter from the legal advisors of the Secondary Registered Issuer that all agreements have been signed; and are legal, valid, binding and enforceable.

6.12.2 any application for amendments to the Placing Document, Pricing Supplement, terms and conditions of the Debt Securities, guarantee, security agreement and / or credit enhancement agreement must be made through a Debt Issuer Agent or Designated Person in accordance with these Requirements.

6.12.3 The 4AX Supplement must contain:

- (a) a statement regarding withholding tax;

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- (b) a Material change statement;
  - (c) a responsibility statement;
  - (d) a limitation of liability statement;
  - (e) a statement that the Placing Document, Pricing Supplements (or equivalent thereof) and the financial statements (including the Annual Report, if produced) of the Secondary Registered Issuer will be available on the Secondary Registered Issuer's Website for the duration that the Secondary Registered Issuer has Debt Securities Listed on 4AX;
  - (f) if the Debt Securities are guaranteed, a statement that the guarantor's financial statements will be available at the Secondary Registered Issuer's registered office; and
  - (g) if there is a pro-forma Pricing Supplement (or the equivalent thereof) included in the Prospectus, the necessary amendments thereto as an annexure or incorporated by reference, the Prospectus.
- 6.12.4 4AX will accept the Financial Information of the Secondary Registered Issuer, if it is prepared in accordance with IFRS or such other accounting frameworks acceptable to 4AX as determined in consultation with the Registrar.
- 6.12.5 The signed Placing Document must be available on the Secondary Registered Issuer's and 4AX Website at least 2 Business Days before the Issue Date of the first Debt Security.
- 6.12.6 Prior to the Listing of a Debt Security, a Secondary Registered Issuer must submit to 4AX, via its Debt Issuer Agent or Designated Person, its applicable Pricing Supplement (or equivalent thereof) for approval of the applicable Pricing Supplement which must comply with Requirements 6.9.4, 6.9.10, 6.9.15, 6.9.16, 6.9.17 and 6.9.20.
- 6.12.7 The Secondary Registered Issuer can only List Debt Securities denominated in South African Rands or such other currency as the 4AX may determine.
- 6.12.8 The signed Pricing Supplement must be available for inspection at the Secondary Registered Issuer's registered office, its Website and on the 4AX Website at least 1 Business Day before the Issue Date of the Debt Security.



## CHAPTER 7: SPECIALIST DEBT SECURITIES AND / OR ENTITIES

### Securitisations

This Chapter governs the disclosure requirements for a Securitisation regulated in terms of the Securitisation Regulations which differ from CP Regulations transactions.

- 7.1 Due to the complex nature of Securitisations, 4AX should be consulted at an early stage.
- 7.2 The Placing Document or Pricing Supplement published in connection with the issue of Debt Securities in a Securitisation must, over and above those requirements in Chapter 6, include the following additional information:
- 7.2.1 A general description of the underlying assets / rights to the Securitisation, specifying at least the following, where relevant:
- (a) the legal jurisdiction(s) where the assets are located;
  - (b) the title / recourse to the assets;
  - (c) the eligibility criteria for the selection of the assets which must be fully disclosed in the Placing Document and any amendment to the eligibility will require noteholder approval in accordance with the amendment requirements under Requirement 11.21;
  - (d) the number and value of the assets in the portfolio assets or asset pool;
  - (e) the seasoning of the assets;
  - (f) the level of collateralisation;
  - (g) rights of the Applicant Issuer or seller or Originator of the assets to substitute the assets and the qualifying criteria;
  - (h) the treatment of early amortisation or pre-payment of the assets; and
  - (i) the general characteristics and descriptions of the underlying assets.
- 7.2.2 Details on the following:
- (a) 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 of the Originator or seller of the assets;
  - (b) a description of the structure and a flow diagram of the structure;
  - (c) an explanation of the flow of funds stating:
    - (i.) how often payments are collected in respect of the underlying assets;
    - (ii.) all fees payable by the Applicant Issuer;
    - (iii.) the order of priority of payments made by the Applicant Issuer;
    - (iv.) details of any other arrangements upon which payment of interest and principal to Holders of Debt Securities are dependent;
    - (v.) an indication of where potential Material liquidity shortfalls may occur and mitigating factors to cover potential shortfalls;
  - (d) information regarding the accumulation of surpluses in the Applicant Issuer and an indication of the investment criteria for the investment of any liquidity surpluses;

## 4AX DEBT LISTING REQUIREMENTS

- (e) details of any interest held in Debt Securities by the Originator;
- (f) the name, address, description and Material business activities of the Originator or the seller of the of the underlying assets to the Securitisation, as applicable; and
- (g) the name, address, description and Material business activities and a summary of the Servicing Agent’s responsibilities and the provisions relating to the appointment and removal of the Servicing Agent and back-up Servicing Agent.

7.3 The additional information listed in Requirements 7.2.1 and 7.2.2 can be included in an Investor report, provided that the Website address (where the report will be available) must be included in the Placing Document or Pricing Supplement and such Investor Report must be made available on the relevant Website by no later than the Issue Date.

### CP Regulations

7.4 Due to the complex nature of these transactions, 4AX should be consulted at an early stage.

7.5 The Placing Document or Pricing Supplement published in connection with the issue of Debt Securities in a CP Regulations transaction must, over and above those requirements in Chapter 6, include the following additional information:

7.5.1 All information under Requirements 7.2, mutatis mutandis. The additional information listed in Requirements 7.2.1(d), 7.2.1(e), 7.2.1(f), 7.2.1(i) and 7.2.2(c)(i.) can be included in an Investor report, provided that the Website address (where the report will be available) must be included in the Placing Document or Pricing Supplement and such Investor report must also be made available on the relevant Website by no later than the Issue Date.

7.5.2 The names and addresses and brief description of:

- (a) the provider(s) of Material forms of credit enhancement and details of the credit enhancement; and
- (b) and the providers of liquidity facilities and details of the liquidity facility.

### Other Asset-Backed Debt Securities

7.6 Requirements 7.6 to 7.12 of Chapter 7 covers the disclosure requirements for all Asset-Backed Debt Securities not covered under the Securitisation or CP Regulations transactions.

7.7 Due to the complex nature of these type of transactions, 4AX should be consulted at an early stage.

7.8 For Asset-Backed Debt Securities with Debt Securities as the underlying instruments, the Placing Document or Pricing Supplement published in connection with the issue of these Debt Securities must, in addition to the information required under Chapter 6, include the following additional information where applicable:

7.8.1 all the information required under Requirements 7.2.1(a) to (d); (g) and (h) and 7.2.2. The additional information listed in Requirements 7.2.1(d) and 7.2.2(c)(i.) can be included in an Investor report, provided that the Website address (where the report will be available) must be included in the Placing Document or Pricing Supplement and such Investor report must also be made available on the relevant Website by no later than the Issue Date.

7.8.2 for each underlying asset that accounts for 10% or greater of the total value of the underlying assets, the following must be disclosed:

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- (a) the name of the obligor;
- (b) the maturity date;
- (c) the interest rate earned;
- (d) payment periods;
- (e) whether the asset is amortised;
- (f) the nominal value;
- (g) the financial year end of the obligor;
- (h) information on any Physical Assets which the Financial Asset is related;
- (i) details of the guarantor of any of the Physical Assets;
- (j) the website address where the financial information of the obligor of the underlying assets can be obtained; and
- (k) if the issuing entity of the underlying asset:
  - a. is Listed on 4AX, a statement must be included that the financial information of such entity will be available on such entity's website or a third party's website (e.g. the arranger's website). If available on a third party's website, then such website address must be included;
  - b. is not Listed on 4AX but is listed on another exchange and has its financial information available on its or a third party's website, a statement must be included that the financial information of such entity will be available on such entity's website or a third party's website and the website address must be included; or
  - c. is not Listed on 4AX but is guaranteed and the guarantee complies with the following provisions:
    - i. the guarantee is an irrevocable, unconditional guarantee, with the guarantor(s) being jointly and severally liable for the issuing entity's obligations in terms of the underlying assets;
    - ii. the guarantee is an irrevocable, unconditional guarantee with the guarantor(s) being jointly and severally liable for the punctual performance by the issuing entity of its obligations e.g. amount due on interest and nominal;
    - iii. the guarantee states that the guarantor(s) shall immediately on written demand pay the amount due by the issuing entity as if it was the principle obligor; and
    - iv. the guarantee states that guarantor(s) will immediately pay on written demand any amount due but not paid by the issuing entity in terms of its obligations with no waiting period,

then the financial information of the issuing entity can be replaced by the financial information of the guarantor. The Applicant Issuer must confirm to 4AX that the guarantee complies with the above provisions and that the process to

