

Listed@ASX Compliance Update no. 02/21

31 March 2021

1. Consultation Response: online forms, notification of security issues and corporate action timetables

On 24 March 2021, ASX Limited (“ASX”) released a detailed [Consultation Response](#) to its 30 November 2020 consultation paper [Proposed Listing Rules changes: online forms, notification of security issues and corporate action timetables](#).

The [Consultation Response](#) outlines a number of amendments to the Listing Rules (“LR”) that will come into effect on 5 June 2021 (or such later date as ASX may notify). The amendments include:

- changes to the timetables for seeking the quotation of securities in LR 2.8;
- changes to the buy-back notification requirements in LR 3.8A;
- changes to the notification requirements for issues, conversions and cancellations of securities, and for payment of calls, instalments and other amounts on partly paid securities, in LR 3.10.3 – 3.10.3E;
- changes to LR 3.21 and 3.22 imposing some additional notification requirements around the cancellation, deferral or reduction of previously announced dividends, distributions or interest payments;
- clarificatory changes to the definition of “employee incentive plan” in LR 19.12; and
- changes to the timetables for corporate actions in Appendices 6A and 7A, in particular to allow an additional 2 business days for an entity to announce the results of certain corporate actions.

The [Consultation Response](#) is accompanied by the following annexures:

- A. the [final changes ASX is making to the Listing Rules](#) addressing the feedback received in consultation submissions;
- B. a [mark-up comparing the final rule changes to the consultation version](#);

and the final versions of the following new or amended Listing Rule Appendices:

- C. [Appendix 2A Application for quotation of securities](#);
- D. [Appendix 3A.1 Notification of dividend/distribution](#);
- E. [Appendix 3A.2 Notification of interest payment & interest rate change](#);
- F. [Appendix 3A.5 Notification of return of capital by way of in specie distribution of securities in another entity](#);
- G. [Appendix 3A.6 Notification of call/instalment on quoted partly paid equity securities](#);
- H. [Appendix 3B Announcement of proposed issue of securities](#);
- I. [Appendix 3C Notification of buy-back](#);
- J. [Appendix 3G Notification of issue, conversion or payment up of unquoted equity securities](#); and
- K. [Appendix 3H Notification of cessation of securities](#).

2. Updated version of ASX Guidance Note 19 'Performance Securities'

On 12 March 2021, ASX released an updated version of Guidance Note 19 *Performance Securities* ("GN 19"). A mark-up identifying the changes to GN 19 is available [here](#). The changes include:

- the removal of existing section 7 (performance securities covered by sections 8 to 15 of this Guidance Note);
- the addition of a new section 7 explaining how ASX applies GN 19 to agreements to issue or transfer ordinary shares in the future if a nominated performance milestone is met and the issues those agreements can raise under listing rules 7.1 and 7.3.4;
- the introduction of a new defined term "arm's length control transaction securities" in section 8 to describe performance securities issued by a listed entity pursuant to a takeover bid under Chapter 6, or a merger by way of scheme of arrangement under Part 5.1, of the Corporations Act that meet certain conditions, including that the terms attaching to the performance securities (including the performance milestone) conform to sections 9, 10 and 11 of GN 19;
- an amendment to the definition of "ordinary course of business remuneration securities" (now in section 8) to include a requirement that the terms attaching to the performance securities (including the performance milestone) conform to sections 9, 10 and 11 of GN 19;
- the introduction in section 8 of a new concept of "ordinary course of business acquisition securities", being performance securities issued by a listed entity under an agreement to acquire an undertaking, where:
 - the agreement has not been entered into in connection with a re-compliance listing;
 - the issue is the, or part of the, consideration for the acquisition of the undertaking; and
 - the terms attaching to the performance securities (including the performance milestone) conform to sections 9, 10 and 11 of GN 19 and have been approved by the board or a committee of the board;
- the addition of clear statements at the beginning of each of sections 8 (Applying for in-principle advice about performance securities), 12 (ASX's requirement for security holder approval) and 13 (ASX's requirement for an independent expert's report in some cases) stating that they do not apply to arm's length control transaction securities, ordinary course of business remuneration securities or ordinary course of business acquisition securities; and

a number of other drafting improvements intended to make the guidance clearer and easier to follow.

3. Additional online forms available for preview in new ASX Online for Companies training environment

In the [Listed@ASX Compliance update no. 10/20](#) dated 19 November 2020, ASX provided information on the upcoming implementation of new and amended online forms. In the [Listed@ASX Compliance update no. 12/20](#) dated 16 December 2020, ASX advised details for accessing the new training environment, and the availability of the revised Appendix 3B online form for preview.

Additional online forms are now available in the new training environment for preview. The new Appendix 3C (Notification of buy-back) and new Appendix 3H (Notification of cessation of +securities) are available for preview on the Create Online Forms page. A summary of the new forms is provided in the ASX Online for Companies Help page (sub section – "Online Forms – Resources", document called [Overview of online form changes – effective 2021](#)). The equivalent emergency MS word forms are available [here](#).

ASX will continue to inform listed entities when additional new or amended online forms will become available for preview on the new training environment, and the effective date for the implementation of the forms.

4. Listing rule compliance course for persons responsible for communication with ASX deferred to 1 July 2022

Listing rule 1.1 condition 13 and listing rule 12.6 were amended on 1 December 2019 to require persons responsible for communicating with ASX in relation to listing rule matters who were appointed to that role on or after 1 July 2020 to complete an approved listing rule compliance course and to attain a satisfactory pass mark in the examination for that course. ASX intended to make an approved education course and examination available online on the ASX website for these purposes free of charge.

ASX announced in [Listed@ASX Compliance Update no 04/20](#) on 22 April 2020 that it was deferring the introduction of these requirements until 1 July 2021 due to its online education vendor having decided to close its operations in Australia.

Regrettably, the replacement of ASX's online education vendor has taken longer than anticipated and consequently ASX's online training course will not be ready by 1 July 2021.

In light of this, ASX has decided to defer the introduction of these requirements for a further year so that they will now come into effect on 1 July 2022.

5. ASX Market Announcements Office closes one hour earlier from the end of Daylight Saving Time

During Daylight Saving, ASX Market Announcements Office ('MAO') remains open for an extra hour, until 8:30pm Sydney time, so that its closing time aligns with 5.30pm Perth time.

Daylight Saving ends in all the States where it is observed this year on Sunday 4 April 2021.

From Monday 5 April 2021, the MAO will open at 7:00am AEST and close at 7:30pm AEST on each trading day.

Processing of announcements commences at 7:30am AEST, giving priority to announcements by entities that have a dual listing in New Zealand so that these are released in time for the opening of trading on the NZX. For those entities that are not dual listed, the MAO will generally commence releasing announcements from approximately 8:25am AEST.

The MAO will continue processing and releasing announcements as they are received during the trading day up to 7:30pm AEST.
