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DAR ES SALAAM STOCK EXCHANGE PLC

DAR ES SALAAM STOCK EXCHANGE PLC RULES, 2022

Prepared by the Board of Directors of the Dar Es Salaam Stock Exchange PLC

Approved by the Capital Markets and Securities Authority on the
3rd day of **December 2021**

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(BOOK ONE)

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PART I
PRELIMINARY PROVISIONS

Citation

1. These Rules may be cited as the **Dar es Salaam Stock Exchange Public Limited Company Rules, 2022**.

Interpretations

2. In these Rules unless the context requires otherwise-

"Accrued Interest" means the amount of interest which has accumulated in respect of an interest-bearing security from the last payment up to settlement day;

Cap. 79

"Act" means the Capital Markets and Securities Act;

"Admission/Admitted on the List" means a security which is being / has been admitted to a quotation on either the MIMS or the EGM (whether or not trading actually takes place on the DSE);

"Annual Accounts" means the financial statements for the year in question including the balance sheet, the profit and loss account, cash flow statements, directors' report and the notes to the accounts;

"Annual Sustainable Bond Report" means a Sustainable Bond report issued by the Issuer to investors, the Exchange and the Regulator as applicable, annually for the duration of the Bond. The Report shall include the following details, aligned with the Issuers Bond Framework:

(a) A brief description of the assets/projects and the amounts disbursed, including the percentage of proceeds that have been allocated to different project types and to financing and refinancing and the anticipated timeframes for the disbursements until completion of the allocation;

(b) Continued eligibility of the selected projects and assets i.e., the issuer confirms that the projects and assets are still eligible under the selected Standards and Guidelines. This allows the issuer to disclose to investors whether or not there have been any deviations from the eligibility of assets or a need to reallocate the proceeds to other assets. Note: some Sustainable Bonds have very stable allocation of proceeds and do not need to track any performance indicators to maintain the eligibility of the projects and assets e.g. financing for a single large-scale solar facility. This means that the update report provided by the Issuer each year can be very concise and simply restate the information from previous reports;

(c) The expected impact of the projects and assets which may include; the qualitative performance indicators and, where feasible, quantitative performance measures of the impact of the projects; and

(d) The inaugural annual report on use and management of proceeds will be reviewed and signed off by the External Reviewer to confirm the green/social/sustainability status of the bond. Thereafter the annual sign off on the report by the External Reviewer is recommended, but not mandatory (unless it is a Sustainability-Linked Bond). At a minimum the use of proceeds should be incorporated into the issuer's annual financial statements signed off by the issuer's financial auditor.

"Annual Sustainability-Linked Bond Report" meaning a report by the issuer at a minimum containing the recommended items as per the SLB Principles by the ICMA, or as per any other Guidelines acceptable to the Exchange:

(a) Selection of Key Performance Indicators (KPIs)

(b) Calibration of Sustainability Performance Targets (SPTs)

(c) Bond characteristics

(d) Reporting frequency

(e) Verification by the External Reviewer – required annually for an SLB.

"AON' or "All or None" means a Block Trade for a single lot of securities which can only be sold in full without being split into smaller lots;

"Applicant" means a new Applicant/existing Issuer applying for securities to be Admitted on the List or a new Applicant for Membership, as the context may permit;

"Application for Compensation" means such form as may be adopted by the Board for completion by an investor who wishes to apply for compensation from the Fund;

"Application for a Declaration of Default" means such form as may be adopted by the Board for completion by the investor in order to obtain a declaration of default of a Licensed Dealing Member (LDM);

"Authorised Central Depository System Operator" means a licensed dealing member of the DSE or any other institution approved by the Board of the DSE to open and operate Central Depository System accounts upon instructions of investors or to operate its own account;

Cap.79 "Authorised Dealers' Representative (ADR)" means a natural person licensed in accordance with CMS Act, and permitted by the Authority to carry on the business of agency trading or dealing in securities using the facilities of the DSE on behalf of the LDM;

Cap. 79 "Authority" means the Capital Markets and Securities Authority ("CSMA") established under the Capital Markets and Securities Act;

"Best Market Price" means the current highest bid and the lowest offer in a specific security;

"Bid" means an order submitted by an LDM to the DSE to buy securities at a certain price referring to a price which a buyer is willing to accept for his securities;

"Block Certificate" means a single certificate issued by a Registrar of an Issuer representing a large number of securities for holders grouped together (in a fungible form).

"Block Trade" means a single lot of any security Admitted on the List with a minimum value of TZS 250 million;

"Board" means the governing organ of the DSE;

"Bond Registrar" means the holder of the register for a bond who shall also be the Transfer Agent;

"Book-entry" means the entries made on computer database, within the Central Depository System, to record the final legal ownership or change of ownership of securities;

"Borrower" means a holder who has mortgaged securities held or to be held in the Central Depository System as collateral against a loan;

"Business Day" means any day in the week that is not a Saturday or Sunday, or gazetted holiday, or announced by the Exchange in a general notice;

"Capital" means share capital including preference shares;

"CBI" or "Climate Bonds Initiative" means an international organisation working to mobilise the largest bond market, for climate change solutions and promote investment in projects and assets necessary for a rapid transition to a low carbon and climate resilient economy.

"Central Securities Depository (CSD)" means the function within the DSE, or a subsidiary company of the DSE which holds the definitive and authentic record of securities in immobilised or dematerialised form, to enable book-entry transfer of securities;

"Central Depository System or CDS" means the book-entry ledger system used by the

CSD; "Chairman" means the Chairman of the Board of the DSE;

"Chief Executive" means the Chief Executive Officer of the DSE;

"Clearing/Settlement Bank" means a commercial bank designated by the DSE to settle transactions on behalf of LDMs and CSD Members;

"Client Depository Account" means a record in ledger form describing the details of securities investments held by a client in the CSD of the DSE;

"Client Reference Number" means an identification number designated for a client by an Authorised Central Depository System Operator;

"Close" means the time at which the market is no longer available for continuous trading;

"Closing Price" shall be defined as the Volume Weighted Average Price (VWAP) of trades executed during the trading session, provided that a minimum of 100 shares have traded

Cap.79 "CMS Act" means the Capital Markets and Securities Act;

"Committee" means a Committee set up by the Board dealing with the matters included in its terms of reference as the context requires;

"Contract Note" means a note containing the details of a transaction concluded at the DSE as required by the DSE Rules;

"Competent Person" means a person who has the appropriate experience in the type of activity undertaken or to be undertaken by a mineral, oil and gas company, meeting the following minimum requirements:

(a) is professionally qualified and a member or licensee in good standing of a relevant Recognized Professional Association;

(b) has at least ten years of relevant professional experience in the estimation, assessment and evaluation of:

(i) the mineral or minerals, oil or gas that is under consideration; and

(ii) the activity which the issuer is undertaking; and

(c) has not been found to be in breach of any relevant rule or law and is not:

(i) denied or disqualified from membership of;

(ii) subject to any sanction imposed by;

(iii) the subject of any disciplinary proceedings by; or

(iv) the subject of any investigation which might lead to disciplinary action by any relevant regulatory authority or professional association.

"Connected Persons" means-

(a) in the case of Members, the directors, shareholders, ADRs and first generation of family relatives of these parties;

(b) in the case of Listed Issuers, the directors and first generation of family relatives of these parties;

"Corporate Action" refers to any event initiated by a listed company that can potentially impact its shareholders or its securities. These actions typically include events such as Mergers and Acquisitions, Declaration of dividends, rights issues and Bonus Issues, Stock Splits, or any other action that can materially affect the business prospects of the company.

"Constituent" means components of the indices;

"CSD Members" means a member who is authorised by the CSDR Board to access the CDS for purposes of clearing, settlement, depository and registry operations;

"CSD Receipt" means a non-negotiable document issued by the DSE at the request of a CSD account holder representing-

(a) the deposit or purchase of securities;

(b) a debit advice (covering sales or transfers) of securities;

(c) as recorded in a CSD account on a given date;

"Custodian" means a legal person that acts as a custodian of securities, regulated by the CMSA, admitted as a CSD Member of the DSE;

"DATS" means the DSE Automated Trading System;

"DATS Trader" means a natural person permitted by the Exchange to exclusively trade on behalf of an LDM;

"Date of Default" means the date when the LDM or CSD Member has been declared to be in default pursuant to these Rules;

"Default Notice" means such notice as may be issued by the DSE announcing the declaration of default;

"Delivery versus Payment" means the settlement process defined in Part VII of these Rules;

"Deposit" means the delivery and transfer of securities by a client to CSD custody, through a CSD Member;

"DSE" means the Dar es Salaam Stock Exchange Public Limited Company, authorized by the Authority;

"Dirty Price" means a bond pricing quote referring to the price of a coupon bond that includes the present value of all future cash flows, including interest accruing on the next coupon payment.

"Discretionary Account" means an account in which the client gives an LDM a discretion which may be general or specific as to the purchase or sale of securities including selection, timing and price to be paid or received;

"EAC" means the East African Community;

"Electronic Securities Service Provider" means any person approved by the Authority to offer securities services through an electronic platform;

"Enterprise Growth Market segment (EGMs)" means a market segment within DSE for securities-such as those of starter up, small and medium sized enterprises;

"Exchange" means the DSE;

"Exchange Traded Funds or ETFs" means listed investment products that track the performance of a group or "basket" of Shares, Bonds or Commodities. These "baskets" are known as indices;

"External Reviewer" means an entity appointed by the Issuer. The External Reviewer must be an entity:

(a) specializing in assessing the framework of the Sustainable Bond's environmental and/or social objectives, with sufficient environmental, social, and/or other relevant and specific thematic qualifications related to the issuance, as well as financial and market-specific expertise to perform a comprehensive assessment of the use of proceeds;

(b) independent of the Issuer, its directors, senior management and advisors;

(c) aligned with the ICMA's Guidelines for External Reviewers, or approved under the Climate Standards and Certification Scheme, or any industry body acceptable to the Exchange and the Capital Market Regulator; and

(d) withsignificantandappropriateexpertiseneededforprovidingindependentreviews on sustainable bonds and its thematic sub-sets as relevant to the issuance.

Cap.212 "Financial Year" means the period covered by the Company's financial statements prepared for the purposes of the Companies Act;

Cap. 79 "Fidelity Fund" means the Fidelity Fund established by virtue of Section 83 of the Capital

and Securities Act;

"Foreign Investor" has the same meaning as under the Capital Markets and Securities (Foreign Investors) Regulations 2014;

"Fund" means a REIT or other collective investment scheme Admitted on the List;

"Fungible" means all securities deposited at the CSD of the DSE that are freely interchangeable with another in satisfying an obligation;

"Government" means the Government of the United Republic of Tanzania;

"Group" means an Issuer and its subsidiaries;

Cap.212 "Holding Company" has the same meaning given under section 126 of the Companies Act;

"ICMA" means the International Capital Market Association i.e., a not-for-profit membership association whose mission is to promote resilient well-functioning international and globally coherent cross-border debt securities markets, which are essential to fund sustainable economic growth and development.

"Independent Competent Person" means a professionally qualified person and a member in good standing of an appropriate recognized professional association who:

(a) must have at least five years relevant experience in the estimation, assessment and evaluation of the type of mineral or fluid deposit under consideration;
(b) is independent of the applicant, its directors, senior management and advisers;
(c) is not be remunerated by way of a fee that is linked to the admission or value of the applicant; and
(d) is not a sole practitioner.