- enforce the guarantee is seamless and with no waiting period. A statement must be included in the Placing Document, Pricing Supplement or the report produced by Issuers for its Investors that the guarantee will be made available at the registered address of the Applicant Issuer and the financial information of the guarantor will be available on the guarantor's website or a third party's website and such website address must be included; or
- d. if the issuing entity of the underlying asset is not listed on any exchange or guaranteed, a statement must be included that the financial information of such entity will be available on the Issuer's or a third party's website and such website address must be included;
- 7.8.3 where there are no underlying assets which comprise more than 10% of the total value of the underlying assets, the general characteristics and description of the underlying assets;
- 7.8.4 the weighted average time to maturity;
- 7.8.5 the weighted average interest rate unless there is only a single underlying asset, in which case the interest cover ratio must be provided; and
- 7.8.6 where the underlying assets have been rated, the relevant credit rating.
- 7.9 For Asset-Backed Debt Securities with Equity Securities as the underlying instruments, such Debt Securities must comply with Requirements 7.10 and 7.11 below.
- 7.10 The Asset-Backed Debt Securities must:
- 7.10.1 be Listed on 4AX or a Recognised Exchange approved to by 4AX;
- 7.10.2 have underlying assets which are minority interests and must not confer legal or management control of the listed companies; and
- 7.10.3 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 listed company related to such asset must be publicly available.
- 7.11 The following information, where applicable, must be disclosed in either the Placing Document or Pricing Supplement in addition to the information required under Chapter 6. This additional information which can be included in an Investor report or the Website address must be included in the Placing Document or Pricing Supplement, and the Investor report must be available on the Website by no later than the Issue Date:
- 7.11.1 details of the underlying assets, including but not limited to the following (which additional information listed in Requirements 7.11.1(a) to (e) can be included in an Investor report, provided that the Website address (where such report will be available) must be included in the Placing Document or Pricing Supplement and such Investor report must also be made available on the relevant Website by no later than the Issue Date):
- (a) the number of assets held;
- (b) total market value of the assets and if different to the total market value, total costs or projected costs of the assets;
- (c) historical financial performance of the assets for the past 12 months;

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- (d) the information required under Requirements 7.2.1(a) to (c) and (g);
- (e) for each of the assets which comprise 10% or more of the total value of the underlying asset the following needs to be included for listed companies:
  - (i.) the name and ISIN;
  - (ii.) the financial year-end;
  - (iii.) the exchange it is listed on;
  - (iv.) the percentage held in proportion to the Company's total issued share capital;
  - (v.) the market value of the equity held (at the last practical date prior to finalisation of the Placing Document);
  - (vi.) the cost of the assets or projected cost; and
  - (vii.) the website address where the financial information of the obligor of the underlying assets is made available to the public;
- 7.11.2 all information required under Requirements 7.2.2(b) to (d), (f) and (g);
- 7.11.3 the dividend or interest payment policy;
- 7.11.4 how corporate actions in the underlying asset(s) or affecting the underlying assets will influence the rights of the Holders of Debt Securities; and
- 7.11.5 whether the Holders of Debt Securities will receive any distributions receivable on the underlying asset(s) and the frequency thereof.
- 7.12 For Asset-Backed Debt Securities with both Debt Securities and Equity Securities as underlying assets:
  - 7.12.1 The Applicant Issuer of Asset-Backed Debt Securities must make an Announcement on the 4AX News Service where the financial information of the individual obligors of the underlying assets can be obtained, if the value of a single underlying asset represents 10% or more of the total underlying asset or if it is a single underlying asset. The Announcement must be made as soon as the financial information becomes available, but not more than 6 months after the obligor's financial year-end. The financial information of the guarantor of the obligor can be substituted providing:
    - (i.) the guarantor has issued an irrevocable and unconditional guarantee being jointly and severally liable for the obligor's obligations and prompt performance in terms of the underlying assets and Placing Document;
    - (ii.) the guarantor shall immediately pay on demand the amounts due by the obligor as if it were the principle obligor;
    - (iii.) the guarantor has contracted that it will immediately meet the obligations of the obligor and that the guarantee is seamless with no waiting period;
    - (iv.) the Applicant Issuer must confirm to 4AX that the guarantee complies with (i) to (iii) above; and
    - (v.) the guarantee must be made available on the Website.

## CHAPTER 8: APPLICATION PROCEDURES AND REQUIREMENTS

### General

- 8.1 Debt Securities are admitted to the List when the decision of 4AX to admit the Debt Securities to Listing:
  - 8.1.1 has been communicated to the Applicant Issuer; and
  - 8.1.2 has been Announced on the 4AX News Service which is required Immediately after notification to the Applicant Issuer.
  - 8.1.3 Dealings in such newly Listed Debt Securities shall however only commence upon the happening of the following events:
    - 8.1.3.1 the issue of the Placing Documents (when Placing Documents are required) within such time after the admission of the Debt Securities as may be determined after consultation with 4AX, provided the approval from 4AX has been obtained; and
    - 8.1.3.2 the fulfilment of all conditions precedent to the issue of the Debt Securities (e.g. the approval of all relevant resolutions at the Applicant Issuer's meeting of Holders of Debt Securities or obtaining any necessary authorisations and / or regulatory consents).
- 8.2 4AX will not, save in exceptional circumstances, admit Debt Securities to Listing until each of the application documents referred to in Requirement 8.10 has been lodged. Failure to comply with Requirement 8.10 may result in delayed consideration of the application by 4AX.
- 8.3 Where any document is amended after the initial submission, further copies must be submitted to 4AX (in the same manner as the original document was submitted) for approval, marked in the margin to indicate the amendments made to conform to any comments previously made by 4AX, any other amendments and indicating where the relevant items from Chapter 6 have been met.
- 8.4 No Material amendment to the final proof of the Placing Documents will be allowed without the prior written consent of 4AX.
- 8.5 Placing Documents or supplementary Placing Documents must not be issued until they have received the approval of 4AX. However, circulation of a draft or preliminary Placing Document, which is clearly marked as such and which states that it has not been approved by 4AX is permitted with the prior written consent of 4AX.
- 8.6 Applicant Issuers are reminded that these requirements are not exhaustive and that an Applicant Issuer for Listing must also supply any further documents and information which 4AX may require in a particular case.

### Application procedure

- 8.7 An Applicant Issuer wishing to apply for the registration of a Placing Document / Listing of any of its Debt Securities must file through its Debt Issuer Agent or Designated Person with the IRD a draft formal application for Listing in the form set out in Schedule 1 and the Initial Application Documents as set in Requirement 8.10 below.
- 8.8 An application for Listing made in accordance with Requirement 8.7 shall be considered initially by the IRD which shall then advise the IRC of the eligibility and suitability of the Applicant Issuer for Listing.
- 8.9 4AX will notify the Applicant Issuer of the date on which the IRC hearing will be held. The Applicant Issuer must lodge with 4AX no later than midday at least 5 Business Days prior to the

date of the IRC hearing the final application documents set out below in Requirement 8.11.

### **Initial application documents**

8.10 The following documents (the "Initial Application Documents") are to be reviewed by the IRD. The Initial Application Documents must be submitted to the IRD at the same time as the draft formal application for Listing is submitted to the IRD under Requirement 8.7 above. The Initial Application Documents comprise:

- 8.10.1 the draft Placing Documents, Pricing Supplement, the terms and conditions of the Debt Securities guarantee, security agreement and / or credit enhancement, marked in the margin to indicate where the relevant items from Chapter 6 have been met;
- 8.10.2 an up to date copy of the MOI in compliance with Requirement 5.13, or confirmation that the MOI had been previously submitted to 4AX in the case of a Listed Issuer and that such MOI is unchanged;
- 8.10.3 a draft of the formal notice to Holders of Debt Securities requesting approval of the amendments, where applicable;
- 8.10.4 a draft of any application form to subscribe or purchase the Debt Securities for which Listing is sought, if applicable;
- 8.10.5 where the Placing Documents contain a Reporting Accountant's Report, a copy of a draft of any statement of adjustments relating to the Reporting Accountant's Report;
- 8.10.6 the non-applicability letter (see Requirement 9.10);
- 8.10.7 the omitted information letter (see Requirement 9.12);
- 8.10.8 in the case of a New Applicant, the Annual Report for each of the financial years for the period covered by the accounts in Requirement 5.17.1, and any interim (semi-annual) accounts made up since the date to which the last Annual Report was made up;
- 8.10.9 in the case of a New Applicant, the additional information as required in Requirement 9.7.3;
- 8.10.10 in the case of a New Applicant, the certificate of incorporation, or similar registration document if incorporated outside of South Africa, certified by the Company Secretary as being a true copy of the documents issued by the relevant authority;
- 8.10.11 a certified copy of the resolution(s) of the Board or other governing authority of the Applicant Issuer authorising the establishment and registration of a Placing Document and issue of such Debt Securities, the application for Listing in the form set out in Schedule 1 and the signing of the Listing Undertaking and approving and authorising the issue of the Placing Documents; and
- 8.10.12 a duly executed resolution of the appropriate legal authority authorising the amendment to the guarantee, security and / or credit enhancement, if applicable.

### **Final application documents**

8.11 The following documents ("Final Application Documents") must be lodged in final form with the IRD by no later than midday at least 5 Business Days prior to the date of the IRC hearing:

- 8.11.1 a formal application for Listing in the form set out in Schedule 1 signed by a duly authorised officer of the Applicant Issuer;
- 8.11.2 a Listing Undertaking in the form set out in Schedule 4 duly signed for and on behalf of the Applicant Issuer, unless previously supplied in the case of a Listed Applicant

