



The JSE Limited Listings Requirements

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Dear Subscriber

Amendments to Listings Requirements – Information regarding Tax on Dividends

The pending introduction of dividends tax with effect from 1 April 2012 will result in "regulated intermediaries" (as defined in Part VIII of the Income Tax Act ("the Act")) requiring more detailed and accurate information regarding dividends declared by companies listed (including dual listings) on the JSE Limited ("the JSE"). With the move away from STC, where a tax was levied on the actual company, to a shareholder's tax, where the tax is levied on the beneficial owner of the share, it is imperative to ensure that there is completeness and availability of information relating to dividend declarations by companies listed on the JSE.

The Listing Requirements need to be amended to make provision for the values in respect of the tax on the dividend that need to be included in the SENS announcement as attached pursuant to the Act.

The effective date of the Listings Requirements amendments is 1 April 2012.

Section 3

DISCLOSURE OF PERIODIC INFORMATION

Dividends and interest

- 3.11 The declaration of dividends, interest and other similar payments ("distribution payments") by an applicant issuer should be announced immediately as per paragraph 11.17(a)(i) to (x).

Section 5

SCRIP DIVIDEND AND CASH DIVIDEND ELECTIONS

Scrip dividend and cash dividend elections

- 5.46 A form of election must be despatched with the circular containing the following:

- (a) a statement that the election may be made in respect of all or part of the securities held at the close of business on the record date, failing which capitalisation shares or cash will be distributed at the option of the issuer; and
- (b) the ratio of the entitlement and full details of the cash dividend including the STC (Secondary Tax on Companies as defined in the Income Tax Act) credits which will accrue to the recipient shareholder.

5.47 This requirement has been repealed No change

Section 11

CAPITALISATION ISSUES, CASH DISBURSEMENTS AND DIVIDENDS

Capitalisation issues and scrip dividends

11.16 Issuers seeking a listing for securities issued by way of a capitalisation issue are required to comply with the actions in the relevant time table in Schedule 24.

11.17 (a) In the case of a scrip dividend a circular should be sent to shareholders containing the information set out in paragraph 7.C.15 and complying with the requirements of paragraphs 5.44 to 5.49.

Any announcement released for cash disbursements to shareholders must indicate whether the issue amount is distributed by way of a reduction of CTC (Contributed Tax Capital as defined in the Income Tax Act) or a Dividend (as defined in terms of the Income Tax Act). Announcements released for any cash disbursements to shareholders must include the following where applicable;

- (i) Local dividend tax rate represented as a percentage
- (ii) Gross local dividend amount represented as cents per share
- (iii) STC (secondary tax on companies) credits utilised
- (iv) Net local dividend amount represented as cents per share
- (v) Non-reclaimable foreign withholding dividend tax rate represented as a percentage
- (vi) Dividend reclaimable tax rate applicable overseas represented as a percentage
- (vii) Issued share capital as at declaration date

- (viii) Closing market price of the distribution in specie as at deemed payment date which shall be no later than the close of business on record date
- (ix) Company registration number
- (x) Company tax reference number
- (b) In the case of a capitalisation issue an announcement must be published complying with paragraphs 5.39 to 5.43 which must indicate whether the issue is distributed from capital or income reserves. The announcement also needs to show the STC credits and information as per 11.17(a) (i) to (x) where applicable.
- (c) In the case of a dividend (including in specie dividend), as defined in the Income Tax Act, an announcement must be published complying with paragraphs 11.17(a)(i) to (x) and must include any STC credits and also indicate whether the distribution is made from capital or income reserves.

Section 19

SPECIALIST SECURITIES

- 19.19 (c) Any declaration of dividends (as defined in the Income Tax Act), interest and other similar payments (distribution payments and cash disbursements to shareholders) by an applicant issuer should immediately be announced as per paragraph 11.17(a)(i) to (x).
- 19.75 (i) the right of DR holders to corporate action entitlements. The deposit agreement should address the rights (if any) and procedures applying to cash distributions, distributions of shares, rights issues or any other distribution accruing to the securities which the DRs represent, as per Schedule 24 and paragraph 11.17(a)(i) to (x) or such other manner acceptable to the JSE;

Samantha-Lea Manning
LexisNexis
Editor: Business and Legal Division
Samantha.lea.manning@lexisnexis.co.za
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