"Initial Public Offer (IPO)" means the initial issuance of securities to the public on the primary market with potential for listing and trading at the DSE;

"Institutional Investor" means a legal person conducting investment business.

"Investment Entities" means investment companies, private equity companies, active private equity companies, active private equity funds, investment trusts and unit trusts whose principal activity is investment in securities.

"Irregular Deals" means deals which could adversely affect equal access to information for all stock market players or the quality of the information supplied to investors;

"Issuer" means a public company or other legal entity whose securities are listed at the DSE or are the subject of an application for listing or any entity with a potential for listing or trading;

"Lender" means a party who accepts securities held in the CDS as collateral in respect of a loan, under the procedures laid down in these Rules of the CSD;

"Licensed Dealing Member (LDM)" means persons licensed by the Authority to deal in securities and admitted to DSE membership by the Board;

"LDM's Connected Persons" means directors, shareholders, officers, ADRs and DATS Traders and their Connected Persons and Related Parties and other persons that an LDM's compliance officer may deem to be connected;

"Limit Order" means an order which has a specified price when it is posted for execution;

"List" means all the securities traded on the Dar es Salaam Stock Exchange PLC.

"Listed" means Admitted on the List of the DSE (except where the context requires otherwise); "listing" being construed; accordingly,

"Listed Company or Entity" means a company or an entity, whose securities are listed at the stock exchange for public trading;

"Listed Securities" means all the securities of that class that are listed;

"Debt Securities" means interest bearing securities which do not have a share in the equity of the company;

"Market Imbalance" means a situation in the Pre-open Market when the best bid is higher than the best offer;

"Market Index" means a statistical measurement of the performance of a particular group of securities, using a clearly defined set of Rules;

"Market Order" means an order which does not have a specified price when it is posted for execution. This type of order will be executed automatically at the best price obtainable and will have priority over limit order at the same price levels and assumes an initial price limit value normally based on the price most advantageous in the market. A Market Order trades through a range of prices starting at the best price in the market;

"Market Official" means the Exchange official who manages the operations of the DSE in accordance with these Rules;

"Main Investment Market segment (MIMs)" means the main market segment of DSE which is designed for larger and more established companies;

"Member" means an authorised LDM, CSD Member, Registrar, Nominated Advisor who is approved by the Board;

"Mobile Phones Network Operators (MNO)" means a company that provides services of wireless communications to end users. Also known as wireless service provider;

"Mortgage of Securities" means the use of securities held at the CSD to guarantee performance by a borrower of a contract between borrower and lender;

"Net Capital" shall be the greater of the amounts prescribed by the CMS (Accounting and Financial Requirements) Regulations, 1997 as may be modified by the Authority from time to time;

"Net Turnover" means the amount derived from the sale of products and the provision of services falling within an undertaking's ordinary activities after deduction of sales rebates and any taxes directly linked to turnover;

"Netting" means a process by which gross, or trade-by-trade obligations between counterparties in a transaction are settled by a single transfer of the net amount of funds;

Cap.79 "Nominated Advisor" shall have the same meaning given under the Capital Markets and Securities Act;

"Non-Compliant Board" means a default trading board for securities of an Issuer who is in breach of the DSE Rules;

"Non-Dealing Member" means a Listed Company, Registrar, Nominated Advisor or CSD Member;

"Normal Lot" means a standard number of shares for a specific security which can be traded on the market as may be determined by the Exchange the value of which does not exceed TZS 200 million;

"Odd Lot" means any number of shares that is less than a Board Lot for a specific security;

"Offer" means an order submitted to the DSE by an LDM to sell securities at a certain price, referring to a price which a seller will accept for his securities;

"On Exchange" means a transaction in security Admitted on the List of the DSE concluded on DATS;

"Opening Algorithm" means a calculation as set out in these Rules used at the time of opening the trading session to calculate an Opening Price for each security;

"Opening Auction" means the process in DATS, by which the Opening Price is calculated; "Opening Price" means the reference price for each security at the start of continuous trading; "Order" means a bid or an offer submitted to DATS by an LDM to buy or sell securities;

"Platform Host" means an electronic securities service provider authorized by DSE to offer securities services through MNOs;

"Pre-Arranged Trades" means Block Trades where the buyers and sellers have been identified prior to execution on DATS;

"Pre-issuance Verification Report" means a report issued by the External Reviewer confirming the Sustainable Bond can be classified as such pursuant to the relevant Sustainable Bond Guidelines and Standards provided under Fourteenth Schedule. The report is also known as a "Second Opinion" or a "External Verification and Assurance" report. The report generally verify and provide assurance related to the claims in the Issuer's Sustainable Bond Framework. The content can vary slightly dependant on which Sustainable Bond Guideline or Standard has been applied, as well as the External Reviewer's methodology.

"Pre-Opening" means a state during the trading session, for equities only, where DATS Traders can enter limit price orders and view order quantity imbalances but during which no orders are executed;

"Prescribed Territory" shall have the same meaning as under the Capital Markets and Securities (Foreign Investors) Regulations 2003;

"Price" means the unit price of a security;

"Price Cap limit" means a fixed percent on the previous closing price that sets the limit on which prices of the listed equity securities can fluctuate during a trading session.

"Private Transfer" means a transfer of securities which does not involve monetary consideration as set out in these Rules;

"Protection Price" means a fixed percentage on theTouchline Price, re-calculated every time a new market order is submitted to the order book;

"Qualified Competent Person" means a professionally qualified and a member of an appropriate self-regulatory organisation or professional association of engineers and/or geoscientists and as a minimum, must:

(i) have at least five years relevant experience in the estimation, assessment and evaluation of the type of mineral relevant to the issuer;

(ii) be independent of the issuer, its directors, senior management, major shareholders, and also any sponsor or nominated adviser acting in respect of an admission to trading on any recognised stock exchange;

(iii) not be remunerated by a fee linked to value of the securities of the issuer; and (iv) practise as part of an established firm (rather than being a sole practitioner).

"Qualified Person's Report" means a report prepared by a qualified person

"Queue Priority" means the order sorting criteria that define the priority of execution;

"Recognised Stock Exchange" means a stock exchange other than the DSE recognised by the Authority;

"REITS" shall have the same meaning as under the Capital Markets and Securities (Collective Investment Schemes) (Real Estate Investment Trusts) Rules, 2011;

"Registrar" means the person or entity entrusted by the Issuer to register securities holdings in terms of law;

"Regular Order" mean all unfilled orders without any special terms where regular orders are given priority in trading over all other orders at any given price;

"Related Party" means-

(a) the management company of a listed fund; or

(b) the trustee or equivalent of a listed fund or director or equivalent of an Issuer; or

(c) a major unit holder of a listed fund or substantial shareholder of a listed Issuer; or

(d) a director, chief executive officer or major shareholder of the management company of a listed fund; or

(e) a person connected, directly or indirectly, with any Director of a Listed Company, chief executive officer, or major shareholder of the management company or Listed Company, or a person connected, directly or indirectly, with the management company, trustee or a major unit holder of the Fund; or

(f) where a management company of a listed fund manages more than one fund and a transaction involves two or more of the funds managed by that management company, transactions between these two funds are deemed as related-party transactions for each of the funds involved in the transactions;

"Recognized Professional Association" means a self-regulatory organisation of professionals, recognized by the Exchange in the mineral, oil or gas industries which:

(a) admits members on the basis of academic qualifications and experience;

(b) requires compliance with organization's professional standards of competence and ethics established, and

(c) has disciplinary powers to suspend or expel a member.

"Reserves" means:

(a) with regard to minerals, the economically mineable part of a resource. It includes diluting materials and allowances for losses which may occur when the material is mined. Appropriate assessments and studies have been carried out and include consideration of and modification by realistically assumed mining, metallurgical, economic, marketing, legal, environmental, social and governmental factors. Reserves can be further categorized as:

(i) "Proved Reserve" is the economically mineable part of a Measured Resource. Assessments and studies carried out demonstrate at the time of reporting that extraction is justified; and

(ii) "Probable Reserve" is the economically mineable part of an Indicated, and in some circumstances, a Measured Resource. Assessments and studies carried out demonstrate at the time of reporting that extraction can reasonably be justified;

(b) regarding oil and gas, those quantities of petroleum anticipated to be commercially recoverable by application of development projects to known accumulations from a given date forward under defined conditions. Reserves can be further categorized as:

(i) "Proved Reserve" is an incremental category of estimated recoverable volumes associated with a defined degree of uncertainty. Proved Reserves are those quantities of petroleum, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be commercially recoverable, from a given date forward, from known reservoirs and under defined economic conditions, operating methods, and government regulations. If deterministic methods are used, the term reasonable certainty is intended to express a high degree of confidence that the quantities will be recovered. If probabilistic methods are used, there should be at least a 90% probability that the quantities actually recovered will equal or exceed the estimate;

(ii) "Probable Reserve" is an incremental category of estimated recoverable volumes associated with a defined degree of uncertainty. Probable Reserves are those additional Reserves that are less likely to be recovered than a Proved Reserves but more certain to be recovered than a Possible Reserves. It is equally likely that actual remaining quantities recovered will be greater than or less than the sum of the estimated Proved Reserves plus Probable Reserves (2P). In this context, when probabilistic methods are used, there should be at least a 50% probability that the actual quantities recovered will equal or exceed the 2P estimate; and

(iii) "Possible Reserve" is an incremental category of estimated recoverable volumes associated with a defined degree of uncertainty. Possible Reserves are those additional reserves which analysis of geoscience and engineering data suggests are less likely to be recoverable than a Probable Reserves. The total quantities ultimately recovered from the project have a low probability to exceed the sum of Proved Reserves plus Probable Reserves plus Possible Reserves (3P), which is equivalent to the high estimate scenario. When probabilistic methods are used, there should be at least a 10% probability that the actual quantities recovered will equal or exceed the 3P estimate.

"Resources" means:

(a) with regard to minerals, a concentration or occurrence of material of intrinsic economic interest in or on the earth's crust in such form, quality and quantity that there are reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a resource are known, estimated or interpreted from specific geological evidence and knowledge. Resources are sub-divided, in order of decreasing geological confidence, into:

(i) "Measured Resource" is that part of a resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a high level of confidence. It is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are spaced closely enough to confirm geological and grade continuity;

(ii) "Indicated Resource" is that part of a resource for which tonnage, densities, shape, physical characteristics, grade and mineral content can be estimated with a reasonable level of confidence. It is based on exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes. The locations are too widely or inappropriately spaced to confirm geological and/or grade continuity but are spaced closely enough for continuity to be assumed; and

(iii) "Inferred Resource" is that part of a resource for which tonnage, grade and mineral content can be estimated with a low level of confidence. It is inferred from geological evidence and assumed but not verified geological and/or grade continuity. It is based on information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes which may be limited or of uncertain quality and reliability.

(b) with regard to oil and gas, refers to

(i) "Contingent Resources" are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies; and

(ii) "Prospective Resources" are those quantities of petroleum which are estimated, as of a given date, to be potentially recoverable from undiscovered accumulations.

