



ASX Listing Rule and online form changes

Effective 5 June 2021

Overview

Presenters

Kevin Lewis – Special Counsel, Regulatory Policy

Karen Webb – Senior Manager, Equity Post Trade Services

Topics



- Consultation and implementation timeline
- Overview of Listing Rule changes
- Overview of changes to forms and transition arrangements
- Guidance for issuers – updated GN 8, 14, 20 and 30
- Logistical considerations for issuers
- Tools available to preview online forms / training

Consultation and implementation timeline

- 30 November 2020 – consultation paper published, with draft Listing Rule changes and forms
- 24 March 2021 – consultation response published, with updated Listing Rule changes and forms
- 6 May 2021 – final Listing Rule changes lodged with ASIC for approval
- 7 May 2021 – market notice published with:
 - minor amendments to Listing Rule changes
 - minor amendments to App 2A, 3B and 3G forms
 - marked up changes to GN 8, 14, 20 and 30
- 5 June 2021 – target effective date for Listing Rule and system changes
- Monday 7 June 2021 – new/changed forms available for use
- Consultation paper and response are available from ASX’s Public Consultations web page - <https://www2.asx.com.au/about/regulation/public-consultations>
- 7 May 2021 notice - <https://www.asxonline.com/content/asxonline/public/notices/2021/May/0592.21.05.html>

Overview of Listing Rule changes

- Substantial changes (especially in the notes) to:
 - LR 3.10.3 (notification of proposed issues of securities)
 - LR 3.10.3A (notification of issues under employee incentive schemes)
 - LR 3.10.3B (notification of conversion of convertible securities)
 - LR 3.10.3D (notification of calls, instalments and other amounts paid on partly paid securities)
- New LR 3.10.3C requiring notification of final number of securities issued where not otherwise notified to ASX under LR 3.10.3A, 3.10.3B or App 6A and 7A timetables, via an App 2A (if quoted) or App 3G (if not quoted)
- New LR 3.10.3E requiring notification of cessation of securities via an App 3H
- For consistency, change to LR 2.8.3 shortening deadline for quotation of securities issued as a consequence of conversion of unquoted convertible securities to within 5 business days of conversion (instead of 10 business days), plus note added defining when conversion occurs

Overview of Listing Rule changes (cont.)

- LR 3.10.3A modified post-consultation to require notification of issue of equity securities under an employee incentive scheme:
 - to KMP or an associate within 5 business days of issue
 - to someone who is not a KMP or associate, with 10 business days of the end of the quarter in which they were issued
- Corresponding changes made post-consultation to LR 3.10.3B to allow notification of conversion, and to LR 3.10.3E to allow notification of cessation, of securities issued under an employee incentive scheme and held by persons who are not KMP or an associate to be given within 10 business days of the end of the quarter in which they were converted or ceased (rather than within 5 business days of the conversion/cessation)
- LR 2.8.6 changed post-consultation to push back deadline for quotation of securities issued under an employee incentive plan to within 10 business days of the end of the quarter in which they were issued, or, if they are subject to a restriction on transfer, with 10 business days of the end of the quarter in which those restrictions cease to apply

Overview of Listing Rule changes (cont.)

- Changes to LR 3.8A (buy-backs):
 - new App 3C *Notification of buy-backs* replacing and consolidating existing App 3C, 3D, 3E and 3F
 - at completion of buy-back entity must give ASX an App 3H *Notice of cessation of securities* rather than an ASIC Form 484 within 5 business days
- Not proceeding with proposed new LR 12.13 prohibiting the cancellation or deferral of dividends or interest payments after securities have gone ex dividend or interest payment, unless required by law
- Instead amending LR 3.21 and 3.22 to require an entity to notify ASX immediately if it decides to cancel, defer or reduce a dividend or interest payment already announced to the market and to make an announcement acceptable to ASX explaining the reason for the cancellation, deferral or reduction

Overview of Listing Rule changes (cont.)