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- Issuer;
- 8.11.3 a declaration in the appropriate form (see Schedule 2), signed by the Debt Issuer Agent or Designated Person;
  - 8.11.4 the final proof of the Placing Documents relating to the issue, satisfying all relevant requirements for the context of such a document together with, where applicable, a copy of any notice of meeting referred to in such document. The Placing Documents must be signed and dated by a Director of the Applicant Issuer;
  - 8.11.5 the final proof of any application form to subscribe or purchase Debt Securities for which Listing is sought, if applicable;
  - 8.11.6 a certified copy of the resolution(s) of the Board or other governing authority of the Applicant Issuer authorising the establishment and registration of a Placing Document and issue of such Debt Securities, the application for Listing in the form set out in Schedule 1 and approving and authorising the issue of the Placing Documents;
  - 8.11.7 a copy of the certificates of incorporation and / or equivalent document of the Applicant Issuer;
  - 8.11.8 a copy of the MOI or equivalent constitutive documents;
  - 8.11.9 a copy of the applicable guarantee, security or credit enhancement agreement pertaining to the Debt Security;
  - 8.11.10 a resolution of the appropriate legal authority, authorising the provision of the guarantee, security and / or credit enhancement;
  - 8.11.11 confirmation from the CSDP that the Applicant Issuer has an account with the CSDP;
  - 8.11.12 any trust deed relating to the Debt Securities (debenture or bond trustee);
  - 8.11.13 where the Applicant Issuer is registering a Placing Document in respect of a SARB Regulated Securitisation, approval from SARB of the Securitisation;
  - 8.11.14 approval from SARB where the Applicant Issuer is incorporated or domiciled outside of the Common Monetary Area as well as any applicable exchange control approvals;
  - 8.11.15 written confirmation from the trustee or relevant party holding the guarantee or other security that the guarantee is in its possession;
  - 8.11.16 the Reporting Accountant's Report of the Applicant Issuer and / or the Guarantor (where applicable and subject to Requirements 5.17 and 6.9.6) for the past 3 financial years and any statement of adjustments relating to the Reporting Accountant's Report, where applicable, or such shorter period as agreed by 4AX or where the Applicant Issuer does not have 3 years financial history, a profit forecast for 3 years. If more than 9 months have lapsed since the New Applicant's financial year-end, reviewed interim financial statements for the New Applicant must be submitted;
  - 8.11.17 in the case of a transaction, falling within the ambit of any of the CP Regulations, Securitisation Regulations or other Asset-Backed Debt Securities, the letter from the Applicant Issuer as required by Requirement 7.12.1; and
  - 8.11.18 such other documentation as may be required by 4AX.
- 8.12 Where a certified copy of an Applicant Issuer's Board resolution (see Requirement 8.11.6) is not available for lodging at least 5 Business Days prior to the intended Announcement date of the Placing Documents, such resolution or resolutions will be required to be delivered to the IRD as soon as is practicable thereafter but not later than 15 Business Days.



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8.13 Dealings in Debt Securities can only commence after the Placing Documents as approved by 4AX have been Announced on the 4AX News Service.

### **Express Listing Process**

8.14 In the case of Secondary Registered Issuer utilising the Express Listing Process, the following documents must be lodged with the IRD:

- 8.14.1 a letter from an overseas Recognised Exchange, any competent authority or equivalent body which regulates it confirming compliance by the Secondary Registered Issuer with overseas Recognised Exchange's requirements;
- 8.14.2 a completed Schedule 6 letter, including confirmation that the Secondary Registered Issuer has appointed a settlement agent;
- 8.14.3 a resolution by the Board (or appropriate authorised officials) of the Secondary Registered Issuer, including the authority for the issue of Debt Securities in South Africa;
- 8.14.4 approval from SARB (if exchange control approval will only be provided on issuance, a letter from the Secondary Registered Issuer stating such fact and exchange control approval must then be provided when applying to List a Debt Security on 4AX);
- 8.14.5 the Prospectus;
- 8.14.6 the 4AX Supplement; and
- 8.14.7 the latest audited annual financial statements of the Secondary Registered Issuer prepared within the accounting frameworks listed in Requirement 6.12.4 (if more than 9 months have elapsed since the last financial year-end, reviewed interim financial statements must be submitted).

## CHAPTER 9: PLACING DOCUMENTS

### Introduction

- 9.1 This Chapter sets out the requirements relating to Placing Documents. Additional and alternative requirements relating to Placing Documents are set out in Requirements 6.11 to 6.12 dealing with Secondary Registered Issuers.
- 9.2 Applicant Issuers are reminded that Placing Documents which also serve as a Prospectus within the meaning of the Companies Act must also comply with and be filed and registered in accordance with the Companies Act.
- 9.3 Applicant Issuers should note that they are required to confirm in their application that all requisite information has been included in the Placing Documents or will be included before the final version is submitted for review (see Schedule 4).

### Requirement for Placing Documents

- 9.4 When an Applicant Issuer applies for Listing of its Debt Securities it must publish Placing Documents, save as provided in Requirements 9.18 (issues not requiring Placing Documents) and 5.12.

### Responsibility

- 9.5 The Placing Documents and any supplementary Placing Documents must include a statement in the form set out in Requirement 6.9.10, modified as required pursuant to Requirement 9.6.
- 9.6 In cases where the Directors of the Applicant Issuer are responsible for only part of the Placing Documents and the Directors of another company being responsible for the remainder, a responsibility statement as per Requirement 6.9.10 would be required from Directors in respect of their respective companies. In exceptional cases, 4AX may require either Persons to give, or join in, the responsibility statement, in which case the statement must be adapted accordingly.

### Form and content

- 9.7 The Placing Documents must contain:
  - 9.7.1 All the specific items of information set out in Chapter 3 (according to the nature and circumstances of the Applicant Issuer and the type of Debt Security);
  - 9.7.2 Such other particulars and information which, according to the particular nature of the Applicant Issuer and the Debt Securities for which Listing is sought, is necessary to enable an Investor to make an informed assessment of the activities, assets and liabilities, financial position, management, prospects, and the profits and losses of the Applicant Issuer and of the rights attaching to such Debt Securities; and
  - 9.7.3 Any additional information required by 4AX as a special condition pursuant to Requirement 3.19.
- 9.8 A Reporting Accountant's Report on the Applicant Issuer's preceding 3 financial years (subject to Requirement 5.17) must be incorporated into the Placing Documents whenever Placing Documents are required .
- 9.9 There is no prescribed format for Placing Documents except that:
  - 9.9.1 4AX may require that prominence be given in the Placing Documents to important information in such manner as it considers appropriate; and
  - 9.9.2 illustrations of a pictorial or graphic nature may be included provided that such illustrations are not misleading or likely to mislead in the form and context in which they are included.

## 4AX DEBT LISTING REQUIREMENTS

### Omission of information

- 9.10 If any information required by Requirement 9.7.1 is not applicable and no equivalent information is available, it need not be included in the Placing Documents provided that 4AX is informed of this in writing.
- 9.11 4AX may authorise the omission of information which is applicable if it considers that:
- 9.11.1 the information is of minor importance only and not such as will influence assessment of the assets and liabilities, financial position, profits and losses and prospects of the Applicant Issuer;
  - 9.11.2 disclosure would detrimentally affect the information needs of the market, namely that the inclusion of the information would not be Material to an Investor's decision to invest and its inclusion would be likely to distort and mislead in relation to matters which are required to be disclosed; or
  - 9.11.3 disclosure would be seriously detrimental to the Applicant Issuer or a third party with whom the Applicant Issuer has a relationship and omission is not likely to mislead Investors with regard to facts and circumstances, knowledge of which is essential for the assessment of the Debt Securities in question.
- 9.12 Requests to 4AX to authorise any omission of information must:
- 9.12.1 be in writing from the Debt Issuer Agent or Designated Person;
  - 9.12.2 clearly identify the information concerned and the reasons for the omission;
  - 9.12.3 state why in the opinion of the Applicant Issuer one or more of the grounds in Requirement 9.11 applies; and
  - 9.12.4 confirm that notwithstanding the omission, the Placing Documents comply with the Companies Act and the FMA to the extent required.

### Formal approval

- 9.13 Placing Documents must be formally approved by the IRC. Such approval will only be given if the IRC considers that the information in the Placing Documents is complete. Applicant Issuers must confirm in the application for Listing (see Schedule 1) that the Placing Documents contain all information required by Requirement 9.7 or will contain all such information by the time that the final version is submitted for formal approval.

### Supplementary Placing Documents

- 9.14 4AX must be advised Immediately when supplementary Placing Documents are prepared if, at any time after the Placing Documents have been formally approved by the IRC and before Dealings in the relevant Debt Securities commence, the Applicant Issuer becomes aware that:
- 9.14.1 there has been a Material change affecting any matter contained in the Placing Documents; or
  - 9.14.2 a Material new matter has arisen, the inclusion of information in respect of which would have been required to be mentioned in the Placing Documents if it had arisen at the time of initial preparation.
- 9.15 Supplementary Placing Documents must:
- 9.15.1 give details of the change or new matter;
  - 9.15.2 contain the statement required by Requirement 9.5;
  - 9.15.3 contain a statement that, save as disclosed, there has been no Material change and

## 4AX DEBT LISTING REQUIREMENTS

no Material new matter has arisen since the Announcement of the previous Placing Documents on the 4AX News Service; and

9.15.4 be approved by 4AX prior to issue.

### **Profit Forecasts**

9.16 Placing Documents must not contain reference (general or particular) to future profits or contain distribution forecasts based on an assumed future level of profit unless supported by formal profit forecasts. Distribution forecasts not based on assumed future profits (e.g. distribution forecasts based on retained reserves) are not subject to this Requirement.

9.17 As required by Requirement 9.16 where a profit forecast appears in any Placing Documents, the principal assumptions upon which it is based must be stated. These assumptions must relate only to uncertain matters which are outside the control of the Directors and which could have a Material effect on the achievement of the forecast and must:

9.17.1 be readily understandable by Investors;

9.17.2 be specific about the particular aspect of the forecast to which they refer and about the uncertainty attaching to that aspect;

9.17.3 not include the business estimates underlying the forecasts; and

9.17.4 be prepared in accordance with the SAICA Guide on Profit forecasts.

### **Previously published documents**

9.18 4AX may exempt Listed Applicant Issuers wholly or partially from the obligation to publish Placing Documents, where:

9.18.1 Application is made for admission of Debt Securities all or part of which have been:

9.18.1.1 the subject of a public issue;

9.18.1.2 issued in connection with a takeover offer; or

9.18.1.3 issued in connection with a merger involving the acquisition of another Company or the formation of a new Company, the division of a Company, the transfer of all or part of an undertaking's assets and liabilities or as consideration for the transfer of assets other than cash; and

9.18.2 not more than 12 months before admission of the Debt Securities, a document ("Relevant Document") has been published in South Africa containing, in the opinion of 4AX, equivalent information to that which would otherwise be required to be included in Placing Documents by 4AX.

