

ZAR X (Proprietary) Limited ("ZAR X")**1. Details about the exchange**

- Name:
ZAR X (Pty) Ltd ("ZAR X")
- Country:
South Africa
- Brief history (founded):
ZAR is a licensed SADC stock exchange and has been operational since it was granted a licence by South Africa's Financial Services Board's ("FSB") Registrar of Securities Services, in terms of sec 9(1) of the South African Financial Markets Act 19 of 2012 ("FMA") on 31 August 2016. ZAR X commenced trading on 20 February 2017.

ZAR X, has developed technology that's intuitive, easy-to-use, and visually engaging to replace manual processes that hinder efficiency and performance; and has pioneered T+0 (Realtime) settlement in South Africa.

2. Contact details

- Physical address:
22 Kildoon Road, Bryanston, Johannesburg, South Africa
- Main telephone & fax number (including country codes):
+27 10 442 5500
- Website & general email address:
www.zarx.co.za
info@zarx.co.za
- Main contact person(s) at exchange with direct telephone number, email and designation:
Etienne Nel, CEO
+27 10 442 5501
enel@zarx.co.za

3. Info on listings

- Number of stocks listed:
 - Date of this information: As at 31 January 2018
 - 3

- Exchange market cap:
 - Date of this information: As at 31 January 2018
 - \$ 292 211 791
- Dual listed stocks: None
- Market indices (main ones only if many): N/A

4. Settlement, clearing & depository details

- What is settlement process:

The clearing and settlement process operated by ZAR X is unique in that matched orders are cleared and settled in real time, i.e. shares are transferred to the account of the buyer and cash is received into the account of the seller within a few seconds of the transaction matching.

To ensure guaranteed real time settlement, buyers of ZAR X securities are required to have cleared funds available in their ZAR X Nominee cash account prior to submitting an order to buy ZAR X securities. As soon as the buy order is submitted into the ZAR X trading platform funds to the value of that order, including fees, are reserved. Within a few seconds of the buy order being matched with the sell order the cost of the buy order, plus fees, will be debited from the buyer's ZAR X Nominee cash account and credited, excluding fees, into the seller's ZAR X Nominees cash account.
- How failed trades are managed:

The concept of failed trades does not exist in the ZAR X model. If cleared funds are not available (or if insufficient cleared funds are available) at the time that the order to buy ZAR X securities is submitted into the ZAR X Trading Platform, the order to buy ZAR X securities will be rejected.
- Partial settlement: N/A
- Securities lending: N/A
- Over the counter trading (OTC): N/A
- Shorting: N/A

5. Corporate actions

- How are they published:

Corporate Actions are published on ZAR X Publishing Service (ZAPS)
- Standard procedure for dates:

An Issuer must Publish notices on ZAPS and on their Company websites. Corporate actions are defined as either mandatory or elective.

Definitions:

- “Declaration Date” The date on which the Corporate Action and Declaration data (including any conditions precedent to which the Corporate Action is subject) are announced.
- “Finalisation Date” The date on which the Corporate Action salient data is finalised.
- “Election Date” The date by which the Participants must have received the election instructions from all their Clients
- “First Day “EX”” The date from which any transactions in that Security excludes the right to receive entitlements relative to the relevant Corporate Action.
- “Last Day to Trade” The last date to trade in order to qualify or participate in a Corporate Action
- “Record Date” The date on which the holdings, upon which the Corporate Action entitlement is based, are ascertained.
- “Notice Record Date” The date used for the purpose of determining which shareholders are entitled to receive notice of a shareholders meeting.

	Mandatory Event	Elective Event
Announcement Date	= RD - 13	= RD - 13
Finalisation Date	= RD - 8	= RD - 8
Last Day to Trade	= RD	= RD
First Day “EX”	= RD + 1	= RD + 1
Election Date	N/A	= RD + X (13h00)
Payment Date	= RD + 1	= RD + Y

NB: Record Date is the “Centre of the universe”

- Proxy voting procedure:

This is set by the Issuer in question

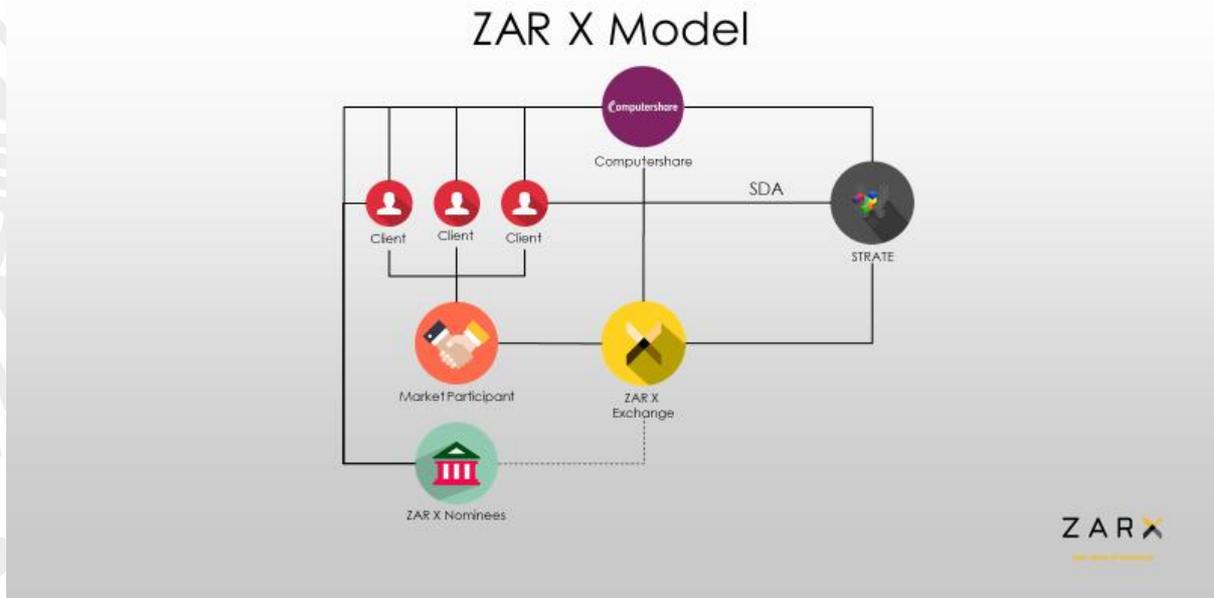
6. Exchange listing news

- Process for distribution of listed securities news:
ZAPS
- Source for listed securities news:
ZAPS

7. Market custodians

ZAR X does not permit brokers to offer safe custody services for ZAR X securities.

8. Trading structure



9. Membership and list of members

- Names & contact details:
 - Afrifocus Securities (Pty) Ltd
Contact: +27(0) 11 290 7800
 - Anchor Stockbrokers (Pty) Ltd
Contact: info@anchorsecurities.co.za
 - Consilium Securities (Pty) Ltd
Contact: info@consiliumsa.co.za
 - EasyEquities
Contact: helpme@easyequities.co.za
 - FirstRand (FNB Securities)
Contact: fnbsecurities@fnb.co.za
 - Independent Securities (Pty) Ltd
Contact: jhb@isec.co.za
 - Saxo Capital Markets SA
Contact: PrivateSales@saxomarkets.co.za

- Senwes Limited
Contact: mysenwes@senwes.co.za
- Peregrine Equities (Pty) Limited
Contact: pere@peregrine.co.za

10. Trading days / times and public holidays

- General non-trading days:
ZAR X does not trade on Saturday, Sundays, public holidays and half day the trading day before Christmas
- Trading hours:
9am – 5pm business days
- Details for calendar year of when exchange will be closed:
 - As above
- Contact details for person who manages this process in case of ad-hoc holidays:
Nicholas Harrison
+27 10 442 5506
NHarrison@zarx.co.za

11. Regulator

The Financial Services Board
www.fsb.co.za
info@fsb.co.za

12. Tax – see <http://www.sars.gov.za>

- Dividend tax treatment:
Dividends Tax is payable by the beneficial owner of the dividend but is withheld from the dividend payment and paid to SARS by a withholding agent. The person liable for the tax, however, remains ultimately responsible to pay the tax should the withholding agent fail to withhold the correct amount of tax. An exception to this general principle is where a dividend consists of a distribution of an asset in specie, resulting in the liability for the tax falling on the company itself (such as with STC), which means that it may not withhold the tax from the dividend payment.
- Capital gains or income tax:
Capital gains tax (CGT) is not a separate tax but forms part of income tax. A capital gain arises when you dispose of an asset on or after 1 October 2001 for proceeds that exceed its base cost. The relevant legislation is contained in the Eighth Schedule to the Income Tax Act 58 of 1962.

- Transaction tax(es):
Securities Transfer Tax is levied on every transfer of a security and was implemented from 1 July 2008 under the Securities Transfer Tax Act, No. 25 of 2007, together with the Securities Transfer Tax Administration Act, No. 26 of 2007.

13. Exchange controls – see <https://www.resbank.co.za>

South African Exchange Control regulations control the flow of money both in and out of South Africa. They apply to every transaction, no matter what amount of rand gets transferred and who the sender or recipient of the money is.

The Reserve Bank of South Africa controls and oversees all capital in- and out flows. The Reserve Bank designates power to authorised dealers who oversee and regulate the market on their behalf.

14. Non-resident restrictions – see <https://www.resbank.co.za>

- Ownership restrictions if any:
Bona fide non-residents may introduce capital into South Africa from abroad, as well as send both the capital and the return on the investment back abroad, provided that documentary evidence can be produced that:
 - the funds originated abroad; and
 - the individual / entity is a bona fide non-resident.
- Repatriation of capital / profits:
As above

15. Trade restrictions and processes

- Odd lots: N/A
- Minimum / maximum requirements:
 - A broker that is not authorized by ZAR X is not permitted to transact in ZAR X securities.
 - The ZAR X operating rules do not permit ZAR X securities to be registered in the name of a nominee (i.e. Broker Nominee Account or CSDP Nominee Account) on behalf of the beneficial owner.
 - A person wanting to buy ZAR X securities must open: (a) a Segregated Depository Account (SDA) with Strate (CSD) and (b) a cash account with ZAR X Nominees in their own name.

16. Trading costs

- Exchange level costs or requirements (brokers costs may vary):

ZAR X Fees:

- Brokerage is set by the exchange on a sliding scale based on the value of the transaction.
 - Client securities are held in a STRATE SDA account opened by the client in his own name. There is no cost attached to this account.
 - Cash is held in ZAR X Nominees sub-account in the client's own name. There is no cost attached to this account and the client earns interest on the cash.
 - Clearing and settlement fees are charged as a percentage of the value traded with no minimum fee being charged but capped above a certain threshold.
- Holding costs:
N/A