



BOTSWANA STOCK EXCHANGE CIRCULAR

TO: The Public

From: Botswana Stock Exchange Limited (BSE)

Date: Tuesday 28, October 2025

SUBJECT: INVITATION FOR COMMENTS ON THE PROPOSED LISTINGS REQUIREMENTS FOR SPECIALIST SECURITIES (EXCHANGE TRADED FUNDS, ACTIVELY MANAGED EXCHANGE TRADED FUNDS AND EXCHANGE TRADED NOTES)

1. The Botswana Stock Exchange Limited (BSE) hereby informs market participants and the public that it is reviewing Chapter 18 of the old BSE Listings Requirements, which currently regulates Exchange Traded Funds (ETFs).
2. The review seeks to align the BSE's regulatory framework with international best practice wherein Debt and Specialist Securities Listings Requirements incorporate provisions for Specialist Securities.
3. The proposed amendments aim to:
 - Update and expand the existing provisions under Chapter 18 to include Exchange Traded Notes (ETNs) and Actively Managed Exchange Traded Funds (AMETFs);
 - Incorporate Specialist Securities provisions under the BSE Debt Listings Requirements; and
 - Rename the Requirements to BSE Debt and Specialist Securities Listings Requirements.
4. These changes are intended to broaden the BSE's product offering, enhance regulatory clarity, and strengthen investor protection in line with evolving market developments and the BSE's commitment to continuous market development.

5. Market participants and the public are invited to review and submit written comments, if applicable, on the attached proposed Listings Requirements for Specialist Securities (refer to annexure 1).
6. Written submissions should be made to the BSE's Listings and Trading Department at regulation@bse.co.bw on or before Tuesday 11 November 2025.

ANNEXURE 1 - PROPOSED BSE DEBT AND SPECIALIST SECURITIES LISTINGS REQUIREMENTS		
Listings Requirements Ref	Proposed Additions.	Comment/Rationale
Chapter 11	To rename the current <i>BSE Debt Listings Requirements</i> to “BSE Debt and Specialist Securities Listings Requirements” to reflect the inclusion of provisions regulating Specialist Securities. To introduce a new Chapter 11 – Specialist Securities within the renamed <i>BSE Debt and Specialist Securities Listings Requirements</i>, incorporating provisions for Exchange Traded Funds (ETFs), Actively Managed Exchange Traded Funds (AMETFs), and Exchange Traded Notes (ETNs).	To align the BSE's framework and naming convention with international best practice, by reflecting the inclusion of Specialist Securities under the same set of requirements. To provide a clear and comprehensive regulatory framework for Specialist Securities, including ETFs, AMETFs, and ETNs, thereby expanding the BSE's product offering and enhancing market oversight.
Definitions	New addition to include the definition of Specialist Securities and other related relevant terms under Chapter 11. Definitions: • Specialist Securities - means participatory interests in Exchange Traded Funds (ETFs), Actively Managed Exchange Traded Funds (AMETFs) and Exchange Traded Notes (ETN) • Exchange Traded Fund or “ETF” - means a fully funded and unleveraged security licensed by a competent Authority, that tracks the performance of a specified security or other asset or group of assets, which include, but are not	To ensure that every term used in the provisions for specialist securities has a clear and specific meaning

	limited to, indices, commodities, currencies or any other asset acceptable to the BSE. • Exchange Traded Note or “ETN” – means a senior, non-bespoke, unsubordinated, uncollateralized debt security which represents a contractual obligation made by an issuer to pay the holder a return which is linked to the performance of underlying securities or benchmarks, such as the performance of one or more shares or bonds, an index, an exchange rate or a commodity and is backed by the creditworthiness of the issuer. • Actively Managed Exchange Traded Fund or “AMETF” – means a fully funded (unleveraged) fund that offers exposure to a single portfolio of underlying assets or securities that are discretionarily managed in terms of a pre-determined strategy; • iNAV - the prevailing intra-day NAV published by an iNAV provider throughout the trading day based on the previous day's portfolio; • iNAV provider - an entity, independent of the applicant issuer, its directors, senior management and advisors, who has been appointed by the applicant issuer to calculate the iNAV; • Fund composition files - in relation to the AMETF, the complete details of the investments in the portfolio including the weightings within the AMETF;	
Chapter 11	Specialist Securities	
Section 11.1	The following requirements are for listing Specialist Securities on the BSE.	