"Resources Company" means a company whose principal activities consist of exploration development or production of mineral, oil or gas. This excludes companies whose principal activity is to provide services or equipment to other companies engaged in such activities.

"Reverse Transaction" means a major acquisition by an Issuer as described under Third Schedule to these Rules;

"Rules" means these Rules of the DSE (as amended from time to time);

"SADC" means the Southern Africa Development Community;

Cap.79 "Securities" includes securities as defined under the Capital Markets and SecuritiesAct;

"Settlement Day" means the day designated for delivery versus payment settlement for a trade or other transfer as defined in these Rules;

"Settlement Time" means-

(a) for payments no later than 9.00 a.m.;

(b) for securities within five minutes of the Exchange receiving confirmation of cleared payments from the Clearing Bank on each Business Day;

"Short Sale" means a sale of a security when the seller does not own the security, or have an exercisable right of sale;

"Single Lot" means the number of securities comprising an order from one buyer and one seller;

"Special Trade" means a trade whose nature is classified by the Board as "special" and posted at the special lot board;

"Special Terms" means all unfilled orders with any special terms and shall include All or None, Minimum Fills and Minimum Blocks;

Cap.212 "Subsidiary Company" means a subsidiary company as defined by the Companies Act;

"Substantial Transaction" means the transactions defined in Third Schedule to these Rules;

"Sustainable Bond" is an umbrella-term adopted by the DSE, referring to a fixed income instrument that carries one of the following labels: Gender, Green, Social, Sustainable, Sustainability-Linked, or any other sustainability-themed bond label that conforms to the applicable Guidelines and Standards as defined in these Rules:

"Gender Bond" means a fixed income instrument issued under these Rules that is mobilizing financing for projects and/or issuers interested in developing projects or activities aligned with gender equality. A Gender Bond can be structured as a use-of-proceed bond or as a general-purpose or a Sustainability-Linked Bond.

"Green Bond" means a fixed income instrument issued under these Rules and whose proceeds are used to finance or refinance new or existing projects that generate climate or other environmental benefits that conforms to the Green Guidelines and Standards as defined in these Rules.

"Social Bond" means a fixed income instrument issued under these Rules and whose proceeds are used to finance or refinance new or existing projects that generate social benefits that conforms to the Social Bond Guidelines as defined in these Rules.

"Sustainability Bond" means a fixed income instrument issued under these Rules and whose proceeds are used to finance or refinance new or existing projects that generate both environmental and social benefits that conforms to the Sustainability Guidelines as defined in these Rules.

"Sustainability-Linked Bond (SLB)" means a fixed income instrument issued under these Rules for which the financial and/or structural characteristics can vary depending on whether the issuer achieves predefined Environmental, Social and Governance (ESG) objectives. As such, SLBs are not use-of-proceeds bonds but general-purpose bonds where the issuer commits to future improvements in sustainability outcome(s). The predefined objectives and outcomes are measured through predefined Key Performance Indicators and assessed against predefined Sustainability Performance Targets as per the SLB Guidelines as defined in these Rules.

Other "thematic bonds" means new types of sustainable bonds emerging from time to time. The DSE shall consider such bonds if:

(a) International guidelines exist for the theme, such as guidelines issued by the International Capital Markets Association (ICMA); or

(b) any other guideline exist that are acceptable to the Exchange and the Capital Markets and Securities Regulator. This may include guidelines developed and formally adopted by the Exchange itself.

"Sustainable Bond Guidelines and Standards" is the umbrella term for any of the sustainable themed bonds as relevant (Fourteenth Schedule). These may include:

"Gender Bond Guidelines" means guidelines including and standards including-

(a) Social Bond Principles, as may be amended, issued and governed by ICMA;

(b) Sustainability-Linked Bond Principles as may be amended, issued and governed by International Capital Markets Association; or

(c) any other relevant guideline acceptable to the Exchange and the Capital Market Regulator that may be issued from time to time.

"Green Bond Guidelines and Standard" means green guidelines and standards including-

(a) Green Bond Principles, as may be amended, issued and governed by ICMA;

(b) Climate-related bond standards such as the Climate Bonds Standard, as may be amended, issued and governed by the Climate Bonds Initiative (CBI); or

(c) any other guideline acceptable to the Exchange and the Capital Market Regulator such as Government policies and guidelines on the green and sustainable economy that may be issued from time to time.

"Social Bond Guidelines" means social guidelines including-

(a) Social Bond Principles, as may be amended, issued and governed by ICMA; or

(b) any other guideline acceptable to the Exchange and the Capital Market Regulator such as Government policies and guidelines on the sustainable economy that may be issued from time to time.

"Sustainability Bond Guidelines" means sustainability guidelines and standards including-

(a) Sustainability Bond Principles, as may be amended, issued and governed by ICMA; or

(b) any other guideline acceptable to the Exchange and the Capital Market Regulator such as Government policies and guidelines on the green and sustainable economy that may be issued from time to time.

"Sustainability-Linked Bond Guidelines" means Sustainability-linked Bond guidelines and standards including-

(a) Sustainability-Linked Bond Principles as may be amended, issued and governed by ICMA; or

(b) any other guideline acceptable to the Exchange and the Capital Market Regulator.

"Sustainable Bond Framework" means a document produced by the issuer, at a minimum containing:

(a) a statement on the environmental and/or social objectives and expected impacts of the bond;

(b) the process to determine project/asset eligibility and related eligibility criteria as per the Guidelines and Standards acceptable to the Exchange and the Capital Market Regulator as defined in these rules; and

(c) a statement of the systems, policies and processes to be used for the identification, management, allocation and reporting of the bond funds and investments.

"Sustainability-Linked Bond Framework" means a statement by the issuer at a minimum containing the recommended items as per the SLB Principles by ICMA, or as per any other Guidelines acceptable to the Exchange:

(a) Selection of Key Performance Indicators (KPIs)
(b) Calibration of Sustainability Performance Targets (SPTs)
(c) Bond characteristics
(d) Reporting
(e) Verification

"Sustainable Bond Label" means that a relevant sustainable bond label is assigned to a bond by the Exchange to identify the bond as compliant with the related standards and guidelines as defined in these Rules.

"Symbol" shall mean the acronym that identifies the security being traded.

"T+" means transaction date (T) plus the configurable number of specified Business Days for settlement;

"Tick Size" means the minimum step by step increase or decrease in price by which bids and offers may be raised or lowered as defined in the DSE Rules;

"Touchline Price" means the highest bid or lowest offer price in the order book at a specific point in time. If bids or offer are unavailable for the day, the touchline is defined as the previous closing price. For the first day of trading following an Admission on the List the Touchline Price is defined as the issue price;

"Trade" means a bid and an offer which have been either wholly or partially executed or reported to conclude a contract under DSE Rules;

"Trade Range" means the price range established by the Exchange from time to time within which a trade can take place on the market;

"Trader" means a DATS Trader;

"Trading Session" means the designated period during which orders can be executed, amended, cancelled and traded;

Cap.79 "Trust Account" means a bank account opened and maintained by a Licensed Dealing Member of the DSE into which all client's money is deposited as required under the Capital Markets and Securities Act;

"Verification" means the process of confirming the facts regarding a client's claim to a security on the CSD and the status of the holdings;

"VWAP" means the total value traded during a trading session divided by the total volume traded for each security.

PART II

THE GOVERNANCE OF THE DAR ES SALAAM STOCK EXCHANGE PLC

General Meeting

3.-(1) "The DSE shall in each year hold its annual general meeting in addition to any other meeting in that year".

(2) The proceedings and power of the general meeting shall be those spelt out in the Memorandum and Articles of Association.

The Board

4.-(1) The DSE is a Self-Regulatory Organisation (SRO) with its own Board, which issues company policies, guidelines, directions and makes Rules in accordance with the provisions of the Memorandum and Articles of Association establishing the DSE.

(2) The Board is the policy making body of the Exchange consisting of not less than five (5) and not more than nine (9) directors

(3) The powers and functions of the Board are as provided under the Memorandum and Articles of Association of the DSE.

The Chief Executive Officer

5.-(1) The Chief Executive Officer is appointed by the Board and is responsible for planning and formulating strategies and new development policies for approval by the Board and for ensuring the implementation of these strategies and policies.

(2) The Chief Executive Officer is in charge of the day-to-day operations of the Exchange.

(3) In discharging his functions, the Chief Executive is assisted by Heads of Departments and other supporting staff who support the managers.

(4) The Chief Executive Officer of the DSE shall be engaged for a renewable period of three years subject to other terms and conditions as may be prescribed by the Board.

(5) The DSE may at any time terminate the appointment of the Chief Executive Officer if-

(a) he neglects or refuses, or from any cause, other than ill health not caused by own misconduct, becomes unable to perform any of his duties or to comply with any orders of the Board;

(b) in any manner misconducts himself; or

(c) he shall abrogate from his duties under the contract.

(6) Before the termination of the Chief Executive Officer, the DSE shall afford him an opportunity to be heard and defend himself.

(7) Notwithstanding this rule, the Chief Executive Officer shall not be dismissed or removed from his office without the prior approval of the Authority.

Heads of Departments

6.-(1) The Heads of Departments shall be appointed by the Board and shall be accountable to the Chief Executive Officer.

(2) In performing of their functions under these Rules, the Heads of Departments shall report to the Chief Executive Officer.

PART III

POWERS OF THE DAR ES SALAAM STOCK EXCHANGE PLC

General powers

7. Subject to the provisions of the CMS Act, the DSE as a self-regulatory organisation has the power:

(a) to admit trading and non-trading members of the Exchange in accordance with the Membership Rules;

(b) to act as a front-line regulator in assisting the CMSA to ensure compliance to the CMS Act and its Regulations by its members;

(c) to take disciplinary measures against any member for breach of the CMS Act, Regulations made under the Act and the DSE Rules;

(d) to censure, suspend and or expulse a defaulting member from the membership of the Exchange;

(e) to grant, defer, refuse, suspend or remove a listing of securities in accordance with the Listings Requirements;

(f) to prescribe, from time to time, the Listings Requirements with which a new applicant must comply before securities issued by such new applicant are granted a listing;

(g) to prescribe the circumstances under which a listing of securities shall or may be suspended or removed;

(h) to prescribe, from time to time, the Listings Requirements with which sponsors, designated advisers, auditors, IFRS advisers, reporting accountants, reporting accountant specialists and depositories must comply; and

(i) to prescribe, from time to time, the Listings Requirements with which an applicant issuer's directors, officers and agents must comply while securities issued by such applicant issuer remain listed;

(j) to prescribe membership, trading, clearing and settlement rules; and

(k) to set out various fees applicable to services and products offered by the Exchange.

Powers to approve and disapprove listings

8. -(1) The DSE may grant a listing subject to the Issuer complying with the listing requirements. In addition, the DSE may grant a listing subject to any additional condition(s) that it considers appropriate, in which event the new applicant will be informed of, and will be required to comply with, any such condition(s).

(2) Nothing contained in this section shall limit the powers of the DSE or its officers to those contained herein, and the DSE or its officers may, at any time, exercise any further powers granted to the DSE or its officers in terms of the CMS Act. Where the DSE exercises discretion in terms of the Listing Rules it shall use its sole discretion and, subject to the provisions of Sub-rules 8 (3) and (4) below and the appeals provisions in the CMS Act, its rulings shall be final.