9.19 Where exemption is given under Requirement 9.18, the following information must be Announced on the 4AX News Service, in Placing Documents if the exemption is partial or if the exemption is total:

9.19.1 details of any Material changes which have occurred since the date of the relevant document or an appropriate negative statement;

9.19.2 a statement that application has been made for Listing of the Debt Securities specifying the number and class of the Debt Securities in question; and

9.19.3 a declaration by the Directors as to their responsibility for the information required by this Requirement and contained in the relevant document.

9.20 The FSCA shall be informed accordingly.

9.21 The information specified in Requirement 9.19 (if not comprised in Placing Documents) must be

## 4AX DEBT LISTING REQUIREMENTS

Announced on the 4AX News Service in accordance with Chapter 10.

## CHAPTER 10: PUBLICATION REQUIREMENTS

### Introduction

- 10.1 This Chapter sets out the procedure for the Announcement on the 4AX News Service, publication and circulation of Placing Documents and supplementary Placing Documents. Additional requirements in relation to Secondary Registered Issuers are contained in Requirements 11.51 to 11.58.
- 10.2 No Placing Documents or supplementary Placing Documents may be Announced on the 4AX News Service except in accordance with the requirements relating to the approval in Requirement 8.
- 10.3 No formal notice may be Announced on the 4AX News Service until it has received the written approval of 4AX.

### Placing Documents and Formal Notices

- 10.4 The salient features of the Placing Documents and a separate formal notice complying with Requirement 10.5 must be Announced on the 4AX News Service. For the purposes of these Requirements, the salient features of Placing Documents must be Announced on the 4AX News Service pursuant to Requirement 8.
- 10.5 A formal notice must state at least the following:
  - 10.5.1 the name and country of incorporation or other establishment of the Applicant Issuer;
  - 10.5.2 the amount and title of the Debt Securities for which Listing is sought;
  - 10.5.3 the address in South Africa, acceptable to 4AX, at which copies of the Placing Documents are available to the public for inspection;
  - 10.5.4 the date of Announcement on the 4AX News Service;
  - 10.5.5 a statement that application has been made to 4AX for Listing of the Debt Securities;
  - 10.5.6 a statement that the formal notice appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for Debt Securities and that applications will only be considered on the basis of the Placing Documents and Prospectus (where it is not incorporated into the Placing Documents);
  - 10.5.7 the date upon which Dealings in the Debt Securities are expected to commence;
  - 10.5.8 the name of the guarantor, if applicable; and
  - 10.5.9 the name and address of the Debt Issuer Agent or Designated Person.
- 10.6 Applicant Issuers are reminded of the Prospectus requirements of the Companies Act.
- 10.7 In all cases where a formal notice is Announced on the 4AX News Service, it must contain the details as set out in Requirement 10.5 and be approved by 4AX prior to publication.

### Supplementary Placing Documents

- 10.8 Supplementary Placing Documents must be Announced on the 4AX News Service as set out in Requirement 10.4. Debt Securities in respect of which the Application is made will normally only be admitted following the publication of such Announcement.

## CHAPTER 11: CONTINUING LISTING OBLIGATIONS

### Introduction

- 11.1 This Chapter sets out the continuing obligations which a Listed Applicant Issuer is required to observe pursuant to its Listing Undertaking and as a condition of having any of its Debt Securities admitted to Listing. Observance of the continuing obligations is essential to the maintenance of an orderly market and to ensure all users have simultaneous access to the same information. Additional continuing obligations are set out in Chapters 3, 11, 12 and 13 Chapter 11, in particular, deals with the continuing financial reporting obligations of the Applicant Issuer. Continuing obligations differ according to the nature of the Debt Securities for which Listing has been granted. Additional and alternative requirements relating to the continuing obligations of Secondary Registered Issuers apply. Applicant Issuers are also reminded of their disclosure obligations in terms of the Companies Act, to the extent applicable.
- 11.2 It is a prerequisite of Listing that an Applicant Issuer executes a Listing Undertaking in the form set out in Schedule 4, in order to comply with these Debt Listing Requirements, and in particular with all relevant continuing obligations. Failure of an Applicant Issuer to comply with any applicable continuing obligation may result in 4AX taking any or all of the steps described in Chapter 3.
- 11.3 An Issuer must on an ongoing basis comply with the Requirements imposed upon it, unless otherwise provided for in these Requirements.

### General obligation of disclosure for Applicant Issuers

- 11.4 Generally, and apart from compliance with all the specific requirements of these Debt Listing Requirements, the Applicant Issuer shall keep 4AX, Holders of Debt Securities and the market informed Immediately, of any information relating to the Debt Securities and / or the Applicant Issuer which:
- 11.4.1 has not been Announced on the 4AX News Service;
  - 11.4.2 is necessary to enable 4AX and the public to appraise the position of the Applicant Issuer;
  - 11.4.3 may reasonably be expected Materially to affect market activity in or the price of its Debt Securities; or
  - 11.4.4 is necessary to achieve one or more of the objects of section 2 of the FMA.
- 11.5 The Directors of the Applicant Issuer must take reasonable care to ensure that any information Announced on the 4AX News Service under these Debt Listing Requirements is not misleading, false or deceptive and does not omit anything likely to affect the import of such information.
- 11.6 Information that is required to be disseminated pursuant to Requirement 11.4 must be Announced on the 4AX News Service Immediately. Information that is required to be disseminated pursuant to Requirement 11.4 must not be given to a third party before it is Announced on the 4AX News Service, except as permitted in this Requirement. An Applicant Issuer may give information in strict confidence to its advisers, printers and to Persons with whom it is negotiating with a view to effecting a transaction or raising finance, which Persons may also include prospective guarantors of an issue of Debt Securities, providers of funds or loans not previously taken up by Holders of Debt Securities. In such cases, the Applicant Issuer must advise the recipients of such information that it is confidential, that they have become “insiders” in terms of the FMA, and that they should not deal in the Applicant Issuer’s Debt Securities before the information has been Announced on the 4AX News Service. If any breach of confidentiality occurs, such information must be Announced on the 4AX News Service Immediately.

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- 11.7 Where information that is required to be disseminated pursuant to Requirement 11.4 cannot be Announced on the 4AX News Service, the Applicant Issuer must make a cautionary Announcement on the 4AX News Service and advising caution when Dealing in its Debt Securities.
- 11.8 When a cautionary Announcement has been made on the 4AX News Service, the Applicant Issuer shall Announce on the 4AX News Service:
- 11.8.1 progress being made in respect of the subject matter of such cautionary Announcement and whether the Applicant Issuer has, as soon as the uncertainty has been removed but not later than 30 Days after the cautionary Announcement or 30 Days after the latest progress Announcement made in terms of this Requirement;
  - 11.8.2 the withdrawal of such cautionary Announcement when either all information required to be disseminated pursuant to Requirement 11.4 has been Announced or the cautionary Announcement is no longer of any relevance and caution is no longer required in Dealing with the Applicant Issuer's Debt Securities.
- 11.9 An Applicant Issuer whose Debt Securities are Listed on 4AX and on a Recognised Exchange must ensure that equivalent information is Announced on the 4AX News Service at the same time as it is available on such Recognised Exchange.
- 11.10 An Applicant Issuer that has been granted a Listing of Debt Securities shall within 3 months, and if applicable, any guarantor in respect of such Listing within 4 months, of the end of every financial year submit its audited annual financial statements to 4AX. Quasi-governmental entities (most commonly provincial and local authorities / municipalities and state-owned entities) shall within 7 months after the end of every financial year submit its audited annual financial statements to 4AX. Where interim financial statements are prepared, they must be submitted to 4AX within 3 months of the end of the period to which they relate. The Applicant Issuer and the guarantor must publish a notice of availability Announcement on the 4AX News Service stating when and where such Financial Information will be available for inspection.
- 11.11 In the case of Specialist Debt Securities / Entities, the Applicant Issuer shall submit within 6 months of every financial year its audited annual financial statements to 4AX (or at such intervals and in respect of such periods as 4AX may determine).
- 11.11.1 The following procedure shall apply to an Applicant Issuer or any guarantor that fails to comply with Requirement 11.10 or if applicable, Requirement 11.11 above:
  - 11.11.2 3 months or, in respect of Quasi-Governmental Entities 6 months, after the Applicant Issuer's financial year end, 4AX will send to the Applicant Issuer a letter of reminder, advising that the Applicant Issuer still has 1 month within which to submit its annual financial statements, failing which the registration of the Applicant Issuer's Programme Memorandum or, in the case of a Secondary Registered Issuer, the 4AX Supplement and the Listing of the relevant Applicant Issuer's Debt Securities (if applicable) may be suspended until such time as the annual financial statements have been submitted;
  - 11.11.3 if the Applicant Issuer has not complied with Requirement 11.10 or if applicable Requirement 11.11 above by the end of the 4th month or, in respect of Quasi-Governmental Entities the end of the 7th month, 4AX will release an Announcement on the 4AX News Service, informing Holders of Debt Securities that the Applicant Issuer has not submitted its annual financial statements and cautioning Holders of Debt Securities that the Listing of the relevant Applicant Issuer's Debt Securities (if applicable) Programme Memorandum or in the case of a Secondary Registered Issuer, the 4AX Supplement and its Debt Securities (if applicable) is under threat of