Section 11.2	Once an application has been made to the Committee for listing Specialist Securities and such application has been approved, the Specialist Securities will be listed by the BSE on the relevant Specialist Securities Board	To ensure the BSE's regulatory framework aligns with international best practice by integrating provisions for specialist securities within the debt and specialist securities listings requirements.
Section 11.3	General An issuer of Specialist Securities must comply with the following requirements: a) All applications for listing Specialist Securities are to be submitted to the Committee through a Sponsor; b) Specialist Securities will be traded in the same way as any other securities on the BSE and will be subject to the BSE's Trading Rules; c) Trades on Specialist Securities will be settled through the CSD; d) The Specialist Securities for which listing is sought must be freely transferable; e) The appointment of market makers- An applicant issuer shall, prior to the listing of the ETF, be required to appoint a market maker and such duly appointed market maker must undertake to quote buy and sell prices in respect of the Specialist Security on a daily basis; f) An applicant issuer must ensure that all holders of the same series/class of its securities receive fair and equal treatment; g) The issuer must be duly incorporated or otherwise validly established under the law of the country of incorporation or establishment of the Specialist Security, and must be operating in conformity with its memorandum	

	and articles of association (or similar statutory provision) and all laws of its country of incorporation or establishment; h) Where an issuer is seeking a secondary listing for a Specialist Security listed on another Stock Exchange, it must be in compliance with the requirements of that Exchange and the relevant laws of that country and such Exchange should be acceptable to the BSE, and; i) The applicant issuer must publish an announcement on or before the listing date after the BSE has approved an application for listing, containing: i. The information in respect of details of the Specialist Security; ii. The period of marketing (if applicable) and the expected listing date; iii. A statement that BSE approval for the listing has been granted; iv. The code or name under which the Specialist Security will trade; v. Places where copies of the Specialist Security issue documentation can be obtained.	
Section 11.4 Section 11.4.1	Criteria for Issuers of Exchange Traded Funds (ETFs) ETFs must be: i. Open ended (unless an exemption has been granted otherwise); ii. Issued over an index or be structured on a combination of securities/commodities or financial instruments based on a given ratio acceptable to the BSE; iii. Disclose the methodology of computation of the index, if the ETF is structured on such index; iv. Disclose the methodology of computation of the NAV of ETF if	

	such ETF is based on a commodity or commodities; v. Fully secured at all times: either by the underlying securities/ commodities or financial instruments it represents, a proxy security acceptable to BSE which should be listed, freely tradable and have adequate liquidity or cash; vi. The component securities should be housed in a trust and trustee should be appointed, subject to approval by the BSE, to protect the interests of the investors in the ETF; vii. The underlying index or portfolio must consist of securities that are listed on the BSE or any other Securities Exchange acceptable to the BSE, and; viii. The ETF issuer must: a) Prove to the BSE that it has the relevant expertise to issue ETFs or has access to such expertise; b) Satisfy the BSE that a secondary market in the ETF will be established and maintained through appointing market makers; c) Undertake to compute the Net Asset Value (NAV) of the ETF on a daily basis and make the NAV public to all market participants at the same time through the BSE, and; d) Ensure that the computation of NAV will take into account any corporate actions on the underlying securities and management fees.	
Section 11.5	Criteria for Issuers of Actively Managed Exchange Traded Funds (AMETFs)	
Section 11.5.1	a) The following must be included in the name of AMETF, in order to	

