

# Listed@ASX Compliance Update no. 01/24

2 February 2024

## 1. Changes to ASX's admission procedures

Effective 5 February 2024, ASX has made changes to the procedures that entities must follow when applying for admission to the official list as an ASX Listing.

The changes relate to:

- demonstrating compliance with the spread requirement in Listing Rule 1.1 condition 8;
- standardising and reducing the documentation that must be provided to ASX to demonstrate compliance with escrow requirements; and
- reducing the types of material contracts that must be provided to ASX with a listing application.

The [Information Form and Checklist](#) that listing applicants must complete and provide to ASX in support of their application for admission has been updated to reflect these changes. The updated document is available from the [ASX Compliance Downloads](#) page of the ASX website.

### ***Demonstrating compliance with the spread requirement in Listing Rule 1.1 condition 8***

Listing Rule 1.1 condition 8 provides that:

*There must be at least 300 non-affiliated security holders, each of whom holds a parcel of the main class of securities that are not restricted securities or subject to voluntary escrow with a value of at least \$2,000.*

*If CDIs are issued over securities in the main class, holders of CDIs will be included.*

*This condition is not met if spread is obtained by artificial means.*

The quality of information that ASX receives to demonstrate compliance with the spread requirement varies significantly between applications. Poor quality spread submissions can delay or prevent a listing from proceeding.

As a result, ASX has developed a [spread register template](#) to assist entities to provide information about spread to ASX in a standardised form. The template is available on the [ASX Compliance Downloads](#) page. Entities must use this template when submitting the details of security holders who are intended to be counted for spread. No other format will be accepted by ASX for the purpose of demonstrating spread.

Further, ASX expects that a listing applicant will seek assistance from its legal advisers to check its compliance with the spread requirement. Accordingly, all entities applying for admission to the official list as an ASX Listing will be expected to provide ASX with an attestation regarding spread from a principal of the law firm acting for the entity. A copy of the attestation template is available on the [ASX Compliance Downloads](#) page of the ASX website.

The attestation must confirm that the lawyer has:

- read and understood [Listing Rule 1.1 Condition 8](#) and [Guidance Note 1](#) (in particular section 3.9 and its footnotes);
- reviewed the information provided in support of the minimum spread requirement; and
- taken reasonable steps to confirm that the security holders presented are able to be counted for spread in accordance with ASX's Listing Rules and guidance.

If an attestation confirms that an entity has 600 or more non-affiliated security holders who may be counted for spread under Listing Rule 1.1 condition 8, the entity does not need to use the ASX spread register template unless ASX asks for the information to be provided in this form after receiving the attestation.

### ***Standardising and reducing the documentation that must be provided to ASX to demonstrate compliance with escrow requirements***

ASX has updated the ASX Restricted Securities Table that is available on the [ASX Compliance Downloads](#) page of the ASX website. This version of the ASX Restricted Securities Table must be completed and submitted with an Appendix 1A Listing Application if the entity has or will have restricted securities on issue at listing.

In addition, ASX will no longer require listing applicants to use restriction deeds to give effect to ASX-imposed escrow requirements. ASX has used its discretions under Listing Rule 9.1 to determine that an entity must instead give a restriction notice to the holder in the form of Appendix 9C in all circumstances where a holder is subject to ASX-imposed escrow.

This change in approach does not preclude ASX from requiring an entity to enter into restriction deeds in a particular case, or prevent an entity from using a restriction deed in addition to a restriction notice should the entity wish to do so.

### ***Material contracts***

An entity will no longer be required to submit copies of all material contracts referenced in the Offer Document to ASX with its Appendix 1A Listing Application.

A material contract will only be required to be submitted with the application in circumstances where the contract relates to the securities to be quoted on ASX or completion of the contract is a condition of the Offer. However, ASX reserves the right to request copies of any of the material contracts referred to in the Offer Document, should it deem it necessary.

## **2. Contact details for Listings Compliance**

Listed entities are able to access the contact details of their Listings Adviser using the 'Contact ASX' tab in ASX Online for Companies.

ASX has also established general telephone lines that an entity can call during business hours if the entity is unable to contact its Listings Adviser for any reason. These numbers have been published on the 'Welcome to Companies' page once you have logged onto ASX Online for Companies.

ASX Online for Companies contains other useful information for listed entities, including printable versions of the Listing Rules and a searchable waiver database.