## 4AX DEBT LISTING REQUIREMENTS

- suspension and possible removal;
- 11.11.4 if the Applicant Issuer has not complied with Requirement 11.10 or if applicable, Requirement 11.11 above by the end of the 5th month or, in respect of Quasi-Governmental Entities the end of the 8th month, after its financial year end, the registration of the Applicant Issuer's Programme Memorandum or, in the case of a Secondary Registered Issuer, the 4AX Supplement, the Listing of the Applicant Issuer's Debt Securities (if applicable) will be suspended and a meeting of 4AX will be convened to consider the continued suspension or removal of the registration of the relevant Applicant Issuer's Programme Memorandum or, in the case of a Secondary Registered Issuer, the 4AX Supplement and / or Listing of the Applicant Issuer's Debt Securities (if applicable);
- 11.11.5 the suspension of the relevant Applicant Issuer's Debt Securities will be lifted after 4AX receives the Applicant Issuer's annual financial statements and 4AX is satisfied that these annual financial statements comply with IFRS or other acceptable accounting framework determined in consultation with the Registrar, approved pursuant to Requirement 11.10 above.
- 11.12 Discretionary authority shall vest with 4AX to waive the requirement for suspension of the Listing of the Applicant Issuer's Debt Securities where it has not submitted its annual financial statements timeously.
- 11.13 Where an Applicant Issuer is not obliged by law to file financial statements with the Companies and Intellectual Property Commission, the requirements of 11.10 may be varied at the discretion of 4AX.
- 11.14 An Applicant Issuer shall within 1 Business Day of the happening of an event of default in respect of a Debt Security, within the meaning of the relevant terms and conditions of such Debt Security, publish the details of such event on 4AX News Service and notify 4AX in writing thereof.
- 11.15 When a credit event occurs and is called by the Issuer, Issuers of credit-linked notes must:
- 11.15.1 Immediately Announce on the 4AX News Service that a credit event has occurred, stating the name of the relevant reference entity(ies);
- 11.15.2 Announce the adjustment of the nominal amount on the 4AX News Service once this information is available. The Issuer must also notify 4AX and the CSD of the write down of the nominal amount at least 3 days prior to the effective date of the write-down; and
- 11.15.3 submit an application detailing what amendments to the instrument are required pursuant to the credit event, at least 3 Business Days before the effective date for the amendments to the instrument to allow 4AX sufficient time to make the necessary adjustments on the various 4AX systems impacted by this change.
- 11.15.4 The Announcement required by Requirement 11.15 above must state the following:
- 11.15.4.1 whether the settlement of the credit-linked note / relevant portion of the credit-linked note will be physically settled, or cash settled and the process that will be followed to implement the settlement;
- 11.15.4.2 nominal amount to be written down, as well as the nominal amount after the write-down; and
- 11.15.4.3 the actual amount of cash that is payable to Investors (if applicable).

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- 11.16 If 4AX has reason to believe that an event of default as contemplated in Requirement 11.14 has occurred or is about to occur, it may request the Applicant Issuer to confirm or deny the existence of such default or potential default in writing within 1 Business Day of receipt of such request.
- 11.17 Applicant Issuers shall forthwith advise 4AX in writing of:
- 11.17.1 change in name of the Applicant Issuer, together with a certified copy of the certificate of change of name. The Applicant Issuer must also publish an Announcement relating to the name change on the 4AX News Service;
  - 11.17.2 a change in the Applicant Issuer's registered address;
  - 11.17.3 a change in the Reporting Accountant;
  - 11.17.4 a change in Transfer Agent, Paying Agent or Calculation Agent, index provider and Index Calculator;
  - 11.17.5 a change in the Debt Issuer Agent or Designated Person; and
  - 11.17.6 any changes to the Books Closed Period.
- 11.18 4AX reserves the right to request an Applicant Issuer, at any time after the Listing of a Debt Security issued by it, to confirm or refute the happening of an event or existence of a state of affairs which may have a Material adverse effect on the ability of such Applicant Issuer or its guarantor to maintain any of its obligations in respect of any specific Listed Debt Security, and the Applicant Issuer shall be obliged to comply with such request forthwith.
- 11.19 An Applicant Issuer must immediately release an Announcement on the 4AX News Service if the Applicant Issuer has failed to make a distribution to Holders of Debt Securities on the distribution date. The Announcement should contain details of the nature and extent of such failure and suggested remedial steps.

### **Changes to existing Debt Securities or Placing Document**

- 11.20 A Placing Document which has not lapsed in terms of Requirement 3.30 shall be updated by the Applicant Issuer in the event of any of the information therein being outdated in a Material respect, within 6 months after the financial year end of the Applicant Issuer. The amendments to the Placing Document must be approved by 4AX. No update of a Placing Document in respect of the Applicant Issuer's financial statements shall be required if such financial statements are incorporated by reference and such statements are published as required by the Companies Act and submitted to 4AX within 6 months after the financial year end of the Applicant Issuer.
- 11.21 In the event that the Applicant Issuer makes any changes to the Placing Document that affect the terms and conditions of the Debt Securities or the agreements in relation to the Security Structure, the guarantee, security or credit enhancement agreements other than the changes which are of a formal, minor or technical nature or are made to correct a manifest error or to comply with mandatory provisions of the law of South Africa, the Applicant Issuer must obtain formal approval first from 4AX prior to sending the notice to Holders of Debt Securities incorporating the proposed amendments and obtaining the approval from Holders of Debt Securities holding not less than 66.67% of the value of a specific class of Debt Securities or all outstanding Debt Securities. This approval can be obtained by the relevant Holders of Debt Securities (i) at a general meeting (duly convened) or (ii) may be voted on in writing by Holders of Debt Securities entitled to exercise voting rights in relation to the proposed written resolution within 20 Business Days after the written resolution was submitted to Holders of Debt Securities. A written resolution as contemplated above would have been adopted if it was supported by Holders of Debt Securities entitled to exercise sufficient voting rights for it to have been adopted in accordance with the voting percentage prescribed above at a properly

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constituted meeting of Holders of Debt Securities. The notice of the proposed written resolution to Holders of Debt Securities should include the actual written resolution including any restrictions on voting in terms of the Programme Memorandum, the last date on which a Holder of Debt Securities should return the signed written resolution and the address to which it should be sent. The amended Placing Document must be submitted to 4AX and the amendments must be published on the 4AX News Service.

11.22 Debt Securities issued under a Placing Document and subsequently redeemed may be re-issued under the Placing Document unless restricted in terms of other relevant regulation or the Placing Document itself.

### Listed Debt Securities

11.23 The granting of a Listing of Debt Securities must be Announced by the Applicant Issuer on the 4AX News Service by no later than close of business on the day before the Listing of the Debt Securities. In the event of any changes to the nature of an issue as set out in Requirement 11.24, the details of the changes shall be submitted to 4AX for approval and published on the 4AX Website.

11.24 The Applicant Issuer shall publish on the 4AX News Service the following details of a new or Tap Issues by the Applicant Issuer:

11.24.1 the Debt Security name, short name and ISIN;

11.24.2 the type of Debt Security to be issued;

11.24.3 the nominal value;

11.24.4 the effective date;

11.24.5 the issue price;

11.24.6 the Coupon rate / variable interest rate (for floating rate notes, only the margin and the date on which JIBAR / Coupon Rate Indicator / other reference rate was / will be reset);

11.24.7 interest commencement and payment dates; the business day convention applicable to the Tap Issue;

11.24.8 the original date of the issue and the proposed date of any additional issue;

11.24.9 Last Day to Register;

11.24.10 maturity date;

11.24.11 Books Closed Period;

11.24.12 day and method for interest calculation methodology;

11.24.13 final amount payable on maturity if different to the nominal value;

11.24.14 a statement confirming if the Debt Security is subject to a Security Structure or guarantee, security and / or credit enhancement, if applicable;

11.24.15 the total amount in issue after the Tap Issue; and

11.24.16 a statement indicating if the Pricing Supplement contained any additional information or changes to the terms and conditions as contained in the Placing Document and a summary of such changes.

11.25 Where a Tap Issue of Debt Securities to be Listed causes the total amount issued to exceed the original Authorised Amount of the Applicant Issuer, if applicable, the notification to 4AX shall be accompanied by a resolution from the Board of the Applicant Issuer, authorising such

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increase in the Authorised Amount.

11.26 Applicant Issuers other than the South African government, shall on formal submission be required to submit to 4AX a letter signed by a Director of the Applicant Issuer confirming that there has been no Material change to the financial position or affairs of the Applicant Issuer as reflected or incorporated in the original Placing Document since the date of such Placing Document; alternatively in the event of any such Material change, detailed supplementary information shall be submitted to 4AX, specifying the nature and extent of such Material change. If the Applicant Issuer has one Director only, the letter must be signed by the Director and another duly authorised official.

11.27 The Applicant Issuer shall advise 4AX and publish on the 4AX News Service:

11.27.1 at least 2 Business Days prior to the notice period as contained in the terms and conditions of its Placing Document or Pricing Supplement, to extend the maturity date of a Listed Debt Security from its scheduled maturity date, or to step-up / call, in writing of its intention; or

11.27.2 at least 1 Business Day prior to the commencement of Books Closed Period of a Listed Debt Security, where the Applicant Issuer requires the expected maturity date to be extended if applicable, provided that such expected maturity date cannot be extended past its legal maturity date.

11.27.3 the Applicant Issuer may extend the maturity date of any Debt Security beyond its legal maturity date, subject to the terms and conditions of the Placing Document and by Debt Securities Resolution or a Debt Securities Written Resolution. The Applicant Issuer's written notice to 4AX and publication on the 4AX News Service must be made at least 2 Business Days prior to the commencement of the notice period provided in the Placing Document, regarding the extension of the maturity date.

11.28 The Applicant Issuer is required to deposit additional Debt Securities with 4AX Registry or CSD, as the case may be for Listed Debt Securities prior to the settlement date in the event that an Applicant Issuer is issuing a Tap Issue.