Section 11.5.2	distinguish the securities from other ETFs listed on the BSE: i. Short name: "AMETF"; and ii. Long name: "Actively Managed ETF. b) The management company of the AMETF must evidence to the BSE that it has the relevant expertise to issue securities or has access to such expertise; c) The AMETF must be registered as a Collective Investment Undertaking and approved by the relevant competent Authority under the local or foreign legislation/laws before formal application for listing is made; d) The underlying assets or securities of the AMETF must comply with the requirements as determined by the relevant Authority from time to time. These assets or securities must be sufficiently liquid for robust pricing; e) The applicant issuer must adhere to the liquidity requirements pursuant to section 11.5.2; Liquidity requirements for AMETF a) The applicant issuer must appoint a market maker or an agent subject to meeting the requirements below. b) The applicant issuer must confirm to the BSE that the necessary procedures are in place to ensure that the market maker or agent will only provide liquidity in the market based on information available in the public domain to comply with the provisions of the market making Rules.	
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	i. Appointment of a market maker as principal - The market maker must be duly appointed in accordance with the applicable provisions of the Listings Requirements and must remain independent from both the AMETF and the iNAV provider. Where independence cannot be maintained, the BSE may assess the suitability of the market maker based on prescribed criteria. In instances where the market maker is unable to provide liquidity using only the iNAV, the issuer must ensure that the fund composition file is published daily on its website ii. Appointment of agent - The applicant issuer may only appoint an agent where no fund composition file is published on a daily basis. If an applicant issuer elects to publish the fund composition file on a daily basis, then it must immediately appoint a market maker reference to in (i) above.	
Section 11.6 Section 11.6.1	Criteria for Issuers of Exchange Traded Notes (ETNs) The applicant issuer must meet the following criteria, whereby it must be - a) It must prove to the BSE that it has the relevant expertise, procedures, personnel and adequate financial resources to ensure it can meet its obligations to investors as an ETN issuer; b) The applicant issuer must be generally acceptable to the BSE, having regard primarily, but not only, to the interests of investors and the objects of the Securities Act; c) The applicant issuer must confirm that it complies with the applicable laws of its place of incorporation, having obtained all necessary statutory, or other, consents	

Section 11.6.2	required to apply for and maintain a listing of securities; d) Issue securities in a currency acceptable to the BSE; e) ETNs may be issued on a specified security, benchmark or other assets, which include, but are not limited to, listed shares, bonds, notes, indices, commodities, currencies or any other asset acceptable to the BSE; f) Applicant issuers must ensure that the BSE is consulted well in advance regarding the acceptability of a new type of a particular asset prior to the proposed issue date; g) ETNs over assets other than listed securities may only be issued in respect of underlying assets where the BSE is satisfied that there is sufficient price information available to the market through a robust and transparent price discovery mechanism and; h) ETNs issued over benchmarks may only be issued in respect of benchmarks that is provided by an entity that complies with the published IOSCO Principles for Financial Benchmarks or any benchmark acceptable to the BSE; Liquidity requirements for ETNs The issuer of ETNs must a) Appoint a market maker and such duly appointed market maker must undertake to maintain a secondary market in the ETNs in accordance with the Rules Regulating Market Makers on the BSE.	
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Section 11.7	Continuing Obligations for Specialist Securities	
Section 11.7.1	General Issuers of Specialist Securities, as applicable, are required to fulfill the continuing obligations as set out in Chapter 9 of the BSE Debt Listings Requirements and the following additional provisions: a) In the event that the issuer makes any changes to the disclosure document or pricing supplement that affect the terms and conditions of the specialist securities, other than changes which are of a technical nature or are made to correct a manifest error or to comply with mandatory provisions of the law, the issuer must obtain approval from holders of securities; b) The disclosure documents must be updated by the issuer and approved by the BSE where changes to the disclosure documents are required	
Section 11.7.2	Continuing Obligations specific for Issuers of ETF In addition to the provisions of Section 11.7.1 ETF Issuers must comply with the following continuing obligations; a) Corporate actions and dividends 1. In the case of ETFs that make provision for distributions to holders of securities, such distributions should be announced through X-News fourteen (14) days before the Ex-distribution date containing the following minimum information: (i) Ex-distribution date; (ii) The date on which the distribution will be paid;	