Should you require technical assistance with accessing or troubleshooting issues with ASX Online please continue to contact: [Help.Desk@asx.com.au](mailto:Help.Desk@asx.com.au) Tel: 1800 028 302 or +61 2 9227 0905.

### 3. Importance of having a nominated contact for ASX matters at all times

Listing Rule 12.6 requires that an entity must appoint and at all times have a person responsible for communication with ASX in relation to Listing Rule matters.

Listed entities are reminded of the importance of ensuring that the person they have nominated under Listing Rule 12.6 is available on short notice to discuss urgent disclosure issues and that their contact details are up to date on ASX Online at all times.

The nominated ASX contact must be readily contactable by ASX by telephone during normal market hours and for at least one hour either side thereof (ie, from 9am to 5pm Sydney time) on each day that ASX is trading.

This requires the nominated representative to be available to take calls from ASX, if they are based in Western Australia, from as early as 6am (WA time) during summer time and 7am (WA time) at other times and, if they are based in New Zealand, until as late as 7pm (NZ time).

As stated in section 4.9 of Guidance Note 8, an entity should ensure that the nominated ASX contact:

- has the organisational knowledge to have meaningful discussions on disclosure matters; and
- is able to request a trading halt and/or issue an announcement to the market, if that is what is required.

ASX observed a number of occasions over the recent holiday period where the nominated ASX contact was uncontactable. In some instances in the past, this has led to ASX having to suspend trading in the entity's securities until a response could be provided to ASX's queries.

Entities should notify ASX through ASX Online of all changes to their nominated ASX contacts. This includes any temporary changes to cover the absence of an entity's usual nominated contact while they are on leave or otherwise unavailable. Changes are notified through the 'Directors/Management' page in ASX Online, accessed through a link on the left side of the page after logging into the ASX Online portal.

Nominated ASX contacts should be assigned the title of 'Communication Person' through ASX Online. A person may be assigned multiple titles through ASX Online. A person who is, for example, both the Company Secretary and the nominated ASX contact for an entity should be assigned both titles in ASX Online.

Entities should separately email their Listings Adviser to confirm any changes made to their nominated ASX contact on ASX Online.

All new nominated ASX contacts must have completed an approved listing rule compliance course and attained a satisfactory pass mark for that course before they are appointed. The listing rule compliance course is free and can be accessed [here](#).

### 4. Changes to forms

Effective 5 February 2024, ASX will be implementing some minor and technical changes to a number of its forms. The marked-up amended forms can be viewed [here](#) and a summary of the changes is available [here](#) (an updated Frequently Asked Questions document is also available from this page).

ASX recommends that listed entities delete any drafts of the existing online or word forms saved prior to 3 February 2024. Saved drafts of online forms can be managed/deleted on the Manage Online Forms page on ASX Online for Companies. The current versions of all word forms are available [here](#) and the updated forms will be available on the same webpage from Monday 5 February 2024. The most up to date version must be used whenever an entity is required to use a word form.

In order to implement the online form changes, please note that both ASX Online and the associated training environment will not be available on Saturday 3 February 2024.

If you require any assistance regarding ASX Online access please contact: [Help.Desk@asx.com.au](mailto:Help.Desk@asx.com.au) Tel: 1800 028 302 or +61 2 9227 0905.

#### 5. **Reminder- Updates to Guidance Note 15- recent changes to listing fees for quotation of securities**

ASX has recently made updates to Guidance Note 15 - ASX Listing Fees ('GN 15') and associated fee arrangements. These changes were first advised in [Listed@ASX Compliance Update 08/23](#) in October 2023.

The changes include:

- **Percentage-based listing fee:** effective 1 July 2023, as part of the annual listing fee review, the minimum flat fee of \$1,250 for quotation of additional securities was replaced with a fee of 1.50%. This change better aligns listing fees with the value of the securities being quoted, particularly benefitting smaller individual issuances.
- **Calculation of fees for quotation where securities are quoted on different dates:** where securities are issued in multiple tranches and quoted on different dates, each tranche will be treated separately for the purpose of calculating fees for quotation.

In coming months ASX plans to introduce monthly invoicing so that all issues of securities within a month will be itemised and sent in one invoice.

The new GN 15 is available [here](#) and a mark-up of the changes is available [here](#).

*If you missed any of our historical Compliance Updates, you can download past editions [here](#).*

\*\*\*\*\*