

04 October 2019

## **Market Announcement: Consultation process for the proposed amendments to the 4AX Listing Requirements**

1 The Issuer Regulation Division (“**IRD**”) of 4 Africa Exchange Proprietary Limited (“**4AX**” or “**Exchange**”) has completed a comprehensive review of the 4AX Listings Requirements and proposes certain amendments thereto (“**4AX Listing Requirements Amendments**”).

### 2 Background

Since the previous round of amendments which came into effect on 2 October 2017, the IRD has continued to engage with stakeholders regarding the provisions of the 4AX LR. Further to the Exchange reaching its second anniversary of trading on 27 September 2019, and with 5 (five) Issuers listed, there has been time for the 4AX LR to be put into practice with Issuer’s year ends being reached and a few corporate actions taking place. This has enabled IRD and Issuer Agents to identify areas of improvements to the 4AX LR.

It is important that the 4AX LR are clear, concise and user-friendly while remaining flexible to cater for a wide range of scenarios or structures.

### 3 Nature of the proposed amendments

The purpose of the proposed amendments is to amend definitions and certain paragraphs and Chapters of the 4AX LR and to add Appendices to certain Chapters to make the 4AX LRs clear, concise and user-friendly.

The 4AX LR will be reviewed constantly and amended where required, to ensure that they align with the needs of investors, Issuers, Issuer agents, current market practice, current legislation and issues affecting markets.

### 4 Benefits of the proposed amendments

The proposed amendments if adopted:

- should reduce the amount of time 4AX engages with Issuer Agents as the 4AX LR will be clear and user friendly; and
- will still allow for the 4AX LR to remain flexible to cater for a wide range of scenarios or structures.

5 The proposed 4AX Listing Requirements Amendments are set out in the marked-up version of the 4AX Listing Requirements available at the following link:

<https://portal.4ax.co.za/Public/DownloadAnnouncementForUsers?announcementId=298>

6 A memorandum setting out the rationale and salient features of the proposed 4AX Listing Requirements Amendments is available at the following link:

<https://portal.4ax.co.za/Public/DownloadAnnouncementForUsers?announcementId=299>

7 4AX stakeholders are requested to provide any comments regarding the 4AX Listing Requirements Amendments to IRD by email to [4axir@4ax.co.za](mailto:4axir@4ax.co.za) by no later than the close of business on Monday, 4 November 2019.

8 Once 4AX Stakeholders have provided comments in accordance with paragraph 7 above, the following will occur:

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- 8.1 IRD will assess the comments received from Stakeholders and will make further amendments to the 4AX Listing Requirements to the extent relevant and required;
- 8.2 Once the process in paragraph 8.1 has been completed, 4AX will submit the 4AX Listing Requirements Amendments including any concerns or objections received from Stakeholders to the Financial Sector Conduct Authority (“**FSCA**”) for approval in accordance with the provision of the Financial Markets Act 19 of 2012 (“**FMA**”);
- 8.3 Once the Registrar has approved the amended 4AX Listing Requirements the Registrar will follow the publication process as set out in the FMA, including *inter alia* the publication of the proposed amendments in the Government Gazette;
- 8.4 4AX in turn, will determine the effective date for the proposed amendments and announce such date on the 4AX News Service (“**4ANS**”);
- 8.5 The final amended 4AX Listing Requirements along with a confirmation of the date when the amendments come into effect will be circulated to all Issuers and Issuer Agents;
- 8.6 The amended 4AX Listing Requirements will also be made available on the 4AX website at [www.4AX.co.za](http://www.4AX.co.za).

Kind Regards

4AX Issuer Regulation Division

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