	(iii) The cash amount that will be paid for the distribution per ETF; (iv) The issuer shall publish a notice to holders on X-News at least fourteen days (14) prior to the Ex-distribution date; (v) Payment of distributions must be affected within fourteen (14) calendar days after the Ex-distribution date; (vi) Where a distribution declaration is expressed as a percentage, the distribution per ETF in Pula (or the applicable currency) must also be shown 2. Where corporate actions, including but not limited to, mergers, takeovers, rebundling, unbundling, rights issues, capital reductions or scrip dividends, occur in a constituent security of the ETF, the manager of the ETF shall rebalance its portfolio in accordance with the rules of the providers of the index and/or the rules pertaining to the ETF. 3. Where such rules allow the payment of special distributions to ETF holders, rather than the re-investment of such proceeds in the constituent component of an index, the manager will distribute such proceeds to the ETF holders in accordance with its rules. b) Daily Publication 1. The applicant issuer must publish the following details on the issuer website on a daily basis: i. The NAV of the ETF for the preceding day; ii. The accrued reserves distributable to ETF holders, if applicable each preceding day; iii. The accrued cost incurred in the ETF	
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	iv. The index level for the preceding day; v. Management fees payable; vi. Constituent shares or assets that is applicable for creation and redemption purposes; c) Increases and redemptions in issue size of existing ETF's 1. Issuers may increase or reduce the issue size of existing ETFs, subject to the approval of the BSE and the announcement of such change in the issue size through the BSE, and; 2. ETF Issuers must publish on X-News any change to the issue size, at the latest 0900hrs the morning of the change in issue size. d) Information Dissemination 1. The applicant issuer is required to disseminate any announcement on the underlying securities to the BSE, latest on or before the expiry of 1 market day subsequent to such announcement in respect of the constituent security; 2. The issuer of the ETF will be required to make an announcement should there be a change in the constituent portfolio or the underlying index, and; 3. Disseminate the NAV of the ETF and the ETF securities in issue to participants based on the last traded price on a daily basis before the commencement of trading. This must be done through the BSE. e) ETF Manager 1. The issuer may appoint a Manager to act on its behalf for	
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	the purpose of managing the ETF or undertake to manage the ETF; 2. The ETF Manager must be a body corporate, a company or a collective investment undertaking, registered under a regulatory authority acceptable to the BSE and must be competent, have required expertise for the performance of duties and have an unblemished reputation; 3. The Manager must satisfy the section 15(3) of the CIU Act regarding minimum financial resources. 4. The ETF Manager may levy a management fee and be reimbursed expenses incurred for managing the ETF. 5. The basis of computation of such fees and expenditures should be disclosed to the BSE and investors. 6. The Manager may at any time, at its discretion, waive or rebate its remuneration or reimbursement of expenditure or any part thereof. 7. Subject to the Listing Requirements and ETF rules, the Manager may in its absolute discretion- a) Do all such things and enter into all such arrangements as are necessary for the administration of the scheme and to achieve the investment objectives of the ETF; b) Select, purchase, sell, exchange or change any of the assets of the underlying securities in the ETF c) Appoint persons to exercise powers and perform duties on its behalf and in particular, appoint	
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Section 11.7.3	transfer secretaries, secretaries and agents; d) Act on the advice or information obtained from professional advisers and others considered by it to be experts. Liquidity requirements for ETFs An ETF issuer must: a) appoint a market maker and such duly appointed market maker must undertake to maintain a secondary market in the securities; and b) confirm that it will always in normal market circumstances, endeavour to provide and maintain a reasonable bid and offer on the BSE central order book.	
Section 11.8	Continuing Obligations specific for Issuers of AMETF	
Section 11.8.1	In addition to the provisions of Section 11.7.1 AMETF Issuers must comply with the following continuing obligations: 1. An AMETF must publish on its website: (a) the iNAV, calculated by the iNAV provider, during the trading day at intervals or the daily fund composition file or both; (b) the NAV of the fund and AMETF unit, after close of business each trading day; (c) the total expense ratio of the AMETF; (d) the accrued reserves distributable to the AMETF unitholders (if applicable); (e) if the fund composition file is not published on a daily basis, a monthly fact sheet for the fund.	