- LR 19.12 – modified note to definition of “employee incentive scheme” to make it clear that:
 - most non-executive director security purchase plans are employee incentive schemes for the purposes of the Listing Rules, and
 - this applies even where the securities are purchased on-market and the director is ultimately required to pay the full purchase price for the securities
- Changes to corporate actions timetables in App 7A
 - Extra 2 business days to announce results of standard and accelerated entitlement offers and SPPs (now notifiable within 5 business days instead of 3)
 - Amendment to equal access scheme buy-backs to make it clear that 15 business days is the minimum offer period and not a fixed offer period

Overview of changes to forms and transition arrangements

Appendix	Existing form?	Effective 5 June 2021	Transition arrangements
Appendix 2A - Application for quotation of securities	Yes – MS word form	Updated MS word and new online form	<p>If an issuer has already announced a proposed issue of quoted securities via an Appendix 3B prior to the effective date, they should confirm the issue using the existing MS Word version of Appendix 2A.</p> <p>Otherwise, issuers should use the new online form.</p>
Appendix 3A.1 – Notification of dividend/distribution	Yes – online form	Updated MS word and online form	Issuers continue to use the online form, noting there will be some changes to the form
Appendix 3A.2 – Notification of interest payment & interest rate change	Yes – online form	Updated MS word and online form	Issuers continue to use the online form, noting there will be some changes to the form
Appendix 3A.5 – Notification of return of capital by way of in-specie distribution of securities in another entity	Yes – MS word form	Updated MS word form	For any announcement made after the effective date about a new in-specie distribution, issuers should use the updated version of the MS word form

Overview of changes to forms and transition arrangements (cont.)

Appendix	Existing form?	Effective June 2021	Transition arrangements
Appendix 3A.6 – Notification of payment of call/instalment on partly paid securities	Yes – MS word form	Updated MS word form	For any announcement made after the effective date about a new call/instalment due on partly paid securities, issuers should use the updated version of the MS Word form
Appendix 3B - Proposed issue of securities	Yes – online form	Updated MS word and online form	Issuers continue to use the online form, noting there will be some changes to the form
Appendix 3C – Notification of buy-back	Yes – Appx 3C, 3D, 3E, 3F word forms	New MS word and new online form	<p>If an issuer has already announced a buy-back prior to the effective date, they should continue to provide notifications of variations to the buy-back terms and daily and final buy-back notifications using the existing MS Word versions of Appendices 3D, 3E and 3F.</p> <p>An issuer who announces a new buy-back after the effective date should use the new Appendix 3C online form to announce the buy-back and to provide notifications of variations to the buy-back terms and daily and final buy-back notifications.</p>

Overview of changes to forms and transition arrangements (cont.)

Appendix	Existing form?	Effective June 2021	Transition arrangements
Appendix 3G - Notification of issue, conversion or payment up of unquoted equity securities	Yes – MS word form	Updated MS word and new online form	<p>If an issuer has already announced a proposed issue of unquoted securities via an Appendix 3B prior to the effective date, they should confirm the issue using the existing MS Word version of Appendix 3G.</p> <p>Otherwise, issuers should use the new online form.</p>
Appendix 3H – Notification of cessation of securities	No	New MS word and new online form	Issuers to start using the new online form.

Guidance for issuers – updated Guidance Notes 8, 14, 20 and 30

GN 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B

<https://www2.asx.com.au/content/dam/asx/documents/unlinked-docs/compliance/guidance-note-8-mark-up.pdf>

- New section 7.9 (*Cancelling, deferring or reducing a dividend, distribution or interest payment*) providing guidance on the post-consultation amendments to Listing Rules 3.21 and 3.22
- Additional guidance in section 4.15 (*Guidelines on the contents of announcements under Listing Rule 3.1*) on naming counterparties to market sensitive contracts
- New footnote in section 4.15 explaining ASX's approach to situations where a listed entity fails to disclose the fact that a previously announced material customer contract has not proceeded or has been terminated
- Further explanatory material in section 4.15 and section 5.9 (*Listing Rule 3.1A.3 – the reasonable person test*) emphasising the fact that a listed entity cannot satisfy its obligation to disclose market sensitive information under Listing Rule 3.1 by disclosing information that is materially inaccurate, incomplete or misleading
- New section 7.10 (*Ramping announcements*)

Guidance for issuers – updated Guidance Notes 8, 14, 20 and 30 (cont.)

