

# Listed@ASX

## Compliance Update 11 May 2017 Update no 04/17

### 1. Guidelines on title headers to ASX announcements

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Listed entities are reminded of the guidance in paragraph 4.14 of [ASX Guidance Note 8](#), paragraph 12 of [ASX Guidance Note 14](#) and paragraph 9 of [ASX Guidance Note 20](#) about giving an announcement that contains market sensitive information a header that clearly conveys this fact. ASX has had issues with announcements that have headers that convey an impression that they are not market sensitive when they have embedded within them market sensitive information.

Some examples are:

- *"Investor Presentation and Profit Downgrade" as opposed to just "Investor Presentation"*
- *"Cleansing Notice/Indicative, Non-binding Merger Proposal" as opposed to just "Cleansing Notice"*
- *"Notice of AGM and Buy Back Offer" as opposed to just "Notice of Annual General Meeting"*

Alternatively and preferably, market sensitive announcements should be made on a stand-alone basis and not embedded in other announcements that may not be market sensitive.

This is particularly imperative in relation to disclosures advising of changes in/ corrections to/ confirmations of earnings guidance. Earnings guidance and other information either correcting or affirming the market's expectations of an entity's earnings over the near term is, by its very nature, acutely market sensitive information and therefore should only ever be made on a stand-alone basis and not buried in other non-market sensitive information.

Other financial forecasts (such as operational or capital expenditure) published by entities and exploration and production targets published by mining or oil and gas entities should also be made on a stand-alone basis.

## 2. Fees for registering paper-based transfers

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ASX has received a number of complaints from security holders of listed entities about being charged fees by share registries for registering paper-based transfers when the constitution of the entity has a provision (reflecting former restrictions in the Listing Rules) prohibiting such a fee. While Listing Rule 8.14.1 and [Guidance Note 28](#) now permit a reasonable fee to be charged for registering a paper-based transfer, such a fee can only be charged if it does not infringe the entity's constitution.

It is the responsibility of a listed entity and its registry to ensure that the charging of fees for paper-based transfers is permitted under the entity's constitution. If it is not, the registry should not charge such a fee or the entity should refund the fee to any security holder who complains about it. Alternatively, the listed entity should modernise its constitution to remove the constraint on charging fees that are now permitted under Listing Rule 8.14.1.

## 3. Appendix 4G- Key to Corporate Governance Disclosures

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ASX reminds listed entities that under Listing Rule 4.7 they must give to the ASX Market Announcements Office:

- a completed Appendix 4G at the same time as the entity gives its annual report to ASX Market Announcements Office (an editable Word version of the Appendix 4G may be downloaded from [ASX Compliance downloads webpage](#)); and
- if the entity's corporate governance statement is not included in its annual report, a copy of its corporate governance statement current as at the effective date specified in that statement for the purposes of Listing Rule 4.10.3.

The Appendix 4G is a key to where a listed entity has made its various governance disclosures. It is not the entity's corporate governance statement, as some entities appear to have assumed.

The corporate governance statement is the statement required under Listing Rule 4.10.3 disclosing the extent to which the entity has followed the recommendations set out in the [Corporate Governance Principles and Recommendations](#) during the relevant reporting period. Where an entity has not followed a particular recommendation, its corporate governance statement must identify that fact, state the entity's reasons for not following the recommendation and what (if any) alternative governance practices the entity has followed in lieu of that recommendation.

If an entity does not include its corporate governance statement in its annual report, it must provide to ASX *both* an Appendix 4G *and* a copy of its corporate governance statement. The Appendix 4G alone is not sufficient.

## 4. Subscribe to Listed@ASX - Compliance Update

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