	The prescribed fact sheet must be made available within 30 days of the month end. At the time the fact sheet is made available on the issuer's website, the issuer must immediately announce on X-News the availability of the fact sheet on the website including the link to the fact sheet on the website; and (f) if the fund composition file is not published on a daily basis, the quarterly fund composition file. This must be published within 30 days after the end of the quarter. The quarter will be determined based on the financial year end of the AMETF. 2. Publish a statement on X-News including a hyperlink to the location on the issuer's website where all the underlying constituents of the AMETF and their weightings in the fund can be found. This must be published as at every calendar quarter end, within 30 days of the end of the quarter. When this information is published on the website the issuer must announce immediately on X-News and include the hyperlink to the information on the issuer's website. 3. The issuer must inform the BSE in writing immediately upon receipt of notice or becoming aware that the iNAV provider has halted its service in providing the iNAV. The BSE may suspend the AMETF, pursuant to the provisions of BSE Trading Rules, on the trading system until the iNAV provider resumes its services. 4. The issuer must inform the BSE in writing immediately the issuer becomes aware of any data breaches at the iNAV provider with	
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Section 11.8.2	respect to the underlying assets in the fund. 5. Any distributions made by the AMETF must be announced in accordance with the requirements stipulated in Section 11.7.2(a) of this Listings Requirements. 6. The issuer must make an announcement on X-News when the issuer changes the liquidity provisions. This announcement should include the details of the new liquidity provision as well as the effective date. 7. The issuer must inform the BSE in writing immediately when the issuer becomes aware of any non-compliance with CIU Act or any provisions of a collective investment Undertaking/scheme registered under foreign legislation. a) Creations and redemptions of existing AMETF Issuers may increase or decrease the issue size of existing AMETF units, subject to the submission of an application letter to the BSE detailing the specific terms of the increase or decrease in issue size. b) Liquidity provider The issuer must appoint a market maker or an agent subject to meeting the requirements below. The issuer must confirm to the BSE that the necessary procedures are in place to ensure that the market maker or agent will only provide liquidity in the market based on information available in the public domain to comply with the provisions of the Securities Act.	
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	c) Independence A market maker must not act as a market maker to any organization or fund of which it is not independent except with the specific approval of the BSE. The issuer must be able to demonstrate to the BSE that market maker can act in a neutral and objective manner without any undue influence from the issuer or its associates. The BSE will have regard to the following principles in considering whether to allow a market maker to act for an issuer from which it is not deemed to be independent: i. the department or area that is responsible for market making must operate separately from the issuer of the AMETF; ii. the department responsible for market making must not have any reporting lines into the department responsible for issuing the AMETF; iii. the compliance officer of the organisation must confirm in writing that the two areas are sufficiently independent and separated to ensure that the one is not influenced at all by the other; and iv. disclosure about the relationship must be disclosed in the listing documentation together with details on the market maker's calculator's ability to act independently.	
Section 11.9	Continuing Obligations specific for Issuers of ETNs	
Section 11.9.1	In addition to the provisions of Section 11.7.1 ETN Issuers must comply with the following continuing obligations; 1. Daily Publication	

	a) The applicant issuer must publish the following details on the issuer website on a daily basis: b) The NAV of the ETN for the preceding day; c) The accrued reserves distributable to ETN holders, if applicable each preceding day; d) The accrued cost incurred in the ETN e) The index level for the preceding day; 2. Corporate Actions In the event of a corporate action affecting the ETN, the issuer must announce how the corporate action affected the valuation of the ETN at least on the day that the change is affected.	
Section 11.10	Disclosure Documents Requirements for Specialist Securities	
Section 11.10.1	General Issuers of Specialist Securities, as applicable, are required to fulfill the general requirements for Disclosure Documents as set out in Chapter 3 of the BSE Debt Listings Requirements.	
Section 11.10.2	In addition to above requirements, Issuers of Specialist Securities must include the following information in the Disclosure Document: a) The full names and addresses of its directors (or in the event that the applicant issuer is not a company, the persons with corresponding duties and powers as a director in relation to the applicant issuer) including –	