(3) If an applicant issuer, its director, auditor, reporting accountant, and/or sponsoring broker, in respect of whom a decision is taken under the Listing Rules, objects to such decision, such person must notify the DSE Management in writing within 48 hours of the decision, giving reasons for such objection. In such event the DSE Management shall be entitled, in its sole discretion, to consult with members of the Listing and Trading Committee. After considering the views of the Listing and Trading Committee, the matter may be submitted to the Board and the Board shall be entitled to reconsider and change its decision. A decision of the DSE Board made after following this procedure shall be final.

(4) Subject to the provisions of the CMS Act, if the DSE decides, at its instance, to remove a listing, and the issuer concerned objects to the decision, then the issuer may appeal to the Capital Markets Tribunal in writing, giving reasons for such objection.

Non-Compliant Board

9.-(1) The DSE shall have powers to place a listed security on a Non-Compliant Board for a maximum period of twelve months where an Issuer of that security is in breach of DSE Rules.

(2) The Board under sub-rule (1) shall make clear that the Issuer is in breach of the DSE's continuing listing obligations and if it fails to comply within twelve months it shall have its Admission on the List cancelled and there shall be no market for its stocks.

Suspension or cancellation of Admission on the List

10.-(1) The Board shall have powers at any time and in such circumstances as it deems fit to suspend or cancel an Admission on the List to protect investors and to ensure an orderly market.

(2) Suspension under sub-rule (1) above may be either with or without the request of the Issuer.

(3) Where an Admission on the List has been suspended, the procedure for lifting the suspension shall depend on the circumstances and the Board reserves the right to impose such conditions as they consider appropriate.

Suspension of securities initiated by the DSE

11. -(1) The DSE may, suspend the listing of securities of an issuer and impose such conditions as it may, in the circumstances, deem appropriate if the issuer has failed to comply with the Listings Rules, Continuous Listing Obligations and it is in the public interest to do so.

(2) When the listing of securities of an issuer is under threat of suspension, the affected Issuer shall be given the opportunity of making written representations to the DSE why the suspension should not be affected prior to the DSE making any decision to suspend such listing.

(3) If a listing is suspended and the affected Issuer fails to take adequate action to enable the DSE to reinstate the listing within a reasonable period of time, the DSE may remove the listing in accordance with the procedure set out below.

(4) Notwithstanding the provisions of Sub-rules 11 (2) and (3), the DSE may suspend the listing of securities of an issuer when, in the opinion of the DSE, there are two levels of information in the market and the situation has not been remedied by the directors of the issuer in a timely manner.

Suspension of securities at the request of an Issuer

12. (1) The DSE may suspend a listing of securities at a request of an Issuer.

(2) Any request under sub-rule (1) shall be made to the Chief Executive Officer by the Issuer's sponsoring Member or in exceptional cases by the Issuer itself.

(3) Suspension of a securities at a request of an Issuer may be effected in occurrence of the following circumstances:

(a) where an Issuer is placed under provisional liquidation;

(b) where an Issuer has passed a special resolution to be wound up voluntarily; or

(c) where a written request is made by a/the director(s) of an Issuer and it is apparent that there are two levels of information in the market and the DSE considers that this situation cannot be remedied by the immediate publication of an announcement to clarify the situation;

(d) where the Issuer has ceased to do business; and

(e) where the Registrar of Companies deregisters an Issuer in terms of Section 283 of Cap. 212.

Cancellation of Admission initiated by the DSE

13.-(1) The DSE may, cancel an admission of a listed security if one of the following applies:

(a) if it will further one or more of the objects contained in Section 10 of the CMS Act;

(b) if the Issuer has failed to comply with the Continuous Listings Obligations and it is in the public interest to do so;

(c) if the securities of an Issuer have been placed on a Non-Compliant Board for a period of more than six months without the Issuer taking adequate action to correct the anomaly; and

(d) if the suspension of an Issuer is prolonged for period of more than six months without the Issuer taking adequate action to obtain restoration.

(2) In some cases, the Admission on the List may be cancelled without suspension intervening, if there is a significant change in the Issuer's shareholding structure rendering it unsuitable for Admission on the List.

(3) When a listing of securities is under threat of cancellation, the affected Issuer shall be given the opportunity to make written representation to DSE stating why the removal or cancellation should not be affected.

Cancellation of Admission at the request of the Issuer

14.-(1) An issuer may make written application to the DSE for a cancellation or removal of any of its securities from the List, stating from which time and date it wishes the cancellation or removal to be effective. The DSE may grant the request for removal, provided sub-rules 14 (2) and (3) are properly complied with and perfected.

(2) Prior to effect sub-rules 14 (2), an Issuer shall send a circular to the holders of its securities providing the following:

(a) a clear and adequate explanation of the subject matter;

(b) all information necessary to allow investors to make a properly informed decision;

(c) a statement advising holders of securities that if they are in any doubt as to what action to take or as to whether to vote for or against the proposed cancellation, to consult appropriate independent advisers; and

(d) the salient dates.

(3) Without prejudice to the requirements of sub-rule 14 (2), an Issuer shall comply with the following:

(a) obtain an approval from the shareholders in general meeting for the removal of the security from the List prior to the issuer making written application for such removal;

(b) the reasons for removal must be clearly stated; and

(c) Where approval is required in terms of sub-rule 14 (3) more make an offer to all holders of the listed securities with terms and conditions provided in full.

(4) than 50% of the votes of all shareholders present or represented by proxy at the general meeting, excluding any controlling shareholder, its associates and any party acting in concert, and any other party which the DSE deems appropriate, must be cast in favour of such resolution, unless the DSE otherwise decides.

(5) Shareholders' approval for the cancellation or removal of the listing need not be sought, and a circular need not be sent to the holders of securities where the listing of such securities is intended to be removed:

(a) following a take-over offer and a notice has been given by the offeror of its intention to cancel the listing of the securities (in these circumstances) in the initial offer document or in any subsequent circular sent to holders of securities; or

(b) following the completion of an arrangement with shareholders, as a result of which either all the shares have been acquired or the DSE is satisfied that the Issuer no longer qualifies for listing (the DSE must be consulted for a ruling in this regard).

Redemption and removal from the List of redeemable preference shares or debentures

15.-(1) Written application for the removal of redeemable preference shares or debentures, or the corresponding portion thereof, from the List, as and from the appropriate date, must be made to the DSE at least 30 days before the date of redemption and in accordance with the relevant corporate action timetable.

(2) The application must be accompanied by a copy of the proposed announcement and/or circular to be published and/or sent to the redeemable preference shareholders or debenture holders, notifying them of the redemption.

Censure and penalties

16.-(1) Where the DSE finds that an Issuer or any of an Issuer's director(s), officer(s) and/or depository, as defined, has contravened, or failed to adhere to these Rules, the DSE may, in accordance with the provisions of the CMS Act and without derogating from its powers of suspension and/or removal:

(a) censure the Issuer and/or the issuer's director(s)/officer(s), individually or jointly, by means of private censure;

(b) censure the Issuer and / or the Issuer's director(s) / officer(s), individually or jointly, and /or the Issuer's officer(s) by means of public censure; and

(c) in the instance of either sub-rule 16 (1) (a) or (b), impose a fine not exceeding such amount as stipulated by the DSE Board on the Issuer and/or the Issuer's director(s) / officer(s), individually or jointly.

(2) In the event that an issuer or any of an Issuer's director(s) contravenes or fails to adhere to the provisions of the Continuous Listings Requirements, the DSE may elect in its discretion, that full particulars regarding the imposition of a penalty be published in newspapers and / or the DSE website.

(3) If any of the parties fails to pay a fine as referred to in sub-rule 16 (1) (c), the DSE may suspend and /or remove an Issuer from the List.

(4) Unless the DSE considers that the maintenance of the smooth operation of the market or the protection of investors otherwise requires, the DSE will give advance notice to the parties involved of any action that it proposes to take under sub-rules 16 (1) and (2) and will provide them with an opportunity to make written representations to the DSE.

(5) The whole or any part of the fines issued in terms of sub-rule 16 (1) (c) will be appropriated as follows:

(a) the settlement of any costs incurred by the DSE in enforcing the provisions of the Continuous Listings Requirements; and/or

(b) the settlement of any future costs which may arise through the enforcement of the provisions of the Continuous Listings Requirements.

Powers to require information

17.-(1) The DSE may require an Issuer to disclose to it, within a specified period, such information at the Issuer disposal as the DSE may determine, save to the extent that the Issuer has obtained a court order excusing it from such disclosure.

(2) The DSE may request that a copy of the court order mentioned in sub-rule 17 (1) be delivered to it. If the DSE is satisfied, after such Issuer has had an opportunity of making representations to it, that the disclosure of that information to the registered holders of the securities in question will be in the public interest, it may, by notice in writing, require such an Issuer to publicly disclose that information within the period specified in the notice.

(3) The DSE may require an Issuer to provide for the publication or dissemination of any further information not specified in the Rules, in such form and within such time limits, as it considers appropriate. The Issuer must comply with such requirement and, if it fails to do so, the DSE may publish the information after having heard representations from the Issuer or after having granted the applicant Issuer the opportunity to make such representations.

Publication

18. -(1) Without derogating from any other powers of publication referred to in these Rules, the DSE may, in its absolute discretion and in such manner as it may deem fit, state or announce that it has:

(a) investigated dealings in a listed security;

(b) censured an issuer or a member;

(c) censured an issuer's director(s);

(d) suspended the listing of any security;

(e) removed the listing of any security;

(f) imposed a fine on an issuer or a member;

(g) imposed a fine on an issuer's director(s);

(h) advised that, in its opinion, the retention of office as a director of an issuer's director(s), who shall be named, is prejudicial to the interests of investors;

(2) In a statement or announcement referred to in sub-rule 18 (1), the DSE may give the reasons for such investigation, censure, suspension, removal or fine as the case may be and, in the case of an investigation, so much of the DSE's conclusion or findings as it may, in its absolute discretion, deem necessary.

(3) No Issuer or its directors, officers or holders of securities, including nominees or an auditor, a sponsoring broker, reporting accountant and/or reporting accountant specialist shall have any cause of action against the DSE, or against any person employed by the DSE, for damages arising out of any statement or announcement made in terms of sub-rule 18 (1), unless such publication was made either grossly negligently or with wilful intent.

Amendment to the Rules

19.-(1) The DSE shall have powers to amend its Rules through a consultation process with its stakeholders.

(2) Once the consultation process has been completed, the DSE shall submit the proposed amendments to the Rules, together with an explanation of the reasons for the proposed amendments to the Regulator for final approval.

Emergence and Summary Powers

20. (1) The Emergency and Summary Powers shall be operative during any emergency, notwithstanding any different provision set forth in the preceding Rules hereof; provided, however, that to the extent not inconsistent with the provisions of this Rule 20 (1), the provisions in the preceding Rules shall remain in effect during such emergency. For purposes of the Emergency and Summary Powers provisions under Rule 20, an emergency shall exist if a quorum of the DSE's directors cannot readily be assembled because of some dire event. Upon termination of the emergency, these emergency provisions shall cease to be operative.

