



ASX Listed Entities Update

18 December 2013

Update no 09/13

1. GOVERNANCE - RELATED ASX LISTING RULE CHANGES DEFERRED

ASX is considering public submissions received on the proposed governance-related changes to its Listing Rules and, consequently, will defer the originally planned start date for some of those rules of 1 January 2014.

The proposed changes being deferred include the introduction of a new Listing Rule 3.19B, requiring the disclosure of on-market purchases of securities on behalf of employees or directors or their related parties under an employee incentive scheme. They also include amendments to a number of Listing Rules that currently apply to "associates", extending their reach to "related parties".

ASX intends to release modified Listing Rule changes addressing these issues in the first quarter of 2014 for public consultation. If adopted the modified rule changes will not come into effect any earlier than 1 July 2014.

The deferment of these rules will align with the start date for a larger package of rule and guidance note changes intended to complement the reforms proposed in a new (third) edition of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations.

Background

On 16 August 2013 ASX released for public comment:

- a consultation paper entitled [Proposed Changes to ASX Listing Rules and Guidance Note 9: Corporate Governance Disclosures](#);
- a document entitled [Proposed Governance-Related Amendments to the ASX Listing Rules](#), which set out in mark-up proposed governance-related amendments to ASX's Listing Rules and described in detail the purpose of the amendments; and
- a marked-up version of [proposed changes to Guidance Note 9](#).

Most of the changes proposed to the Listing Rules and to Guidance Note 9 were intended to complement and give effect to the reforms proposed by the ASX Corporate Governance Council in a [separate consultation paper](#) relating to a proposed new (third) edition of its Corporate Governance Principles and Recommendations. Those changes were proposed to come into effect on 1 July 2014, the same date as the new edition of the Corporate Governance Principles and Recommendations.

ASX also took the opportunity to seek feedback on a number of other proposed governance-related changes to its Listing Rules. These included the introduction of a new Listing Rule 3.19B and amendments to a number of Listing Rules that currently apply to "associates", extending their reach to "related parties". These changes were proposed to come into effect on 1 January 2014, but have now been deferred.

ASX invited written comments from interested stakeholders on the consultation materials by 15 November 2013. ASX received 21 non-confidential and three confidential submissions in response to its consultation paper. Copies of the non-confidential submissions are available on the [ASX website](#).

2. Shortened ex period on corporate actions and new dividend reinvestment plan

election date rule

From 14 April 2014, ASX will implement [shorter timetables](#) for traditional rights issues and introduce new standard timetables for accelerated rights issues. To facilitate the new timetables, the ex period for all corporate actions with an ex period (including dividends) will be reduced from 5 business days to 3 business days.

The reduction in the ex period will not apply to calls, conversion and expiries (which have an effective date rather than an ex date).

Any applicable corporate action announced before Monday, 14 April 2014, that institutes an ex-date that falls on or after 14 April 2014, will be subject to the new timetables. ASX advises listed entities planning a dividend or other corporate action in April 2014 to contact their listings adviser to confirm the timetable prior to making an announcement to market.

From 14 April 2014, ASX will also implement amendments to the timetable for dividends with the introduction of a new requirement for the [last election date for participation in a dividend reinvestment plan](#) to be set no earlier than the business day following the record date for the dividend.

The amended [ASX Listing Rules](#) concerning the new timetables for rights issues and the timetable for dividends are available on the Compliance Downloads page of the ASX website.

3. Trading hours and ASX Market Announcements (AMA) hours over the Christmas 2013 and New Year holidays

Normal trading will cease at 2.00 pm AEDT on each of Tuesday 24 December 2013 and Tuesday 31 December 2013. A summary of the trading schedule on those dates is set out in [ASX Trade Circular 042/13 dated 11 December 2013](#).

Market Operations will be closed from 3.30 pm AEDT on each of these days.

AMA will be closed from 4.30 pm AEDT on each of these days.

4. Non-business and non-trading days in 2014

The non-business and non-trading days for 2014 have been declared and are set out in the [ASX Trading Calendar](#) and the [ASX Settlement Calendar](#).

'Business day' is defined in Listing Rule 19.12 as:

Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

The ASX Operating Rules define 'trading day' as:

a day determined by ASX to be a Trading Day and notified to Market Participants.

The above calendars identify national and state public holidays and indicate whether these holidays are non-business days (no settlement activity by ASX Settlement/ CHES) and/or non-trading days (equities market closed) or both. Any other week day is a 'business day' and 'trading day'.

ASX reserves the right to declare other days as non-business days and non-trading days.

All home branches for listed entities and AMA will be open for business on all **trading days**, even though that day may be a non-business day under the ASX Listing Rules and/or or a public holiday in the State of that home branch.

The time limits set out in the timetables contained in the Appendices to the ASX Listing Rules are calculated by reference to 'business days', as defined. Listed entities are reminded that if they are preparing a timetable for an issue or offer to existing security holders, a dividend, a call, a capital reorganisation, or any similar corporate action, the draft timetable may be lodged with ASX on a confidential basis for discussion with their Listings Adviser.

5. Deadlines for periodic reports, 2014

The [ASX 2014 reporting calendar](#) is now on the ASX website. This calendar identifies deadlines for periodic reports in the 2014 calendar year for listed entities with balance dates of 30 June or 31 December.

Listed entities are referred to Chapter 4 and Chapter 5 of the Listing Rules, and Listing Rule 17.5, in relation to their periodic reporting obligations.

6. Dividend and distribution information

Listed trust entities declaring a dividend or distribution for the period ending 31 December 2013 who wish to set a record date of 31 December 2013 for the dividend or distribution are reminded that they need to announce the dividend or distribution by no later than 18 December 2013 (Day 0). Listed entities should include the following information in such announcements (see [Appendix 6A](#) paragraph 1).