	(1) a brief CV of each director, including a list of all other companies of which he/she is a director (which may be incorporated by reference); (2) details of any bankruptcies, insolvencies or individual voluntary compromise arrangements of such person; (3) details of any business rescue plans and/or resolution proposed by any entity to commence business rescue proceedings, application having been made for any entity to begin business rescue proceedings, notices having been delivered in terms of Section 129(7) of the Act, receiverships, compulsory liquidations, creditors' voluntary liquidations, administrations, company voluntary compromise arrangements or any compromise or arrangement with creditors generally or any class of creditors of any company; where such person is or was a director, with an executive function within such company at the time of, or within the 12 months preceding, any such event(s); (4) details of any compulsory liquidations, administrations or partnership voluntary compromise arrangements of any partnerships where such person is or was a partner at the time of or within the 12 months preceding such event(s); (5) details of receiverships of any asset(s) of such person or of a partnership of which the person is or was a partner at the time of, or within the 12 months preceding, such event; (6) details whether such person has ever been disqualified by a court from acting as a director of a company or from acting in the	
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	management or conduct of the affairs of any company; (7) details of any offence involving dishonesty committed by such person; (8) details of any convictions of any offence resulting in dishonesty, fraud, theft, forgery, perjury, misrepresentation or embezzlement; (9) details of ever being barred from entry into any profession or occupation; (10) details of any convictions in any jurisdiction of any criminal offence, or an offence under legislation relating to the Companies Act. (All such convictions must be disclosed even though they may now be "spent convictions"); (11) details regarding such person's removal from an office of trust, on the grounds of misconduct and involving dishonesty; and (12) details of any court order declaring such person delinquent or placing him under probation in terms of the Companies Act. The details of paragraphs (2)-(12) must be applied equally to the corresponding events and laws in foreign jurisdictions, when applied to foreign directors. c) Information on any legal or arbitration proceedings, including any such proceedings that are pending or threatened of which the applicant issuer is aware, that may have, or have had, a material effect on its financial position, or an appropriate negative statement; d) Description of the rights of the holders of securities in the event of	
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Section 11.10.3	the liquidation and business rescue proceedings of the applicant issuer; e) Description of the material risks, which should include but is not limited to the risk of investing in the securities, trading risks and material risks to the applicant issuer, if applicable; f) A statement to the effect that: <i>"Prospective purchasers of any Specialist Securities should ensure that they fully understand the nature of Specialist Securities and the extent of their exposure to risks, and that they consider the suitability of Specialist Securities as an investment in the light of their own circumstances and financial position"</i>; f) A statement that upon exercise, maturity or settlement (as applicable), the applicant issuer is responsible for settlement and not the BSE nor any other exchange; g) A statement that any change in the terms of the securities must be approved by an extraordinary resolution, excluding the votes of the applicant issuer, any guarantor and their associates; and h) A statement to the effect that investors must seek their own independent tax advice. General requirements for ETFs and AMETFs Disclosure Documents In addition to section 11.10.2 of these Requirements applicant issuers of ETF and AMETF units must include the following: (a) Details of all parties involved in the ETF or AMETF structure and the	
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	cost ratio applicable to the ETF or AMETF; (b) In the event that the applicant issuer makes any changes to the disclosure documents or pricing supplement that affect the terms and conditions of the ETF or AMETF, other than changes which are of a formal, minor or technical nature or are made to correct a manifest error or to comply with mandatory provisions of the law, the applicant issuer must obtain approval from ETF or AMETF unitholders: (c) The source for commodity and currency pricing, if applicable. If the source changes, an announcement must be made on X-NEWS within 24 hours; (d) The location on the applicant issuer's website of the following information: (i) NAV of the ETF or AMETF; (ii) The details of the constituents of the creation and/or redemption basket; (e) Details of how the NAV of the ETF is calculated including, but not limited to, the capital value, the distributable amount and the accrued cost and where the information is available on the applicant issuers website; (f) The procedure to be followed in the event of creations and redemptions of the ETF or AMETF and the basis on which the ETF or AMETF will be redeemed; (g) The frequency and distribution periods of the ETF or AMETF (if applicable) of any income derived from the underlying assets, and;	
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Section 11.10.4	(h) A directors' responsibility statement from the applicant issuer, or the management company Additional Disclosure Requirements for ETFs In addition to section 11.10.3 above, the ETF disclosure document, must include the following terms of the specific issue of ETFs: a) A description of the underlying security, asset or benchmark that the ETF will reference which must include the following: i. The name of the securities, asset or benchmark; ii. In the case of a benchmark the code, currency, when it was established and how and by whom it is compiled and /or calculated, the frequency of any updates and the link to the website where the information on the benchmark can be obtained; iii. A statement that the index referenced by the ETF is provided by an index provider that complies with the published IOSCO Principles for Financial Benchmarks; iv. where the price information of the security or assets is available; and v. The provisions in the event of modification and discontinuance of the underlying security, asset or benchmark.	
Section 11.10.5	Additional requirements for AMETFs In addition to the disclosure requirements set out in section 11.10.3 above, an AMETF applicant issuer must include the following in a Disclosure Document: a) The investment mandate applicable to the AMETF, under the	