11.29 In the event of a proposed permanent reduction in the issued amount of a Debt Security (e.g. invitation to redeem, convert or split), an Applicant Issuer shall notify 4AX and publish on the 4AX News Service at least 2 Business Days prior to such permanent reduction coming into effect:

11.29.1 the name, short name and ISIN;

11.29.2 the reduction in the amount;

11.29.3 the remaining balance;

11.29.4 the proposed date of reduction;

11.29.5 the Issue Date of the notice to the Investors giving formal notice of the proposed reduction; and

11.29.6 where the Applicant Issuer has requested a permanent reduction in the issued amounts, the Applicant Issuer is required to withdraw the existing Listed Debt Securities from 4AX Registry or the CSD, as the case may be, on or before the Last Day to Register date, with the amount of the reduction.

11.30 In the event of a change in the interest rate, the following information must be published on the 4AX News Service not less than 3 Business Days before the interest is payable:

11.30.1 the name, short name and ISIN of the Debt Security;

11.30.2 the new rate applicable; and

## 4AX DEBT LISTING REQUIREMENTS

11.30.3 the period for which it is applicable.

### **Notification relating to Debt Securities**

11.31 An Applicant Issuer must Announce on the 4AX News Service Immediately the following information relating to its Debt Securities:

#### *Changes of rights attaching to Debt Securities*

11.31.1 Any change in the rights attaching to any class of Listed Debt Securities.

#### *Issues affecting conversion rights*

11.31.2 The effect, if any, of any issue of further Debt Securities on the terms of the exercise of rights under options, warrants and Convertible Debt Securities.

### **Communication with Holders of Debt Securities**

11.32 Once the Listing of a Debt Security is granted to the Applicant Issuer, the Applicant Issuer must:

11.32.1 publish on the 4AX News Service details of any new issue of Listed Debt Securities (and, if applicable, the Security Structure, guarantees, security or credit enhancements relating thereto), as well as any amendments to the terms and conditions attaching to existing Listed Debt Securities;

11.32.2 ensure that all information Material to the financial or trading position of the Applicant Issuer is published on the 4AX News Service to enable Investors of Listed Debt Securities to make an informed investment decision;

11.32.3 ensure that all Announcements made by the Applicant Issuer relevant to the issue must be approved by the Debt Issuer Agent or Designated Person in terms of compliance with the Debt Listing Requirements and released on the 4AX News Service, and where the Applicant Issuer is listed on another licensed or Recognised Exchange, all such Announcements released through that licensed or Recognised Exchange must be published on the 4AX News Service; and

11.32.4 ensure that the release of any information relating to Debt Securities that are listed on another licensed or Recognised Exchange, must take place simultaneously on the 4AX Website.

11.33 To publish on the 4AX News Service the annual financial statements as detailed in Requirement 11.10 within the following time frame:

11.33.1 with regards to a public entity, within 3 months of the end of the financial year;

11.33.2 with regards to a private entity, within 4 months of the end of the financial year; and

11.33.3 with regards to a quasi-governmental entity (most commonly provincial and local authorities / municipalities and state-owned entities) or a government, within 7 months of the end of each financial year.

11.34 Ensure that, where any financial covenant clauses are stated in the Placing Document or Pricing Supplement, such covenant information is released on the 4AX Website and the 4AX News Service in accordance with the timelines specified in the Placing Document.

11.35 Any amendment to the credit rating of the Applicant Issuer, Placing Document, Debt Securities or credit rating of the guarantor must be Announced on the 4AX News Service together with the relevant previous rating. Any changes in the rating agency which provided a rating of the Applicant Issuer must be Announced on the 4AX News Service.

11.36 The Applicant Issuer shall not Announce on the 4AX News Service or otherwise issue any of the

## 4AX DEBT LISTING REQUIREMENTS

documents referred to in this Requirement if 4AX so directs.

11.37 The trustee of, or other representative body, for the Holders of Debt Securities (“Beneficial Holders”) or its successor is required to Immediately inform 4AX in writing of:

11.37.1 any in change in their appointment as trustee or representative; and

11.37.2 becoming aware of any Material event (financial or otherwise) occurring, or that such Material event has occurred and if so, the trustee or representative shall promptly notify Investors.

### **Announcements on 4AX News Service**

11.38 All Announcements on the 4AX News Service must be approved by the Debt Issuer Agent or Designated Person in terms of compliance with the Debt Listing Requirements and the Debt Issuer Agent’s logo must appear on the Announcement. All Announcements that are made through the 4AX News Service must be in English.

### **Copies of Announcements and resolutions**

11.39 The Applicant Issuer must forward to 4AX a copy of:

11.39.1 all circulars, notices, reports, Announcements on the 4AX News Service of other documents at the same time as they are distributed; and

11.39.2 all resolutions passed by the Applicant Issuer in the meeting of Holders of Debt Securities Immediately after the relevant meeting.

### **Censures against Reporting Accountant**

11.40 the Applicant Issuer must obtain a written undertaking from the Reporting Accountant that the Reporting Accountant will Immediately inform 4AX of any sanction issued by IRBA or similar regulatory body.

### **Miscellaneous obligations**

#### *Continuing compliance with conditions for Listing*

11.41 The Applicant Issuer shall continue to comply with the conditions for Listing as set out in Requirements 5.13 and 5.14 (insofar as compliance with Schedule 4 and operation in accordance with its MOI), 5.15 (Reporting Accountant), 5.19 (insofar as it concerns the nature of the Applicant Issuer’s business activities).

#### *Other changes*

11.42 The Applicant Issuer shall Immediately Announce on the 4AX News Service any changes in its Debt Issuer Agent, Designated Person, Company Secretary, Reporting Accountant, registered address or any change in its accounting period.

#### *Annual fees*

11.43 An Applicant Issuer must pay the annual fees for Listing, which fees are published and available on the 4AX Website as per Schedule 7.

#### *Notification in respect of winding up, liquidation and Business Rescue*

11.44 The Applicant Issuer shall notify 4AX on the happening of any of the following events as soon as same shall come to the attention of the Applicant Issuer:

11.44.1 The appointment of a receiver, manager or curator either by any court having jurisdiction or under the terms of a debenture or any application to any court having jurisdiction for the appointment of an administrator, receiver, manager, or curator or equivalent action in the country of incorporation or other establishment, in respect of

## 4AX DEBT LISTING REQUIREMENTS

the business or any part of the business of the Applicant Issuer, its Holding Company or any major Subsidiary;

- 11.44.2 The presentation of any winding-up petition, Business Rescue proceedings, curatorship or equivalent application in the country of incorporation or other establishment, or the making of any winding-up order, Business Rescue proceedings or the appointment of a provisional liquidator, Business Rescue practitioner, curatorship or equivalent action in the country of incorporation, or other establishment, against or in respect of the Applicant Issuer, its Holding Company or any major Subsidiary;
- 11.44.3 The passing of any resolution by the Applicant Issuer, its Holding Company or any major Subsidiary that it be wound-up by way of members' or creditors' voluntary winding-up, or equivalent action in the country of incorporation or other establishment;
- 11.44.4 The making of any final judgement, declaration or order by any court or tribunal of competent jurisdiction or the making of any arbitral award, whether on appeal or at first instance which is not subject to any or further appeal, which may adversely affect the Applicant Issuer's enjoyment of any Material portion of its assets; or
- 11.44.5 The making of an application to place the Applicant Issuer or major Subsidiary under Business Rescue or the Applicant Issuer's or major Subsidiary's Board resolves to make application for Business Rescue.

### *Response to enquiries*

- 11.45 The Applicant Issuer shall respond promptly to any enquiries made by 4AX concerning unusual movements in the price or trading volume of its Listed Debt Securities or any other matters by giving such relevant information as is available to the Applicant Issuer or, if appropriate, by issuing a statement to the effect that the Applicant Issuer is not aware of any matter or development that is or may be relevant to the unusual price movement or trading volume of its Listed Debt Securities and shall respond promptly to any other enquiries made on the issue by 4AX.

### *Additional requirements and information*

- 11.46 4AX shall be entitled to require the Announcement on the 4AX News Service of further information by and impose additional requirements on the Applicant Issuer where it considers that circumstances so justify, but will allow representations by the Applicant Issuer before imposing any additional requirements on it which are not imposed on Applicant Issuers generally.

### *Additional continuing obligations for Applicant Issuers of Asset-Backed Debt Securities*

- 11.47 The Applicant Issuer must Announce on the 4AX News Service or include a Website address to where the following information can be found:
  - 11.47.1 on a semi-annual basis, historical information about all assets of the pool that were the subject of a demand to repurchase or replace due to the breach of the representations and warranties (contained in the agreements underlying the Asset-Backed Debt Securities) or a negative statement; and / or
  - 11.47.2 on a quarterly basis (in accordance with the Applicant Issuer's financial year end), details of the performance of the underlying assets in aggregate including details of any defaults in respect of such assets.
- 11.48 The Applicant Issuer must Immediately inform 4AX and Announce on the 4AX News Service in

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the event of any changes in the contractual arrangements in the structure of the Securitisation, CP Regulations transactions or the Asset-Backed Debt Securities where such change will be Material to the Holders of Debt Securities.

11.49 The Applicant Issuer must publish on the 4AX Website and post an Announcement on the Website should there be any change to a Material asset as a result of a corporate action and in such an event the impact on the asset. This requirement is not required for Securitisations and CP Regulations regulated transactions.