(2) During any emergency, a meeting of the Board of Directors may be called by any DSE's officer or director. Notice of the date, time and place of the meeting shall be given by the person calling the meeting to such of the directors as it may be feasible to reach by any available means of communication. Such notice shall be given at such time in advance of the meeting as circumstances permit in the judgment of the person calling the meeting.

(3) At any such meeting of the Board of Directors, a quorum shall consist of any one or more directors, and the act of the majority of the directors present at such meeting shall be the act of the Company.

(4)Appointment of Temporary Directors

(a) The shareholders who are able to be assembled at a meeting of directors during an emergency may assemble for the purpose of appointing, if such directors deem it necessary, one or more temporary directors (the to serve as directors of the Company during the term of any emergency.

(b) If no directors are able to attend a meeting of directors during an emergency, then such shareholders as may reasonably be assembled shall have the right, by majority vote of those assembled, to appoint Temporary Directors to serve on the Board of Directors until the termination of the emergency.

(c) If no shareholders can reasonably be assembled in order to conduct a vote for Temporary Directors, then the Chairman of the Board or his or her successor shall have the right to appoint additional Temporary Directors to serve with him or her on the Board of Directors of the Company during the term of the emergency.

(d) Temporary Directors shall have all the rights, duties and obligations of directors appointed pursuant to the DSE's Articles of Association; provided, however, that a Temporary Director may be removed from the Board of Directors at any time by the person or persons responsible for appointing such Temporary Director, or by vote of the majority of the shareholders present at any meeting of the shareholders during an emergency. In any event, the Temporary Director shall automatically be deemed to have resigned from the Board of Directors upon the termination of the emergency in connection with which the Temporary Director was appointed.

(5) Either before or during any emergency, the Board of Directors may provide, and from time to time modify, lines of succession if during such an emergency any or all officers or agents of the Company shall for any reason be rendered incapable of discharging their duties.

(6) The Board of Directors may, either before or during any such emergency, and effective during such emergency, change the principal office of the Company or designate alternative office or authorize the officers of the Company to do so.

(7) No officer, director or employee acting in accordance with these Emergency and Summary Powers during an emergency shall be liable except for wilful misconduct.

(8) These Emergency and Summary Powers Rules shall be subject to amendment or repeal by further action of the Board of Directors or by action of the shareholders, but no such amendment or repeal shall modify the provisions of sub-rule (7) above regarding actions taken prior to the time of such amendment or repeal. Any amendment of these Emergency and Summary Powers Rules may make any further or different provision that may be practical or necessary under the circumstances of the emergency.

PART IV

DIVISION I: MEMBERSHIP OF THE EXCHANGE

Admission to Exchange

21.-(1) The Board may admit to the Exchange the following categories of Members:

(a) Licensed Dealing Members (LDMs);

(b) CSD Members; and

(c) Non-Dealing Members.

(2) There shall be no limit on the maximum number of Members to be admitted to the Exchange.

Eligibility of members

22.-(1) A person who intends to be admitted as a member of the Exchange shall-

(a) be licensed by the Authority

(b) be of good financial standing and is not adjudged bankrupt;

(c) be willing to pay admission as well as annual fees in accordance with the fee tariff of the DSE as shown in these Rules and as may be modified by the DSE from time to time;

(d) be willing to integrate with the DSE's systems infrastructure as may be modified and upgraded from time to time; and

(e) submit recommendation letters from two reputable referees acceptable to the DSE;

(f) Commit to have capacity to conduct and publish Issuers Research at least on annual basis.

(2) All applicants applying for DSE Membership must be duly established under Tanzanian laws or other jurisdiction in EAC, SADC or other country that is recognised by the Authority and continue to so exist.

CSD members

23. The following legal persons must obtain approval from the Board before being admitted as CSD Members-

(a) LDMs;

(b) Custodians; (c)

Registrars; and

(d) Institutional Investors.

Application procedures for membership

24.-(1) An Applicant applying for admission as a Member shall submit to the Exchange an application in writing, specifying the category of membership applied for, in the form as set out in the Schedule to these Rules and include with the application the following-

(a) in case of a Dealing or Non-dealing Member -

(i) certificate of incorporation or certificate of registration;

(ii) constitutional documents establishing the body corporate such as the relevant constitution, trustee deeds, memorandum or articles of association;

(iii) the profiles of the directors, a compliance officer and a principal officer; and in the case of LDMs, the ADRs, DATS traders, CSD members and Registrars and evidence of the requisite technical expertise;

(iv) business licence or any other legal or regulatory registrations from the Authority, the Bank of Tanzania or other recognised institution as may be appropriate;

(v) audited financial statements for the past three years or a shorter period as acceptable to the DSE in the case of applicants which have had a shorter period of incorporation;

(vi) statutory declaration by the principal officer of the Applicant to the effect that the company is not adjudged insolvent and is of sufficient financial standing;

(vii) bank guarantees and other financial requirements in case of LDMs, Custodians and Registrars;

(viii) an undertaking that the Applicant shall comply with these Rules;

(b) in the case of a Custodian CSD member, confirmation that the applicant has appropriate safekeeping measures (such as vaults and other security measures) to store securities and other physical records where appropriate;

(c) in all cases, an application shall be accompanied by the non-refundable application fee and membership fee applicable from time to time.

(2) Upon the decision of the Board that the Applicant is qualified, fit and proper as a member, where required, theApplicant shall lodge the necessary financial guarantees, for the time being payable within the period stipulated by the Board, and the Board shall admit the Applicant to membership.

(3) The Applicant shall be registered as a Member and be entitled to all the associated benefits defined in these Rules from the date of satisfying the requisite financial guarantees.

(4) Where the applicant fails to make the payment within the prescribed period, the application shall automatically lapse, unless consequent upon an appeal by the Applicant to the Board, the Board directs otherwise.

(5) Members shall pay the fees and relevant subscription charges as provided under the First Schedule and as may be prescribed by the Board from time to time in accordance with these Rules.

(6) Members and applicants shall also complete any technology integration requirements with the DSE's systems within the timescales stipulated by the DSE.

(7) A Member shall give advance notice of commencement, temporary suspension, and cessation of business to the Board.

Bank Guarantees

25.-(1) As a pre-requisite of acceding to the benefits of membership, every LDM, Nominated Advisor, Custodian and Registrars shall furnish a bank guarantee to the DSE, drawn on a bank authorised by the Bank of Tanzania that shall not be less than the amount prescribed under sub-rule (3) of this Rule and approved by the Authority.

(2) The bank guarantee under sub-rule (1) shall be free of any charges of encumbrances and shall be in a manner set out in the Fifth Schedule to these Rules.

(3) The bank guarantee shall be:

(a) TZS 500 million in respect of settlement activities undertaken by Custodian banks;

(b) TZS 100 million in respect of trading activities undertaken by LDMs; and

(c) TZS 100 million in respect of registration activities undertaken by non-custodian CSD members.

(4) These guarantees under this rule shall remain in place throughout the duration of membership.

(5) Thebankguaranteeshallbedefinedinaccordancewithastandardsetofconditions defined by the Exchange.

(6) In the event that a bank guarantee becomes invalid, or is used in whole or in part, a member shall not be entitled to operate until the guarantee is restored.

Memorandum and Articles of Association

26.-(1) Every LDM shall provide a copy of all changes to its Memorandum and Articles of Association:

Provided that where such change would involve an alteration to the name of the LDM as already approved by the Board, the name change must be approved in advance by the DSE.

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(2) The company name of a Member registered with the Exchange shall be the same as that registered by that Member under the Companies Act or equivalent under any relevant legislation.

(3) A Member may register with the Exchange more than one business address held for the purpose of dealing in securities.

(4) Where a Member has registered more than one business address, that Member shall specify one address its principal business address.

(5) Business address under sub-rule (4) shall mean a place where the business of dealing in securities or other functions in relation to the DSE is frequently carried out by or on behalf of the member.

DIVISION II: CODE OF BUSINESS CONDUCT

Independence

27. A member shall not directly or indirectly hold a beneficial interest in the share capital of, or have any other working arrangements with, any other member, unless approved by the Board which may in its discretion, set any conditions for such approval as it deems fit.

Fiduciary responsibility

28.-(1) Knowledge and information gathered from a client in the course of its business dealings is obtained in a fiduciary capacity.

(2) A member shall not use, directly or indirectly, the knowledge and information obtained under this rule for the advancement of the financial interest of the member or the member's associates.

Conflicts of Interest

29.-(1) In the event of any conflicts of interest, directly or indirectly, between the LDM and the client, the LDM shall not accept the instructions of the client in relation to the transactions in question or shall accept such instructions only upon having informed the client of the possible conflict and the client approving in writing the proposed course of action.

(2) Actual or potential conflicts of interest include, but not limited to-

(a) dealing as a principal with the client;

(b) acting on behalf of the Issuer of the securities; and

(c) acting for both parties to a trade.

Priority of Clients' Interests

30.-(1) An LDM shall place all orders through DATS and shall clearly distinguish business transacted for its clients and business transacted on behalf of persons associated with the LDM.

(2) At all times, the LDM shall first consider the interest of its client and its own interest and those of its employees shall at all times be subordinate to that of the client.

(3) Prior to dealing in securities placed on a Non-Compliant Board on behalf of a client, an LDM shall disclose that fact to the client and explain the risks to associated there to.

Exposure to a single security

31.-(1) An LDM shall not permit its exposure, in its principal capacity, to a single security to exceed 100% of its net capital.

(2) In these Rules "exposure to a single security" means-

(a) the net amount of the single security underwritten or sub-underwritten by the LDM;

(b) the book value of the single security carried on the LDM principal account marked to market at current market prices less any haircut which may be determined by the DSE from time to time; and

(3) Sub-rule 2(a) shall not apply to securities issued or backed by the Government of Tanzania, its agencies or any other similar securities approved by the Authority.

Market abuse and manipulation

32.-(1) An LDM shall avoid any practice which may create a false market and may not directly or indirectly participate in any operation by others which shall have a similar result.

(2) Any knowledge gained by an LDM of a transaction which would result in the creation of a false market should immediately be reported by the LDM to the Exchange and the Exchange shall, among other actions it may take, alert the Authority without delay.

(3) A false market includes, but is not restricted to, market manipulation and false or misleading statements under the Act that are made either directly or indirectly by any LDM or a group of LMDs with the intention of distorting the market.

Compliance by LDMs and their clients

33.-(1) An LDM shall act in compliance with the letter and spirit of these Rules and the law relating to the securities business, warn clients where to its knowledge they may be held to be in violation of provisions such as those on insider dealing.

(2) Where the Exchange finds that any bid or offer placed may be disorderly or malicious, the LDM shall not contest any action taken by the market official having the effect of setting aside or suspending such bid or offer.

(3) An LDM shall make available for inspection to any client who so requested its last audited financial statements, its fixed scale of charges and the names of directors or principals of its business.

(4) An LDM shall comply fully with any inquiries or investigations undertaken by the Exchange.

(5) An LDM or any of its executive directors or employees shall not, without the prior authority of the Exchange, deal in securities of an Issuer where such LDM, the director or any of the employee of that LDM is a director or officer of the Issuer.

Customer Complaints

34.-(1) Every LDM shall have in operation a published procedure for the handling of complaints from its customers.