	terms and conditions section of the disclosure document; b) In relation to the investment mandate, the following additional details must be disclosed: I. The investment universe of eligible securities; II. The investment strategy; III. Applicable benchmark for the performance of the AMETF; and IV. The investment theme and applicable sectors that the AMETF will invest in. (c) The formula used to calculate the iNAV, if applicable, of the AMETF unit; (d) Details on how the liquidity requirements will be achieved and a statement that the applicant issuer will issue a X-News announcement when the applicant issuer changes the liquidity provision; (e) The location on the applicant issuer's website of the following information: (i) iNAV or daily fund composition file or both; (ii) If the daily fund composition file is not published, the monthly fact sheet and the quarterly fund composition file. f) If iNAV is provided – A statement confirming that the applicant issuer has appointed an iNAV provider and the iNAV provider has the required experience in providing an iNAV, having regard for the following: i. The iNAV provider has sufficient staff with considerable relevant experience. Experience could include the calculation of iNAV, in-house benchmarks, indices or having worked with or been employed by an acceptable	
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	iNAV provider for a considerable period; and ii. In relation to effective continuity on the calculation of iNAV, the iNAV provider has arrangements in place to ensure that a sufficient number of experienced staff are available to properly discharge the iNAV provider's responsibilities at all times; iii. A statement that the iNAV provider has a robust iNAV calculation system in place having regard for the following principles in considering whether the system is acceptable: iv. A process must be in place to prevent manipulation of the iNAV calculation system; v. The iNAV provider must have full disaster recovery for the calculation system and the recovery process must be tested at least twice a year; vi. The technology being used must ensure continuity with proper automation and data feeds; vii. Data in the system must be secured; viii. The system must have audit logging in place; and ix. intraday revisions must be possible; g) If iNAV is published and the daily fund composition file is not published, the conditions under which the publication of iNAV will be halted. This must include disclosure that the publication of the iNAV will be halted if 10% of the listed underlying portfolio's pricing is no longer continuously available	
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	on an actively traded public market. h) The iNAV provider The iNAV provider must comply with the following criteria: i. Be independent from the applicant issuer and the market maker, their management and directors; ii. Be an entity specializing in the calculation of intraday values, with sufficient relevant experience in performing the calculation of iNAV. Such expertise is demonstrated by: 1. Being in compliance with the published IOSCO Principles for Financial Benchmarks or 2. Having significant and appropriate previous experience in calculating values of financial instruments. Independence i) The iNAV provider Independence I. An iNAV provider must not act as an iNAV to any organization or fund of which it is not independent except with the specific approval of the BSE. II. The iNAV provider must be able to demonstrate to the BSE that it can act in a neutral and objective manner without any undue influence from the applicant issuer or its associates. The BSE will have regard to the following principles in considering whether to allow an iNAV provider to act for an organization or fund from which it is not deemed to be independent: III. The department or area that is responsible for calculating the	
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Section 11.10.6	iNAV must operate separately from the applicant issuer of the AMETF; IV. the department responsible for calculating the iNAV must not have any reporting lines into the department responsible for issuing the AMETF; V. The compliance officer of the organization must confirm in writing that the two areas are sufficiently independent and separated to ensure that the one is not influenced at all by the other; VI. A policy must be in place stipulating how matters will be dealt with that are not covered in the ground rules and this policy must ensure that decisions are taken without any consideration to the applicant issuer of the instrument and at all times in the best interest of investors; and VII. disclosure about the relationship must be disclosed in the listing documentation together with details on the iNAV provider's ability to act independently. Additional disclosure requirements for ETNs The disclosure documents for ETNs must include, in addition to section 11.10.3 the following disclosures: a) A description by the directors of any material changes in the financial or trading position of the applicant issuer since the end of the last financial period for which annual financial statements have been published, or an appropriate negative statement. The board of directors must confirm that the	
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	aforementioned material change statement has been made after due and careful enquiry and that there has been no involvement by the auditors in making such statement; b) The ETNs pricing supplement issued in terms of the disclosure document, must include the following terms of the specific issue: i. The issued amount; ii. A description of the security, asset or benchmark that ETN will reference including but not limited to; 1. The name of the security, asset or benchmark; 2. In the case of the benchmark, the code, the currency and the link to the website where the information of the benchmark can be obtained; 3. Details of where the price information of the security or asset is available; and 4. The provisions in the event of a modification or discontinuance of the underlying security, asset or benchmark; and 5. An applicant issuer's responsibility statement. iii. Details of how the NAV of the ETN is determined and where it is available on the applicant issuers website; iv. The frequency and distribution periods of the ETN (if applicable) of any income derived from the underlying assets; v. The maturity date of the ETN; and vi. Details of the market maker.	
Section 11.10.7	Minimum Disclosure Requirements for Feeder Funds - ETF and AMETF 1. Feeder Fund ETFs The following additional information should be included in the supplement	The BSE has received a listing application for a feeder fund under the Actively Managed Exchange Traded Funds ("AMETF") segments. While the BSE may accept listings of feeder funds, the