11.50 For Asset-Backed Debt Securities with Equity Securities as the underlying asset(s):

11.50.1 where there is price sensitive information relating directly or indirectly to an Applicant Issuer's Debt Securities or the instruments underlying the Applicant Issuer's Debt Securities:

- (a) the Applicant Issuer must Immediately release an Announcement on the 4AX News Service of the price sensitive information, unless the information is kept confidential for a limited time period;
- (b) Immediately after an Applicant Issuer knows of any price sensitive information and the necessary degree of confidentiality cannot be maintained or the Applicant Issuer reasonably suspects that confidentiality has or may be breached, the Applicant Issuer must publish a cautionary Announcement on the 4AX News Service. Updates on the cautionary Announcement must be made periodically as prescribed by 4AX; and
- (c) if the Directors of the Applicant Issuer consider that the disclosure to the public of the aforementioned information may or will prejudice the Applicant Issuer's legitimate interests, 4AX may grant a dispensation from making such information public.

11.50.2 If the Applicant Issuer decides not to declare a dividend or interest payment on the Asset-Backed Debt Security, and such information is considered price sensitive, the decision must be Immediately Announced on the 4AX News Service.



## SECONDARY REGISTERED ISSUERS

### Introduction

11.51 These Debt Listing Requirements apply equally to Secondary Registered Issuers as they do to South African issuers, subject to additional requirements, modifications or exceptions set out or referred to in this Chapter or where specifically set out in these Debt Listing Requirements. Certain of these modifications apply to all Secondary Registered Issuers.

### Accounts

11.52 Secondary Registered Issuers must prepare their Financial Information in accordance with IFRS or such other accounting framework acceptable to 4AX (in consultation with the Registrar).

11.53 Secondary Registered Issuers Financial Information must also include:

11.53.1 details of any Material post balance sheet events occurring subsequent to the issue of the latest audited financial statements; and

11.53.2 details of the credit risk profile (if applicable) to draw the attention of potential Investors to the risks that they will assume.

11.54 Secondary Registered Issuers must release an Announcement on the 4AX News Service, as detailed in Requirement 11.9, and submit their Financial Information to 4AX within the time frames stipulated by the Recognised Exchange but in any event by no later than 6 months after the Secondary Registered Issuer's financial year-end.

11.55 Should the Secondary Registered Issuer cease to have its debt programme registered with the Recognised Exchange or the registration of the debt programme has been suspended:

11.55.1 the 4AX must Immediately be notified and an Announcement must be released Immediately on the 4AX News Service; and

11.55.2 4AX reserves the right to review the Secondary Registered Issuer's Listing of Debt Securities which could lead to the suspension or removal of the Secondary Registered Issuer's Listing of Debt Securities pursuant to Chapter 3 of the Debt Listings Requirements.

11.56 Where the accounts of a Secondary Registered Issuer have not been prepared in accordance with these Debt Listing Requirements, the Secondary Registered Issuer or its advisers must consult 4AX at an early stage to discuss possible derogations from these requirements. 4AX shall notify the FSCA forthwith.

### Appointment of Debt Issuer Agents or Designated Person

11.57 The Secondary Registered Issuer must appoint and maintain for the duration that the Placing Document is registered with 4AX and the Issuer's Debt Securities that are Listed on 4AX, the appointment of a Debt Issuer Agent or Designated Person in South Africa in accordance with the requirements detailed in Chapter 4 and also authorise such Debt Issuer Agent or Designated Person to accept service of process and notices on its behalf in South Africa.

### English language

11.58 Where a Secondary Registered Issuer issues any information in any circular, report or other document required by these Debt Listing Requirements to be distributed to Holders of Debt Securities, it must Announce a version in English on the 4AX News Service.

## CHAPTER 12: PROJECT BONDS LISTING REQUIREMENTS

### Introduction

12.1 Applicant Issuers of Project Bonds must comply with the Debt Listings Requirements, unless otherwise indicated in this Chapter.

12.2 In this Chapter 12, unless the contrary intention appears, the following terms shall have the meanings assigned to them below:

**“Professional Debt Segment”** is the segment on the 4AX debt division on which only professional Investors (in relation to Project Bonds) will be able to trade and all Debt Securities Listed on this segment will be marked as such;

**“Project Bonds”** means Debt Securities that are financed by the cash flows of a ring-fenced development project;

**“Project Bond Issuers”** means Applicant Issuers of Project Bonds;

**“Project Sponsor”** means the entity that is (i) responsible for the development of the underlying project (including, but not limited to, providing financial support to the underlying project); and (ii) is a shareholder in the Project Bond Issuer;

**“Virtual Data Room Providers”** means companies appointed by the Project Bond Issuer that provides virtual data room services and which are acceptable to 4AX pursuant to this Chapter 12; and

**“Virtual Data Room”** or **“VDR”** means a regulated access cloud-based or internet-based storage in which the Project Bond Issuer uploads / stores certain documents for consumption by Project Bond Investors.

### Financial Information

12.3 Project Bond Issuers that wish to List and are unable to comply with the provisions of Requirement 8.11.16 may be accepted for a Listing if the following is provided to 4AX:

12.3.1 an audited consolidated cash flow model on the project; or

12.3.2 a profit forecast for the Project Bond Issuer, produced in compliance with the Requirements for the remainder of the financial year during which it will List the first Debt Security and for 1 full financial year thereafter. A Reporting Accountant’s Report, is required on this forecast Financial Information.

### Listing Documentation

12.4 Project Bond Issuers are required to disclose all of the information required by these Requirements. In addition, the following information must be included in the Placing Document (unless the Issuer Agent can demonstrate to 4AX that their inclusion is of a confidential nature and therefore should not be disclosed):

12.4.1 If any of the information detailed in Requirement 12.3 is submitted to 4AX, the Placing Document must incorporate this information by reference and a statement must be included detailing the Website where this information will be available.

12.4.2 The legal agreements that relate to the cash flow earned on the project (e.g. off-take agreements, operation and maintenance agreements, engineering, procurement and construction contracts and tariff agreements) must be incorporated by reference in the Placing Document and a statement must be included detailing the Website where these agreements will be available.

12.4.3 The following documents, where applicable, must be incorporated by reference in the

## 4AX DEBT LISTING REQUIREMENTS

Placing Document and a statement must be included detailing the Website where these documents will be available:

- (a) the inter-creditor agreement;
- (b) any licenses obtained;
- (c) concession agreement;
- (d) environmental authorisations; and
- (e) technical adviser's studies or reports.

### 12.4.4 Information on the project, where applicable:

- (a) a structure / flow diagram detailing the relevant parties to the project;
- (b) an explanation of the flow of funds / priority of payments including information on the trapping of cash and the permitted investments for any excess cash;
- (c) the legal jurisdiction where the project assets are located;
- (d) the information required by Schedule 11. This information can either be included in the Placing Document or incorporated by reference. If the information is incorporated by reference, it must be available on the Website and this Website be stated in the Placing Document. Where any information required by these Requirements or this Chapter 12 is duplicated in Schedule 11, the Placing Document can reference Schedule 11; and
- (e) information on any liquidity facilities and the name and address of the provider thereof.

### 12.4.5 The name and address of the Project Sponsor, the obligations of the Project Sponsor and any restrictions on the Project Sponsor (e.g. restrictions on selling their equity stake, etc.).

### 12.4.6 Where there is a controlling creditor that has the right to amend certain terms and conditions, the name and address of the controlling creditor must be provided and the circumstances in which they can exercise their rights must be fully described in the Placing Document. All other amendments must be done in compliance with these Requirements.

### 12.4.7 Funding advances required by the Project Bond Investor over time, if applicable, including the dates and amounts required and that these are subject to amendment only with approval from the controlling credit / holders of the Project Bonds in accordance with these Requirements.

## Continuing obligations

### 12.5 Project Bond Issuers are required to comply with Chapter 11 of these Debt Listings Requirements. In addition, Project Bond Issuers must:

- 12.5.1 on a quarterly basis (in accordance with the Project Bond Issuer's financial year-end or interest payment dates on the Project Bond) and within 1 month of the end of such quarter, publish a report on the project, complying with Schedule 11 to the extent that such information is applicable to the relevant project. An Announcement must be released on 4AX News Service indicating the Website where this report can be found, or if published in the Virtual Data Room, the 4AX News Service Announcement must contain the details required by Requirement 12.8. This report must also be submitted

## 4AX DEBT LISTING REQUIREMENTS

to 4AX; and

12.5.2 Immediately inform 4AX and publish an Announcement on 4AX News Service in the event of any Material changes in the contractual arrangements in the structure of the project.

12.6 If, when complying with its continuing obligations as set out in these Debt Listings Requirements, the Project Bond Issuer believes that certain information should not be released on 4AX News Service, the Project Bond Issuer must approach 4AX for a dispensation from providing the information on 4AX News Service and to provide such information in the Virtual Data Room. 4AX may grant this dispensation if:

12.6.1 the disclosure of the information to the public will, or probably will, prejudice the Project Bond Issuer's legitimate interests; or

12.6.2 disclosure would be contrary to the public interest or the market as a whole.

### **Publication of information**

12.7 The following information, where applicable, can be disclosed in a Virtual Data Room rather than on a Website at the Project Bond Issuer's discretion, provided that Requirements 12.8, 12.9 and 12.12 have been complied with:

12.7.1 the audited cash flow model in respect of the project;

12.7.2 information in relation to a delayed interest or capital payment on the Project Bonds. The Project Bond Issuer should provide details of the nature and extent of such delay and suggested remedial steps;

12.7.3 the legal agreements required by Requirement 12.4.2;

12.7.4 the documents required by Requirement 12.4.3;

12.7.5 the information required by Requirement 12.4.4(d);

12.7.6 the report required by Requirement 12.5.1; and

12.7.7 any information where the 4AX has granted the Project Bond Issuer a dispensation from publishing such information on 4AX News Service, in accordance with Requirement 12.6.