(2) The procedure under sub-rule (1) shall include reference to a requirement that all customer complaints are duly entered in a register detailing action taken towards their resolution.

(3) The register under sub-rule (2) shall be made accessible to the DSE upon request.

(4) All employees of an LDM who deal with customers shall be made aware of the procedures which provide for-

(a) the complaint to be investigated fully and appropriately by the compliance officer;

(b) the complaint to be reported to the DSE if not settled within seven days of receipt;

(c) the notification to the complainant of his right to utilise the DSE's published complaints procedure.

Liability of directors and officers of Members

35.-(1) An LDM shall be responsible for all acts committed or omitted, directly or indirectly, by its directors, employees or agents in its securities business.

(2) Any director, manager or officer of a Member shall be jointly and severally held liable together with the LDM under these Rules for any breach of or non-compliance with the Act, the Articles or these Rules.

(3) A Member not continuing to meet the requirements of membership shall thereupon be deemed to be in-capacitated in the event of:

(a) passing a resolution to wind up or a court order being made for the appointment of a liquidator, receiver or winding up;

(b) becoming insolvent; and

(c) failing to pay membership fee for 3 consecutive years.

(4) Without prejudice to sub-rule (3), an LDM shall also be deemed to be incapacitated in the event of-

(a) ceasing to have a director, a compliance officer and/or a principal officer, or in the case of a casual vacancy, failing to replace the former director or officer within a reasonable time as may be allowed by the DSE; and

(b) failing to meet bank guarantee requirements defined in these Rules.

(5) Where a Member is incapacitated-

(a) all the rights and benefits of membership shall be immediately suspended;

(b) that Member, or the personal representative, trustee, receiver, or liquidator as the case may be, who is in charge and has power over the assets of the Member shall abide by these Rules and the decisions of the Board as if he were the Member, in particular executing any necessary transfers, or discharging payment obligations ensuing therefrom; and

(6) The Exchange reserves the right to invoke the buy-in or sell out procedures defined in these Rules.

Acts of Misconduct

36.-(1) A Member shall not commit an act of misconduct.

(2) Acts of misconduct shall consist of any of the following:

(a) breach of any rule or established good practice;

(b) failure to comply with a decision of the DSE management, Committee or Board;

(c) any conduct detrimental to the interests of the DSE or is dishonourable, disgraceful, improper or unbecoming of a member;

(d) knowingly becoming involved in conduct, neglect or default which contributes to an act of misconduct by a Member or any of the partners, directors, shareholders, employees or agents thereof;

(e) failure on the part of a Member, who knew or ought to have known of any proposed or actual act of misconduct by a Member or any of the partners, directors, shareholders, employees, agents or clients thereof, to take reasonable steps to prevent it or bring to the attention of the appropriate person or otherwise to deal with it as may be appropriate;

(f) failure on the part of a director, compliance officer or principal officer of a Member to ensure that his company is adequately resourced and that its operations are conducted in accordance with the DSE best practices; or

(g) failure to pay any fine imposed within the time specified by the Board;

(h) in the case of an LDM-

(i) not being open for business on a business day;

(ii) failure to have an ADR or a DATS trader monitoring the activity shown in DATS at any time during a trading session; or

(iii) disorderly conduct or other conducts involving wilful obstruction of business on DATS or the trading floor or otherwise.

(iv) failure to have funds in the settlement account prior to settlement day.

(v) failure to undertake Issuers research.

Disciplinary Procedures

37.-(1) Where the DSE management considers that a Member may be in breach of these Rules, it shall require a written explanation from that Member to be given within seven business days from the time when the DSE requests the Member to provide such information.

(2) Where the Member's explanation is deemed by DSE management as insufficient or where no written explanation is forthcoming, DSE management shall refer the matter to the Committee responsible for disciplinary matters.

(3) In determining whether a breach of these Rules has taken place, the Committee for disciplinary matters may, in its discretion, call for further submissions from the DSE management and the Member.

(4) Where the Committee determines that a breach of these Rules has taken place, it shall report the matter to the Board with any recommendation on appropriate sanctions and issue the Member with a copy of that report.

(5) The Board shall consider imposing any sanction pursuant to Rule 38.

(6) A Member who is aggrieved by the decision of the Board under this rule may, within seven days from the date when that decision was communicated to him, appeal to the Authority.

(7) Unless the context otherwise requires, references to a "Member" under this rule shall include any former Member and a reference to "membership" shall be construed accordingly.

(8) Notwithstanding what is provided under Rule 37 (2) above, a member who has breached a settlement rule in relation to pre-funding requirements shall be handled by Management in accordance with these Rules.

Disciplinary Measures

38.-(1) The sanction that may be imposed on any Member under the disciplinary procedure, may be one or more of the following:

(a) expulsion from membership;

(b) suspension from trading in any manner;

(c) suspension of the right of a representative of a Member to log into DATS, use the CDS, or use any other DSE system;

(d) public censure or private reprimand;

(e) fine which a Member shall pay by imposing it as a due debt to the DSE within the time limits specified by these Rules; and

(f) publication of any of the disciplinary measures under this sub-rule including relevant details of the breach or misconduct.

(2) Disciplinary proceedings against a former Member shall not be instituted beyond one year from cessation, resignation or other termination of membership.

(3) An LDM shall be liable to expulsion in accordance with these Rules if, in any of the particulars or information given by the LDM, any misrepresentation or omission of a material fact shall be found to have been made at the time of application.

(4) In the event of expulsion, the LDM shall immediately cease to have access to the trading, CDS and any other facilities of the Exchange.

Resolution of disputes between Members

39.-(1) All Members are obliged under this Rule to ensure that all disputes arising out of, or in connection with the business of the Exchange, are settled amicably.

(2) Where any Member is of the opinion that a dispute between Members has remained unresolved, it shall report such matter to the DSE management, and the management shall endeavour to achieve an amicable settlement between the parties.

(3) If amicable settlement by the management is not possible, the report shall be referred by the DSE management to the Committee responsible for Members' disputes resolution within seven business days from when the report was first received.

(4) Upon receipt of the report under sub-rule (3), the Committee shall invite the reporting Member to make any additional submissions in support of the report within seven business days.

(5) The report and any additional submissions made under this Rule shall then be attached to a new invitation by the Committee to the other Member, which shall be afforded an opportunity to furnish any concluding submissions in reply thereto within seven business days, copied to the reporting member.

(6) Upon receipt of written submissions under sub-rule (5), if any, the Committee shall appoint a date for hearing of any final verbal submissions on the matter.

(7) Upon such hearing, the Committee shall deliberate on the matter and arrive to an equitable resolution award which shall be communicated to the relevant Members.

(8) An aggrieved Member by the award of the Committee may further appeal to the DSE Board within seven business days.

(9) Upon receipt of the appeal under sub-rule (8), the Board shall deliberate on the matter and make a decision.

(10) Any Member aggrieved by the decision of the Board may appeal to the Authority within seven business days.

(11) Parties to a dispute shall not attempt to bring an action in the courts of law in respect of any claim arising out of or in connection with the DSE business without first having attempting to resolve the dispute amicably and exhausted the DSE arbitration process in accordance with this Rule.

Business Conduct

40.-(1) Each Member shall always adhere to the principles of good business practices in the conduct of its business affairs.

(2) Each LDM shall ensure that all its ADRs and DATS traders comply with the Rules or requirements of the Exchange.

(3) The DSE may require at any time that the name, terms of employment and actual duties and permissions of any person employed by an LDM and CSD Member be furnished to the DSE, together with such other information with respect to such employee as it may deem appropriate to permit it to enforce compliance with these Rules.

(4) No business shall be transacted on account of an employee or for an account in which an employee has a direct or indirect interest, except with the prior written consent of executive director of the LDM in respect of each transaction.

(5) An LDM shall not buy or sell securities for a person employed by another LDM.

(6) An LDM shall not employ in its business, a person who is not of good standing.

(7) An LDM shall not allow any unauthorised third party to use or operate under its license or DATS trading account, without formal DSE approval as a DATS trader and in the absence of adequate security, confidentiality, and risk management measures acceptable to the DSE.

(8) LDM and CSD Member shall through a principal officer-

(a) use due diligence to learn the essential facts relative to every client, order, cash account accepted or operated by that Member and every person holding power of attorney over any such account;

(b) diligently supervise all accounts handled by its ADR or DATS Trader; and

(c) specifically approve the opening of an account prior to or promptly after the completion of any transaction for the account of or with a client.

(9) The designated principal officer approving the opening of the account under sub-rule 8(c) shall, prior to giving his approval, be personally informed as to the essential facts relative to the client and to the nature of the proposed account and shall indicate his approval in writing on a document which shall become part of the permanent records of the said Member.

(10) An LDM shall ensure that it perform or undertake Issuers Research on annual basis to at least three Issuers that it sponsored.

(11) An LDM who has not sponsored any listed company, shall undertake Issuers Research on annual basis to any of the listed companies.

(12) An LDM shall provide DSE with evidence of the Research referred to under sub-rule (1) above and that the same was shared to the respective LDM's investors.

Legal Persons

41. -(1) Prior to entering into any transactions on the DATS on behalf of any client not being a natural person, an LDM shall have on its file-

(a) a resolution of the client's directors or equivalent, or other binding document empowering specified persons to submit transactions in securities on the client's behalf;

(b) an authenticated set of specimen signatures of the persons specified under paragraph (a);

(c) identification document of the specified person; and

(d) a signed client agreement letter specifying the services to be supplied.

(2) An LDM shall, before entering any transactions on the DATS

(a) accept written instruction from the client in accordance with sub-rule (1) (d) above;

(b) maintain guaranteed sequence integrity of order entry; and

(c) retain written evidence of all client instructions within their accounting records.

Natural Persons

42.-(1) Prior to entering any transactions on the DATS on behalf of natural persons, an LDM shall have on its file:

(a) an authenticated set of specimen signatures;

(b) an identification document agreed by the Member with the DSE; and

(c) a signed client agreement letter specifying the services to be supplied.

(2) An LDM shall only accept written instructions with guaranteed sequence integrity prior to entering any transactions on the DATS in accordance with sub-rule (1) above, unless he obtains a written indemnification from the client, allowing that Member to accept such orders in any other form.

(3) A client's account operated by an LDM's connected person shall be operated by a principal officer duly authorised by the Member's board of directors.

(4) CSD Members shall maintain registers of signatures of their personnel who are authorised to execute CSD documents and furnish those documents to the DSE.

Nominee Accounts

43.-(1) Where an agency account is operated by an LDM or CSD Member, its files shall contain the name of the principal for whom the agent is acting and written evidence of the agent's authority to trade on its behalf.

(2) The LDM or CSD files shall be made available to the Exchange at any time on request.

(3) Where estate and trustee accounts are involved or where a husband is acting as agent for his wife, or vice versa, the said Member shall act on advice from legal counsel as to the documents that should be obtained before opening the account.

(4) All client accounts must be identified and designated by a full name of the client and no LDM or CSD Member shall operate a client account designated only by a number or symbol.

(5) All LDMs or CSD Members shall inform the Exchange promptly of particulars of delinquent accounts.

Particulars of Clients

44.-(1) Every LDM or CSD Member shall ensure that proper customer identification and verification (Know Your Client - KYC) procedure is performed and shall see to it that all particulars related to clients are recorded and maintained up to date at the office of the Member.