	to the placing document for a feeder fund ETF: a) General information on the underlying fund, being: i. the name of the fund and collective investment Undertaking; ii. the benchmark being tracked by the fund; iii. the name of the management company and asset manager; iv. how often fact sheets on the fund are published; v. how often NAV is calculated and the basis for the NAV calculation; and vi. The weblink where additional information on the fund can be found including, the prospectus/listing documents, fund factsheets and NAV. b) The weblink where the underlying feeder fund's portfolio constituents are published. c) The costs of both the ETF and the underlying fund. d) The supplement to the disclosure document must clearly stipulate that the only assets that will be held by the AMETF will be the units in the underlying fund and cash. 2. Feeder Fund AMETFs The following additional information should be included in the supplement to the placing document for a feeder fund AMETF: a) General information on the underlying fund, being:	current Listings Requirements do not specifically address the disclosure obligations applicable to such structures. Accordingly, new provisions are being introduced to outline the disclosure requirements for feeder fund ETFs and AMETFs
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	i. the name of the fund and collective investment undertaking; ii. the investment mandate; iii. the benchmark; iv. the name of the management company and asset manager; v. how often fact sheets on the fund are published; vi. how often NAV is calculated and the basis for the NAV calculation; and vii. The weblink where additional information on the fund can be found including, the prospectus/listing documents, fund factsheets and NAV. b) The costs of both the AMETF and the underlying fund. c) The iNAV provider must include the cost of both the AMETF and the underlying fund when calculating iNAV. d) The supplement to the placing document must clearly stipulate that the only assets that will be held by the AMETF will be the units in the underlying fund and cash e) Confirmation from the Manager of the AMETF that it has received permission to have full access to the underlying assets of the underlying fund. f) The weblink where the underlying feeder fund's portfolio constituents are published, if any.	
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