12.8 Where information required to be included in the Placing Document or Pricing Supplement is made available in a Virtual Data Room, a statement must be included in the Placing Document or Pricing Supplement confirming the following:

12.8.1 the information that will be available to Project Bond Investors in the Virtual Data Room;

12.8.2 the exact location in the Virtual Data Room where the information can be found (e.g. folder name and document number);

12.8.3 the date and time at which such information will be available (this must be no later than the date on which the final Placing Document is published on a Website or 2 Business Days prior to the trade date, whichever comes first); and

12.8.4 the contact details of the individual responsible for granting access to the Virtual Data Room.

### **Virtual Data Rooms**

#### **Appointment of a VDR Provider**

12.9 Should Project Bond Issuers decide to utilise a Virtual Data Room, the following must be

## 4AX DEBT LISTING REQUIREMENTS

complied with:

- 12.9.1 the Project Bond Issuer must appoint a VDR Provider that has been approved by 4AX in accordance with Requirement 12.11;
- 12.9.2 the Project Bond Issuer must confirm the following in writing to 4AX before using a Virtual Data Room:
  - (a) the Project Bond Issuer will sign a non-disclosure agreement with any Project Bond Investor that wishes to access the Project Bond Issuer's Virtual Data Room and will not require any further documents from the Project Bond Investor before granting access to the Virtual Data Room;
  - (b) the Project Bond Issuer will not withhold access to the Virtual Data Room from any Project Bond Investor;
  - (c) the Project Bond Issuer will ensure that all Project Bond Investors have the ability to download and print all of the documents contained in the Virtual Data Room and there will be no selective disclosure of or discriminatory access to the documents;
  - (d) if the Virtual Data Room has a question and answer facility, the Project Bond Issuer will ensure that no price sensitive information or information Material to the holders of Project Bonds Listed on the Professional Debt Segment or to the financial or trading position of the Project Bond Issuer (other than such information allowed to be disclosed in the VDR as described in Requirement 12.6) will be communicated through this facility;
  - (e) the Project Bond Issuer or VDR Provider will give the required individuals at 4AX and the FSCA administrator (or equivalent) access to the Virtual Data Room; and
  - (f) the contact details for the individuals at the Project Bond Issuer or VDR Provider that will be responsible for ensuring 4AX's and FSCA's access and / or support in the event of a failure in the Virtual Data Room.

### Approval of VDR Providers

- 12.10 VDR Providers must be approved by 4AX prior to their Virtual Data Rooms being utilised. 4AX will publish a list on the 4AX Website of approved VDR Providers.
- 12.11 Project Bond Issuers wishing to apply for approval for a VDR Provider can do so through their submission for the registration of a Placing Document and the documentation detailed below must be provided. VDR Providers can also apply directly to 4AX to be approved by submitting the following documentation:
  - 12.11.1 a copy of the ISO 27001 certificate confirming that the VDR Provider is so accredited in respect of their entire virtual data room business;
  - 12.11.2 a letter confirming that the VDR Provider's Virtual Data Room has the following capabilities:
    - (a) the Virtual Data Room is accessible on all major operating systems;
    - (b) documents can be uploaded to the data room in at least the following minimum formats: Microsoft Word, PowerPoint, Excel, PDF, JPEG and text;
    - (c) there are no time restrictions on access to the information in the Virtual Data Room;

## 4AX DEBT LISTING REQUIREMENTS

- (d) activity in the Virtual Data Room is tracked on an individual and document level and an automatic audit report of all activity is available. This audit report must include the date and time of the activity and the identity of the individual related to such activity;
- (e) the documents will be version controlled;
- (f) information can be stored and will be available in the Virtual Data Room until such time as the Project Bond Issuer deregisters their Placing Document from 4AX (i.e. no automatic deletion of documents will occur due to a particular time period being reached); and
- (g) uploading and downloading of documents will be secure.

### Continuing obligations when using a Virtual Data Room

12.12 A 4AX News Service Announcement must be released by the Project Bond Issuer before any information can be uploaded to the Virtual Data Room. The 4AX News Service Announcement must include the following information:

- 12.12.1 the type of information that will be uploaded into the Virtual Data Room;
- 12.12.2 the exact location in the Virtual Data Room where the information can be found (e.g, folder name and document number);
- 12.12.3 the date and time at which the information will be available in the Virtual Data Room; and
- 12.12.4 the contact details of the individual responsible for granting access to the Virtual Data Room.

12.13 If the information to be uploaded into the Virtual Data Room has not been uploaded at the time specified in the 4AX News Service Announcement, a new 4AX News Service Announcement, in compliance with Requirement 12.12, must be released by the Project Bond Issuer detailing the new time at which the information will be available in the Virtual Data Room. In such an instance, the Project Bond Issuer must ensure that the information is only uploaded after the release of the second 4AX News Service Announcement.

12.14 If the Project Bond Issuer opts to change its VDR Provider, the new VDR Provider must be accredited with 4AX and the Project Bond Issuer must provide 4AX with 10 Business Days' notice before such change can be implemented. The Project Bond Issuer must also release an Announcement on 4AX News Service at least 10 Business Days prior to such change being implemented detailing the following:

- 12.14.1 the name of the new VDR Provider;
- 12.14.2 the website address to the new Virtual Data Room;
- 12.14.3 the date and time at which all of the Project Bond Issuer's documents will be available in the new Virtual Data Room (the time must not be during 4AX trading hours); and
- 12.14.4 the contact details of the individual responsible for access to the new Virtual Data Room.

12.15 If the Virtual Data Room is not available for any reason, 4AX must be Immediately notified by the VDR Provider and the Project Bond Issuer. In such an instance, 4AX may suspend trading in accordance with these Debt Listing Requirements.

12.16 Project Bond Issuers or VDR Providers must submit a copy of the renewed ISO 27001 certificate to 4AX within 10 Business Days of the expiry date of the certificate.

## CHAPTER 13: GREEN BONDS

### Introduction

13.1 In these Debt Listings Requirements pertaining to the Green Bonds, unless the contrary intention appears, the following terms shall have the meanings assigned to them below:

**“Green Bonds”** means the segment of the 4AX debt division where green instruments are Listed;

**“Green Instrument”** means an instrument issued and rated by an Independent Advisor confirming green instrument status pursuant to the Green Standards;

**“Green Standards”** means the Green Bond Principles, as may be amended, issued and governed by ICMA (or any other standard acceptable to the 4AX) in relation to the classification of Green Instruments;

**“ICMA”** means the International Capital Market Association; and

**“Independent Advisor”** means an entity, removed and independent of the Applicant Issuer, its Directors, senior management and advisers, who has been appointed by the Applicant Issuer confirming green instrument status pursuant to Requirement 13.5.

### Placing Document

13.2 Applicant Issuers must appoint an Independent Advisor confirming to the 4AX that the instrument is classified as green pursuant to the Green Standards.

13.3 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 Chapter 6, include the following additional information in order to qualify as Green Bonds:

- (a) a statement as to the use of proceeds which explains how such proceeds will be managed and allocated towards eligible green projects;
- (b) a report from an Independent Advisor. The report must confirm that the instruments are classified as green pursuant to the Green Standards; and
- (c) the information required pursuant to Requirement 13.5 in relation to the Independent Advisor.

This information can also be incorporated by reference and must then be available on the Website at least 3 Business Days before the Issue Date.

### Continuing Obligations

13.4 Applicant Issuers with instruments Listed as Green Bonds must:

- (a) comply with the Debt Listings Requirements and Chapter 6 in relation to continuing obligations;
- (b) confirm that the instrument is classified as a Green Instrument pursuant to the Green Standards in its annual compliance Certificate pursuant to Chapter 3;
- (c) confirm that the Independent Advisor is and has remained independent pursuant to Requirement 13.5;
- (d) publish any updates since the Listing date, in relation to the disclosures made in the Listing documentation in respect of the Independent Advisor’s report; and
- (e) comply with the Green Standards on an ongoing basis. Applicant Issuers who fail to comply with the Green Standards on an ongoing basis, must report such non-compliance

to the 4AX in writing and must remedy the non-compliance within a reasonable period. Should the Applicant Issuer fail to remedy the non-compliance, the Green Instrument will either need to be redeemed and removed in accordance with Chapter 3, or reclassified and transferred to a more appropriate sector should the instrument remain Listed.

**Criteria for the Independent Advisor**

13.5 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:

- (a) a statement by the Applicant Issuer confirming that an Independent Advisor has been appointed pursuant to Requirement 13.5; and
- (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:
  - (i.) affiliation with relevant and widely recognised industry bodies such as Climate Bonds Standard (or any other industry body acceptable to the 4AX); and
  - (ii.) significant and appropriate previous experience in providing external reviews on Green Instruments.



**CHAPTER 14: THE GOVERNMENT OF SOUTH AFRICA****General**

- 14.1 The National Treasury of the South African Government ("National Treasury"), as an Applicant Issuer of Debt Securities, is required to comply and satisfy all applicable Debt Listings Requirements, save for the dispensations granted in Requirement 14.3 below.
- 14.2 For the purposes of this Chapter 14, the Placing Document is referred to as the terms and conditions.

**Dispensation**

- 14.3 The following dispensation is granted to the National Treasury in its capacity as Applicant Issuer and guarantor (where applicable) as regards the contents of the terms and conditions:
- (a) compliance with Requirements 8.11.16 in respect of Financial Information;
  - (b) documents to be submitted pursuant to Chapter 6; and
  - (c) compliance with Requirement 11.33.3

**Material risk factors**

- 14.4 Material risk factors and the sensitivity of the issue of Debt Securities to such risk factors pursuant to Requirement 6.9.1(f) must be addressed in respect of country or government risk.