(2) General particulars under sub-rule (1) for Citizens, Residents and Foreigners shall include, full names, residential address, date and place of birth, passport size picture, bank account details, nationality, telephone and email address. and all other information concerning the client that may be useful in identifying such client, in addition to the particulars prescribed by the Board.

(a) For Citizen, together with particulars required in sub-rule (2), shall provide a National Identity Number (NIN) as issued by National Identification Authority (NIDA).

(b) For a resident, together with particulars in (2), shall submit a Passport, a Residence permit or a driving license of that person.

(c) For foreign nationals, together with particulars in (2), shall submit a Passport, visa and Tax Identification Number if such has been issued to that person.

(d) For Partnerships, the following particulars shall be submitted;

(i) The name of the partnership

(ii) The full names, date and place of birth, Tax Identification Number, nationality, registered name, registration number, registered address, trade name and business address of; every partner, the person who exercises executive control over the partnership and each individual who purports to be authorized to establish a business relationship or to enter into a transaction with the reporting person on behalf of the partnership.

(e) For Local Entities the following particulars shall be submitted:

(i) The registered name of the entity, the registered address of the entity, the trade name under which the entity conducts business, a copy of the latest audit report and accounts of the entity, latest annual report dully certified by BRELAand the entities Bank account details, the address from which the entity operates.

(ii) The full names, date, place of birth, nationality and Tax identification number of; the manager of the entity, each individual who purports to be authorized to establish a business relationship or to enter into a transaction with the reporting person on behalf of the entity and the individual or partnership or trust holding 5% or more of the voting rights at general meeting of the entity concerned.

(iii) The residential address and contact particulars of the Directors, each individual holding 5% or more of the voting rights at a general meeting of the entity concerned and each individual who purports to be authorized to establish a business relationship or to enter into a transaction with the reporting person on behalf of the entity

(f) For Foreign Entities the following particulars shall be submitted;

(i) The name under which it was incorporated, the number under which it was incorporated, the address where it is situated for purposes of its incorporation, the name under which it conducts business in the country where it is incorporated, the name under which it conducts business in the United Republic, the address from which it operates in the country where it was incorporated, or if it operates from multiple addresses the address of its head office, the address from which it operates in the United Republic, or if it operates from multiple addresses the address of the office seeking to establish a business relationship or enter into a single transaction with the reporting person, the Tax Identification Number of the entity, if such number was issued to that entity, Tanzania Investment Centre Certificate where applicable, Compliance Certificates issued by BRELA, resolution of the Board of Directors and power of Attorney granted to its manager, officer or employees to transact on its behalf.

(ii) The full names, date and place of birth and Tax Identification Number or full names, date and place of birth and nationality of the manager in respect of its affairs in the United Republic, each individual who purports to be authorized to establish a business relationship or to enter into a transaction with the reporting person on behalf of the foreign entity and each individual, entity, partnership or trust holding 5% or more of the voting rights in the foreign entity.

(iii) Any or all of telephone number, fax number, residential, postal and email address, of the manager in respect of its affairs in the United Republic, each individual or entity holding 5% or more of the voting rights in the entity; and each individual who purports to be authorized to establish a business relationship or to enter into a transaction with the reporting person on behalf of the entity.

Financial Intelligence Unit

45. - (1) Every LDM or CSD member shall have a designated Money Laundering Reporting officer who shall report to the Financial Intelligence Unit of any suspicious transaction during the course of business.

(2) All accounts maintained by foreign investors must be separately designated as such in the CSD.

Contract Notes

46.-(1) Not later than the next business day following the relevant trade, an LDM shall dispatch to its client by ordinary post or hand delivery unless any other method of delivery has been agreed upon in writing, a contract note in respect of the purchase or sale of securities executed, including the following details-

(a) the name and style under which the LDM carries on business and the address of the principal place at which it so carries on business;

(b) a statement as to whether the LDM is acting as principal or agent;

(c) the name of the person to whom the LDM is required to issue the contract note;

(d) the date and time of the trade, and the date on which the contract note is made out;

(e) the quantity and description of the securities that are being sold or purchased;

(f) except in the case of Private Transfers, the price per unit of the securities;

(g) the amount of consideration payable under the contract or, in the case of an exchange, sufficient particulars of the securities exchanged to identify them;

(h) the rate of amount of commission payable in respect of the contract;

(i) the amount of stamp duty, if any, and registration charges, if any, payable in connection with the contract and, where applicable, in respect of the transfer;

(j) the fee payable to the Exchange by the client;

(k) the fee payable to the Authority by the client;

(l) the words: "SUBJECT TO THE RULES OF THE DAR ES SALAAM STOCK EXCHANGE";

(m) in the case of bonds, LDMs shall indicate accrued interest separately on the contract note.

(n) client signature and stamp/signature of the LDM.

(2) The accrued interest amount under sub-rule (1) (m) above shall be calculated by reference to the rate specified in the security and the number of days which have elapsed from the last payment date up to the settlement day.

Discretionary Accounts

47. No LDM and CSD Member shall exercise any discretionary authority in respect of a client account unless:

(a) The client has given prior written authorisation to the LDM and CSD Member to exercise discretion on the account;

(b) The LDM and CSD Member has accepted the discretionary account in accordance with these Rules;

(c) The authorisation given to the LDM and CSD Member shall specify the investment objectives of the client with respect to the particular discretionary account;

(d) Each authorisation or acceptance may be terminated by notice in writing by the LDM and CSD Member or the client, as the case may be;

(e) Statements of Account shall be sent to all clients having discretionary accounts on a monthly basis within three days of the month end. Statements shall set forth the opening money and securities balance (for individual currencies and securities), movements during the month and the money and securities balance carried forward as at the statement date; and

(f) Each statement of account sent to a client shall bear a legend - "A FINANCIAL STATEMENT OF THIS LICENSED DEALING MEMBER OR CSD MEMBER OF THE DSE IS AVAILABLE FOR YOUR PERSONAL INSPECTION AT OUR OFFICES".

Brokerage and DSE Fees

48. Rules pertaining to all aspects of fees are covered in Part XIII and in the First Schedule of these Rules.

Payments to Clients

49. The amounts due to a client in respect of a trade shall be paid to the client not later than the next business day following settlement, less any transaction fees payable to the LDM, Exchange, Authority and Fidelity Fund by the client.

Accounting Records

50.-(1) Every LDM and CSD Member shall maintain complete and accurate records and financial statements to show, where applicable, particulars of-

(a) all monies received or paid, including monies paid to, or disbursed from a Trust Account;

(b) its business of transactions in securities including those executed or trade reported on DATS, cleared, settled and deposited in the CSD including details of persons associated with the LDM.

(2) Each LDM and CSD Member shall ensure that records made in accordance with sub-rule (1)(b) above complies with the applicable law and such records together with the following information shall be made available for inspection at any time by the DSE-

(a) all income received from commissions, interest and other sources and all expenses, commissions and interest paid;

(b) all assets and liabilities including contingent liabilities;

(c) all principal securities that are the property of the LDM, showing by whom the securities, or the documents of title to the securities, are held and, where they are held by some other person, whether or not they are held as security against loans or advances;

(d) all agency securities that are not the property of the LDM or CSD Member and for which the LDM or CSD Member or any nominee controlled by it is accountable, showing by whom, and for whom, the securities or the documents of title to the securities are held and the extent to which they are either held for safe custody or deposited with a third party as security for loans or advances made to the LDM;

(e) all agency securities and monies must be segregated from any principal securities within the LDM and CSD Member records, and at the CSD and monies held with any bank; and

(f) backup records.

(3) All records made under sub-rule (1) of this Rule shall be verified by the DSE from time to time.

Trust Accounts

51.-(1) Each LDM and CSD Member shall establish and keep in a bank or banks in Tanzania one or more trust accounts, designated or evidenced as such, into which it shall pay-

(a) all and only amounts (less any commission and other proper charges) that are received from or on account of any person (other than an LDM) for the purchase of securities; and

(b) all and only amounts (less any commission and other proper charges) that are received for or on account of any person (other than an LDM) from the sale of securities and that are not paid to that person or as that person directs not later than the next bank business day following the day on which they were received by the LDM.

(2) All amounts received by the LDM or CSD Member for or on account of any person and are required by sub-rule (1) of this Rule to be paid into a Trust Account shall be retained in the Trust Account until when-

(a) paid to the person entitled thereto or as such person directs in writing;

(b) withdrawn for the purpose of defraying commission and other proper charges;

(c) paid to the LDM or CSD Member monies, to which it is entitled, being monies that were paid into the Trust Account but were not required to be so paid; and

(d) paid as otherwise authorised by law.

(3) The Trust Accounts shall be designated "clients' accounts" and shall solely be used to receive monies deposited by clients for the purchase of securities, effect payments for securities transacted and receive monies from the sale of securities.

(4) The Trust Accounts shall not under any circumstances be co-mingled with any other bank accounts operated by the LDM or CSD Member.

(5) The Exchange shall have power to inspect the operations and activities of all Trust Accounts maintained by the LDM or CSD Member at such intervals as may be determined by the Board.

Annual Accounts

52. Each LDM, Listed Company and CSD Member shall submit to the Exchange Annual Accounts audited by auditors registered by the National Board of Accountants and Auditors or equivalent organ recognised by the relevant authorities, within six months following the end of the LDM's, Listed Company's or CSD Member's financial year.

Quarterly Returns

53.-(1) Each LDM, listed company and CSD Member shall, within thirty days since the end of each quarter of a financial year, submit to the Exchange, a quarterly report indicating the financial performance of the company during that particular quarter.

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(2) The quarterly financial report that is required by this Rule shall be in the manner prescribed in the CMS (Accounting and Financial) Regulations, 1997 and as per Attachment 1 of the First Schedule to these Rules.

(3) Where an LDM, Listed Company and CSD Member fails to submit the statements required under sub-rule (1) of this Rule within the prescribed time, there shall be imposed upon the LDM a charge as may be decided by the Board, for each day that the statements are not submitted, unless an extension of time has been granted.

(4) Requests for extension of time by an LDM, Listed Company and CSD Member shall be submitted to the Exchange at least three business days prior to the due date.

Termination of Membership

54. The DSE Members shall cease to be Members under the following circumstances-

(i) if the body corporate is unable to meet the financial standing requirements of the Exchange or the Authority;

(ii) is wound up;

(iii) is under receivership;

(iv) is de-registered;

(v) is declared unfit to be a Member by a Court order;

(vi) withdraw from membership voluntarily or fails to pay requisite fees and other ancillary charges for one year without reasons justifiable to the DSE;

(vii) is delicensed or deregistered by the Authority;

(viii) is delisted; or

(ix) ceases to exist for any other reason.

Expulsion

55.-(1) A Member shall be liable for expulsion in accordance with these Rules if-

(a) any of the particulars or information given in a Member's application form contains misrepresentation or omission of material facts;

(b) any of the particulars or information given in a member's Application from subsequently changes and the Member fails to notify the Exchange of the change resulting in a material misrepresentations or omissions of facts.

(c) has defaulted in DSE transactions or on another market place recognised by the Authority;

(d) has no capacity to conduct and publish Issuers Research; or

(e) has failed to secure and submit a valid bank guarantee.

