

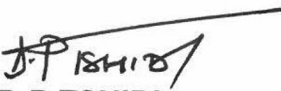
**BOARD NOTICE 5 OF 2018**  
**FINANCIAL SERVICES BOARD**

**FINANCIAL MARKETS ACT, 2012**

**AMENDMENTS TO THE JSE EXCHANGE RULES- BLOCK TRADES AND OFF-  
ORDER BOOK PRINCIPAL TRADES**

I, Dube Phineas Tshidi, Registrar of Securities Services, hereby give notice under section 71(3)(c) of the Financial Markets Act, 2012 (Act No. 19 of 2012) that the amendments to the JSE Exchange Rules have been approved. Please be advised that the Exchange Rules are available on the official website of the Financial Services Board ([www.fsb.co.za](http://www.fsb.co.za)) and that of the exchange ([www.jse.co.za](http://www.jse.co.za)).

The amendments come into operation on the date of publication of this Notice.

  
**D P TSHIDI**

**REGISTRAR OF SECURITIES SERVICES**

## APPROVED AMENDMENTS TO THE JSE EQUITIES RULES AND DIRECTIVES

General explanatory notes:

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

Approved amendments to the JSE Equities Rules**Section 1: Interpretation and definitions**

<u>“average daily value”</u>	<u>means the average value of daily trading in an equity security as calculated by the JSE;</u>
<b>[“exchange market size”]</b>	<b>[means a quantity of an equity security as specified by the Market Controller from time to time;]</b>

**Section 6: JSE equities trading system****6.40 Off book trade criteria****6.40.1 Bookbuild Trade**

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**6.40.2 Block Trade**

A block trade is a transaction where a member trades as an agent or a principal in a single equity security and the transaction comprises at least –

6.40.2.1 the specified **[multiple of the exchange market size]** percentage of the average daily value; or

6.40.2.2 the specified nominal value of a transaction in that equity security;

as applicable and as set out in the directives.

**6.40.3 Corporate Finance Transaction**

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**6.40.4 Delta Trade**

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**6.40.5 Exercise of Options**

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**6.40.6 Give-up Trade**

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**6.40.7 Late Trade**

...

**6.40.8 Off Order Book Principal Trade**

An off order book principal trade is a transaction where a member trades as a principal in a single equity security, where the transaction comprises at least -

6.40.8.1 the specified percentage of the average daily value; [has a minimum value of R500 000; and] or

6.40.8.2 the specified nominal value of a transaction in that equity security; [comprises at least six times the exchange market size;]

as applicable and as set out in the directives, except where the transaction is with a foreign professional market participant in which case no minimum value **[or quantity of equity securities]** will apply.

#### 6.40.9 Portfolio Transaction

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#### Approved amendments to the JSE Equities Directives

#### Directive B – Transactions and Trading Procedures

#### **BT On and off book trading**

#### 15. Block Trade and Off Order Book Principal Trade criteria

- 15.1 In order for a transaction in an equity security to qualify to be submitted to the JSE equities trading system as a Block Trade in terms of rule 6.40.2 or an Off Order Book Principal Trade in terms of rule 6.40.8, the transaction must comprise at least the following specified **[multiple of the exchange market size]** values, based on the segment to which the equity security is allocated:

<u>Segment</u>	<b>[Exchange market size]</b> <u>Values</u>
ZA01	<b>[Six times]</b> <u>The lower of –</u> <u>30% of the average daily value, subject to a minimum of R10 million; or</u> <u>a nominal value of R100 million</u>
ZA02	<b>[Ten times]</b> <u>The lower of –</u> <u>30% of the average daily value, subject to a minimum of R5 million, or</u> <u>a nominal value of R100 million</u>
All other segments	<b>[Twenty times]</b> <u>30% of the average daily value, subject to a minimum of R1 million</u>

- 15.2 The **[exchange market size]** minimum value of Block Trades and Off Order Book Principal Trades in **[of]** a new listing of an equity security on the first day of trading, prior to the average daily value for that equity security being calculated, must be as follows, based on the segment to which the equity security is allocated [calculated as a percentage of the number of shares or units that are to be listed for that equity security, as a proxy for the estimated exchange market size]:

<u>Segment</u>	<b>[Exchange market size]</b> <u>Value</u>
<u>ZA01</u>	<u>R10 million</u>
<u>ZA02</u>	<u>R5 million</u>
<b>[ZA04]</b>	<b>[Number of shares or units x 0.5%]</b>
All other segments	<b>[Number of shares or units x 0.05%]</b> <u>R1 million</u>

- 15.3 **[The proxy figure for a new listing will be used until such time as]** After the first day of trading in a new listing of an equity security, the JSE [is] will [able to] commence the calculation of the [exchange market size] average daily value of the particular equity security and thereafter the criteria in BT 15.1 will apply.