

BOARD NOTICES RAADSKENNISGEWINGS

BOARD NOTICE 203 OF 2012

SECURITIES SERVICES ACT, 2004

PROPOSED AMENDMENTS TO THE JSE EQUITIES RULES

1. In terms of section 61(5) of the Securities Services Act, 2004 (Act No. 36 of 2004), it is hereby notified that the JSE Limited has applied to the Registrar of Securities Services for approval of proposed amendments of its rules, which amendments are set out in the Schedule.
2. In terms of section 61(5) of the said Act, all interested persons who have any objections to the proposed amendments are hereby called upon to lodge their objections with the Registrar of Securities Services, PO Box 35655, Menlo Park, 0102, or at the following email address: normanm@fsb.co.za, within a period of 14 days from the date of publication of this notice.
3. In terms of section 61(6) of the said Act, I, Dube Tshidi, hereby determine 2 January 2013 as the date on which the rules in the Schedule come into operation. If any objections are received, another commencement date may be determined by notice in the Gazette.

DP TSHIDI
REGISTRAR OF SECURITIES SERVICES

SCHEDULE

PROPOSED AMENDMENTS TO THE JSE EQUITIES RULES

General explanatory notes:

1. Words underlined with a solid line (____) indicate the insertions in the existing rules.
2. Words in bold and in square brackets ([]) indicate deletions from existing rules.

Section 1: Interpretation and definitions

- 1.10 Unless inconsistent with the context, the singular shall include the plural and the use of any one gender shall be interpreted as required to include any other.
- 1.20 The words defined in the Act bear the same meaning in the rules.
- 1.30 Chapter headings and sub-headings shall not be taken into account in the interpretation of any of the rules.

1.40 In the rules –

“associated banking entity”

means -

(a) a bank; or

(b) a foreign institution which has been established, is domiciled and is regulated in a G20 country, other than the Republic, and which lawfully conducts in such other country a business similar to the business of a bank,

and where the member is-

(i) part of the same consolidated group as the bank or foreign institution;

(ii) a joint venture of the bank or foreign institution, or its holding company; or

(iii) as associate of the bank or foreign institution, or its holding company.

for the purpose of International Financial Reporting Standards;

"bank restricted stock account"

means a stock account for transactions or positions in equity securities where the member acquires or sells equity securities for the member's own account and where the member does not have the freedom to acquire or dispose of such equity securities due to a restriction placed on the member in respect of the acquisition or disposal of such equity securities by an associated banking entity;

"unrestricted and security restricted stock account"

means a stock account for transactions or positions in equity securities, where the member acquires or sells equity securities for the member's own account and where the member either has the freedom to acquire or dispose of such equity securities without being subject to any restriction placed on the member by any other person, or where a restriction is placed on the member in respect of the disposal of such equity securities by-

- (a) a lender of cash or another creditor, to whom the equity securities are pledged or ceded as security for the money lent or other debt, and where interest on the loan or other debt is charged at a rate which is unrelated to any changes in the value of the equity securities; or
- (b) a lender of securities to whom the equity securities are pledged or ceded as security for fulfilment of the member's obligations in terms of a "lending arrangement" as defined in the STT Act, and where the fee charged by the lender is unrelated to any changes in the value of the equity securities; or
- (c) a person to whom the equity securities are pledged or ceded as security for the fulfilment of the member's obligations in respect of the purchase or sale of other securities, and where the benefits of the rights attaching to the equity securities remain with the member and are not directly or indirectly transferred to the pledgee or cessionary during the period of the pledge or cession;

"general restricted stock account"

means a stock account for transactions or positions in equity securities where the member does not have the freedom to acquire or dispose of such equity securities due to a restriction placed on the member by any person, other than a restriction placed on the member by-

- (a) an associated banking entity; or
- (b) a lender of cash or another creditor, to whom the equity securities are pledged or ceded as security for the money lent or other debt, and where interest on the loan or other debt is charged at a rate which is unrelated to any changes in the value of the equity securities; or
- (c) a lender of securities to whom the equity securities are pledged or ceded as security for fulfilment of the member's obligations in terms of a "lending arrangement" as defined in the STT Act, and where the fee charged by the lender is unrelated to any changes in the value of the equity securities; or
- (d) a person to whom the equity securities are pledged or ceded as security for the fulfilment of the member's obligations in respect of the purchase or sale of securities, and where the benefits of the rights attaching to the equity securities remain with the member and are not directly or indirectly transferred to the pledgee or cessionary during the period of the pledge or cession;

"STT Act"

means the Securities Transfer Tax Act, 2007 (Act No.25 of 2007);