Conduit foreign income

Where an entity announces a dividend or distribution that is fully or partially unfranked, ASX requests that the announcement make clear the conduit foreign income (CFI) component of that dividend or distribution, even if the CFI component is nil.

Dividend/distribution reinvestment plans (DRP)

Where an entity has a DRP in place, ASX requests that the entity make it clear in the announcement whether the DRP will operate or will be suspended for that particular dividend or distribution. If the DRP will operate, the following information should also be given:

- the last date for electing to participate in the DRP
- the discount rate, if applicable
- the ranking of the securities to be issued pursuant to the DRP
- the pricing methodology and pricing period for determining the issue price under the DRP.

If at the time when the dividend or distribution is announced it has not been decided by the entity whether the DRP will operate, or the above details are not known, the entity should give an indication of when the entity expects to confirm details of the DRP's operation.

7. ASX project: Straight through Processing of corporate action information - Listed entity testing facility for new online forms

Background

ASX has advised listed entities over the last two years that it has been working on a project to introduce straight through processing of listed entity corporate action information. This will involve a new mandatory

process for listed entities to advise the market of dividends and other key corporate actions, by filling in and submitting new Appendices via online forms instead of uploading a PDF document.

The new system is proposed to be implemented from **14 April 2014**. ASX will offer listed entities a facility to test the new system in **January and February 2014**. A series of online training seminars will be held in **March 2014**. A downloadable on-line podcast tutorial will also be posted on the ASX website in January 2014. See below for further details.

What is the Initiative?

ASX is proposing to improve the process for the capture and delivery of corporate information from listed entities to the market. This will be achieved by introducing straight through processing (STP) for the announcement of key corporate actions (initially dividends/distributions, interest payments, cash capital returns and security splits or consolidations). For listed entities the process involves announcing key events such as dividends by filling in and submitting an online form (instead of uploading a PDF file) via the ASX Online electronic lodgement facility. Prior to submission of the online form it can be viewed and reviewed or saved in draft by the listed entity. Once the online form is submitted, the facility will automatically produce a PDF announcement and release it to the market. As soon as the PDF announcement is released to market, the structured information captured from the online form will be available in electronic format for downstream ASX systems and to users of ASX market information such as participants, share registries and custodians.

The initiative will require a change in process for listed entities for the announcement of certain events. The current process involves the drafting of an announcement (commonly in a Microsoft Word file), conversion of the document to PDF format and the uploading of that PDF file via the ASX Online electronic lodgement facility. The new process involves filling in the online form on ASX Online (which can be saved and stored as a draft) and then submitting the form through the ASX Online portal. A PDF copy of the resulting announcement is available to the listed entity to preview prior to submission of the online form, and to save after submission of the online form. As with the current announcement process a copy of the PDF announcement document will be emailed back to the listed entity upon release of the announcement to market and will also be available on the announcement status screen in ASX Online.

The new process will apply only to a subset of announcements, initially for those relating to frequently announced corporate actions such as the announcement of a dividend/distribution, interest payment or a reorganisation of capital such as a share consolidation/split or cash return of capital. For announcement types where ASX has not made an online form available, the current process of announcement lodgement will continue to apply.

The new information requirements, deadlines and method of submitting the information will be prescribed in the Listing Rules, including updated and new Appendices to the Listing Rules, and in the ASX policy requirements for use of the electronic lodgement facility and entity details facility (an attachment to the ASX Online agreement, the content of which is stated in an attachment to Guidance Note 20: ASX Online). The new arrangements will be described in an amended version of Guidance Note 20. These resources will be available to view on the ASX website early in 2014 pending regulatory approval.

Implementation

The new system is proposed to be implemented from **14 April 2014**. Prescribed corporate actions announced after this time can be announced using the new online forms (dividend/distribution, interest payment, cash capital returns and reconstructions). ASX will allow a six-month "grace period" in which it will encourage but not enforce use of the online forms. After the 6 month period it will be mandatory to announce corporate actions for which an online form exists by filling out and lodging the online form through ASX Online.

Testing

ASX is planning to offer listed entities the ability to test the new corporate action online forms in **January - February 2014** ahead of the implementation of the new system. Listed entities will be able to create and lodge sample online forms in an ASX provided test environment. This will allow entities to simulate the work-flow involved in using the new online forms and to understand the process of updating the market with additional details about previously announced corporate actions - for example advising the DRP price in the case of a dividend.

The test system will be available to listed entities (upon application - see below) from Monday, Tuesday and Wednesday of each week from 13 January to 19 February 2014 (excepting Monday 27 January 2014 as it is a public holiday).

Next steps

Listed entities who are interested in accessing the test facility should contact ASX as soon as possible at:

e: ASXCorporateInformation.STP@asx.com.au

Ph: ASX Customer Service - 131 279

ASX will provide more detailed information regarding the test period and test user accounts to those entities that have expressed an interest in participating in the testing.

Further information and enquiries

For further information on the project refer to ASX's dedicated web page: [Corporate actions STP](#). See also listed entity updates: [07/11](#) (28 September 2011), [05/12](#) (4 June 2012); and [12/12](#) (19 December 2012).

If you have any questions about the project you can contact Giri Tenneti, e: giri.tenneti@asx.com.au
Ph: +61 2 9227 0594.

To help keep our Listed Entities informed of information and events ASX will be sending emails to the Company Secretary's Office from time to time. You are receiving this email because you have been identified as a key contact within the Company Secretary's Office at your organisation. If you would like to update your email address please do so via the Directors/Senior Management page on [ASX Online for Companies](#). Feel free to forward this email to any relevant parties within your organisation.