GN 14 ASX Market Announcements Platform

<https://www2.asx.com.au/content/dam/asx/documents/unlinked-docs/compliance/guidance-note-14-mark-up.pdf>

- Refreshed and updated to reflect introduction of new and amended online forms

GN 20 ASX Online

<https://www2.asx.com.au/content/dam/asx/documents/unlinked-docs/compliance/guidance-note-20-mark-up.pdf>

- Refreshed and updated to reflect introduction of new and amended online forms
- Additional guidance on:
 - not lodging draft online forms in PDF format
 - how to allow external advisers to access ASX Online to assist in preparing online forms
 - how to deal with technical difficulties accessing ASX Online or the online forms
 - how to deal with problems in completing an online form

Guidance for issuers – updated Guidance Notes 8, 14, 20 and 30 (cont.)

GN30 Notifying changes in issued securities and applying for quotation of new or additional securities

<https://www2.asx.com.au/content/dam/asx/documents/unlinked-docs/compliance/guidance-note-30-mark-up.pdf>

- Refreshed and updated to reflect introduction of new and amended online forms
- Section 2 (*Notification obligations relating to changes in issued securities*) substantially re-written and expanded to include all notifications required about changes in issued securities
- New Annexure A (*Summary of notification obligations relating to changes in issued securities*) explaining what notifications are required for common corporate actions and events

➤ **IF YOU READ NOTHING ELSE, READ SECTION 2 AND ANNEXURE A OF GN 30**

Logistical considerations for issuers

- **The parts and questions of the online form may present in a different order to the equivalent emergency MS word version:** The online forms present relevant information in a logical order. Irrelevant questions, based on the user's responses, are not presented. It is important that issuers become familiar with the online forms before use.
- **App 2A and 3G include in Part 4 a summary of quoted and unquoted securities:** These summaries are automatically calculated from the information in ASX's database and the changes notified in the form. If an issuer is concerned that there is a discrepancy between this information and their own internal records, they should contact their ASX listings compliance adviser. The discrepancy may be because ASX is still processing another notification, or the issuer is yet to notify ASX of a change (eg in a quarterly notification under LR 3.10.3A, 3.10.3B or 3.10.3E).
- **Where to find a current list of security records and security codes:** You can find this in Part 4 in App 2A and 3G mentioned above. ASX also sends the company secretary a letter by email confirming any changes recorded by ASX to the issued capital of the issuer, which will have this information.

Logistical considerations for issuers (cont.)

- **Consider if it would be helpful to authorise professional advisers to access ASX Online to assist in drafting online forms** - refer Guidance Note 20.
- **Check in with ASX** if you are unsure about any aspect of the information required in the online form before you submit the online form.

Tools available to preview online forms / training

- **Additional ASX Online for Companies Training Environment** available for issuers up to June 2021. This allows preview of new/changed online forms in a safe environment before they become effective.
- Information on how to access the additional ASX Online for Companies Training Environment provided in Listed@ASX Compliance update 16 December 2020, and subsequent updates in 2021. Listed@ASX Compliance updates available here <https://www2.asx.com.au/about/regulation/asx-compliance/listings-compliance/compliance-updates>.
- The existing ASX Online for Companies Training Environment will be **updated on the effective date weekend** with all changes, to allow issuers to continue to practice using the online forms in a safe environment. The link to this training environment is available from the ASX Online for Companies login page.
- ASX will make available **additional training material**, including short videos to demonstrate the changes to existing online forms and usage of the new online forms, including different scenarios. The training material will be available from the Help page, “Online Forms – Resources” on ASX Online for Companies.

Thank you.



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