(2) In the event of expulsion under this Rule, the Member shall cease forthwith to have access to the trading, clearing, settlement and other facilities of the Exchange.

PART V
LISTING RULES

DIVISION I: GENERAL PRINCIPLES RELATING TO APPLICATIONS FOR LISTING AND LISTED SECURITIES

General Conditions for Listing

56. (1) The General Principles set out below must be observed in all corporate actions and in all submissions pertaining to securities listed and to be listed.

(2) All applicants for Admission on the List shall comply fully with all relevant legal and regulatory requirements to produce an approved prospectus as a condition of obtaining an Admission on the List.

(3) Admission on the List of any securities shall become effective after all procedures and substantive requirements have been complied with and an official notice to that effect has been issued by the Board.

(4) All applications for Admission are to be submitted to the DSE through a sponsor.

(5) An applicant for listing must be duly incorporated or otherwise validly recognized under the laws of the United Republic of Tanzania.

(6) An applicant seeking a listing at the DSE must contractually undertake to the DSE, by completing Eleventh Schedule, that from the date of admission to listing of any of its securities it shall comply fully with all the Rules and Continuous Listing Obligations of the DSE, irrespective of the jurisdiction in which the applicant is incorporated.

(7) Securities in each class for which listing is applied must rank *pari passu* in respect of all rights.

(8) The securities for which listing is sought must be fully paid up and freely transferable.

General Principles

57. The General Principles relating to applications for listing and listed securities include:

(a) to ensure the existence of a market for the raising of primary capital, an efficient mechanism for the trading of securities in the secondary market, and to protect investors;

(b) to ensure that securities will be admitted to the List only if the DSE is satisfied that it is appropriate for those securities to be listed;

(c) to ensure that full, equal and timeous public disclosure is made to all holders of securities and the general public at large regarding the activities of an issuer that are price sensitive;

(d) to ensure that holders of relevant securities are given full information and are afforded adequate opportunity to consider in advance and vote upon any of the following:

(i) substantial changes in an issuer's business operations; and

(ii) other matters affecting a listed company's constitution or the rights of holders of securities;

(e) to ensure that all parties involved in the dissemination of information into the marketplace, whether directly to holders of relevant securities or to the public, observe the highest standards of care in doing so;

(f) to ensure that all holders of the same class of securities of an issuer are accorded fair and equal treatment in respect of their securities; and

(g) to ensure that the Listings Requirements, and in particular the continuing obligations, promote in investor confidence in standards of disclosure and corporate governance in the conduct of applicant issuers' affairs and in the market as a whole.

(h) to ensure that the Issuer's Constitution or Articles of Association provides for protection of minority shareholders or minority interests such as the right to:

(i) participate in board representation;

(ii) appointment and dismissal of executive directors or other key personnel and directors (including approval of long-term service contracts or material variationstotheirremunerationorbenefits);materialdealingsbytheCompany with its intellectual property; dealings between the Company and any of its shareholders (except, arm's length dealings in the ordinary course of business); voluntary winding-up.; be involved and / or veto in any major decisions such as: changes in the Company's articles of association; changes in the share capital of the Company (including the grant by the Company of any share options or convertible securities); any significant change in the nature of the Company's business; the Company incurring capital expenditure or contract commitments in excess of pre-agreed financial limits or not specifically contemplated by an agreed budget; any borrowing by the Company which would cause a pre-agreed borrowing limit to be exceeded; major business acquisitions or disposals by the Company; dividend distribution below an agreed minimum level;

(iii) be protected against their share(s) from being improperly diluted;

(iv) a fair and proper distribution of profits; and

(v) access to information about the Company's affairs by obtaining a right of inspection;

Powers to issue a Waiver

58. The DSE Board shall have powers to waive the application of a specific listing requirement when it considers that the strict application of the specific listing requirement would conflict with the General Principles.

Competent Authority

59. -(1) A company wishing to have its securities dealt on the DSE must apply for a listing and must comply with the DSE Listing Rules before being granted such listing. The Board of the DSE is the competent authority responsible for:

(a) determining Issuers' applications for listing of securities at the DSE; and

(b) the list of securities which may be dealt on at the DSE.

(2) No securities shall be Admitted on the List without a written approval of the Board.

Prospectuses and Information Memorandums

60. –(1) When a new applicant or an existing Issuer applies for a listing of securities that requires the publication of a prospectus or an information memorandum, the same shall be in compliance with the Capital Markets and Securities (Prospectus Requirements) Regulations.

(2) Where the law requires an approved prospectus to be produced, an applicant or existing issuer shall ensure that the approved prospectus is available on the internet and that at least ten copies are available for public inspection at an address during normal working hours on every business days for at least one month from the Authority approving any such prospectus.

(3) Whilst a legally approved prospectus may ordinarily contain sufficient information for the relevant company's securities to be Admitted on the List, the DSE may impose such additional disclosure requirements upon an applicant as it sees fit to enable investors to make an informed assessment of the prospects and status of the applicant.

Submitted Documents and the Approval Process

61. (1) Applications for listing and supporting documentation must be submitted in hard copies and electronically.

(2) All documents submitted by applicant issuers to the DSE shall become the property of the DSE and are not returnable.

(3) The application and documentation required to be approved shall be submitted to the DSE as early as possible for review, comments and approval and the following procedure may be followed:

(a) if documents are received by the DSE on or before 12h00 on a business day, they shall be deemed to have been lodged at 12h00 on such business day; and if they are received after 12h00 on a business day, they shall be deemed to have been lodged at 12h00 on the following business day ("the deemed lodgment time");

(b) withinsevenbusinessdaysofthedeemedlodgmenttimeofthefirstsubmission, the DSE may provide the relevant sponsor with Management comments. The DSE may insist on a further submission where additional corporate actions or transactions are inserted after the initial lodgment of the documentation;

(c) the Applicant's Sponsoring Broker or Nominated Advisor shall work on Management's comments within fourteen business days of receipt of such communication. Once Management's comments have been incorporated into the documents by the applicant issuer, such amended documents shall be submitted to the DSE for approval;

(d) within seven business days of the deemed lodgment time for Management comments, Management may:

(i) submit before the DSE's Listing and Trading Committee for deliberation and approval, if the documents are found to be in accordance with the Listings Rules; or

(ii) if the documents are found not to be in accordance with the Listings Rules, refuse to approve the application and return the documents to the relevant sponsor with comments or without comments (if an incomplete set of documents was submitted or the application fee was not paid);

(e) in the event of sub-rule (3) (d) (ii), the sponsor may re-submit the documents after incorporating the DSE's Listing and Trading Committee's comments or rectifying the omission, whereupon sub-rule (3) (c) and (d) shall again apply;

(f) the procedures under sub-rule (3) (c) and (d) will apply until the DSE Listing and Trading Committee approves the application, provided that, if the documents are returned to the sponsor after a third submission, the DSE shall charge an additional review fee equal to 50% of the original application fee for every subsequent submission;

(g) once the DSE Listing and Trading Committee is satisfied with the Issuer's submission, the application with the supporting documentation shall be approved; and

(h) upon approval, the DSE Listing and Trading Committee shall notify the Board for ratification.

(4) It is the responsibility of sponsors and applicant issuers to ensure that the procedure set out under sub-rule (3) above regarding the approval of documents can be accommodated within the timetables set out in the Listings Rules. Applicant issuers and sponsors must not assume approval of any aspect of a transaction, including documentation relating thereto, until formal approval has been formally granted by the DSE.

Annual Accounts and Financial Information

62. -(1) Where an Applicant Issuer or an Issuer is required to submit Annual Accounts, the same must be Audited and drawn up in accordance with the Companies Act and must be prepared in accordance with the International Financial Reporting Standards (IFRS) or other standards as may be prescribed by the National Board of Accountants and Auditors (NBAA) and independently audited in accordance with the International Auditing Standards.

(2) Applicant Issuer may be required to include in the Prospectus or any other issuing document the Issuer's financial information that covers all or some of the following:

(i) a report of historical financial information

(ii) a pro forma financial information

(iii) a profit forecasts and estimates

(3) The historical financial information required under sub-rule (2) above, is to be presented in consolidated form in respect of a period of at least three years up to and including the financial year immediately preceding the issue of the prospectus. Where the historical financial information is not available for the prior three-year period, the DSE must be consulted for a ruling regarding disclosure and approval of the transaction. If the historical financial information required under sub-rule (2) was not historically prepared in terms of IFRS, only the latest two financial years need to be converted to IFRS and the third year may be presented in accordance with the original accounting framework.

(4) a Reporting Accountant's Report signed off by an Independent Reporting Accountant shall be required when:

(a) a report of historical financial information is required in terms of sub-rule (2);

(b) a report of historical financial information is prepared and presented on a voluntary basis (except when it relates to previously published information of the applicant issuer);

(c) pro forma financial effects or pro forma financial statements are prepared (except when that pro forma information only appears in an announcement);

(d) profit forecasts/estimates are prepared; and

Resubmission of an Application

63. If a listing does not materialise within six months of the examination of the application for listing s and its supporting documents, the Issuer shall resubmit the application for examination with revised financial and other information for which a further fee shall be payable.

Market Abuse and Manipulation	**64.** An Issuer, its directors or their connected persons shall avoid any practice considered to be a market abuse under the Act.
Disciplinary Measures	**65**.-(1) Where an Issuer is in breach of these Rules, it may - (a) be fined; (b) be censured; (c) have the fact that it has been fined or censured published; (d) be suspended or cancelled pursuant to Rules 10, 11 and 13; (e) have its securities traded only on the Non-Compliant Board in conformity with these Rules. (2) In circumstances where disciplinary action is published under this Rule, the Issuer may be charged the costs of publication. (3) For the purposes of this Rule, an Issuer shall be deemed to be a Member of the Exchange and the same disciplinary procedures shall apply as set out in Part III of these Rules.

DIVISION II

LISTING RULES FOR THE MAIN INVESTMENT MARKET SEGMENT (MIMS)

Sponsorship of Application for Listing	**66.-**(1) An applicant shall appoint an LDM of the Exchange to sponsor its application. (2) The sponsoring LDM shall ensure that the Board is made aware of all the information which is relevant to the application. (3) The sponsoring LDM shall be responsible for the lodging of any documents that are required to be submitted with the application and ensuring that they comply with these Rules. (4) A sponsoring LDM shall, when acting in that capacity, satisfy itself that the directors of an Issuer- (a) may prepare and publish all information necessary for an informed market to take place in the company's securities; and (b) appreciate the nature of the responsibilities they will be undertaking as directors of an Issuer; (5) All matters arising in connection with an application shall be channelled through the sponsoring LDM. (6) A sponsoring LDM is also required to give advice on the application of these Rules in relation to any transaction or matter concerning the issue. (7) It shall be the duty of a sponsoring Member for a new applicant to: (a) take all reasonable steps to satisfy itself that the Issuer has complied with all the relevant conditions for Admission on the List and other relevant requirements of these Rules and must ensure that the Issuer is guided and advised as to the application of these Rules;

(b) confirm to the Board in writing that it has obtained written confirmation from the applicant that its directors have established procedures which provide a reasonable basis for them to make proper judgements as to the financial position and prospects of the Issuer and its group and that it is satisfied that the confirmation by the Issuer has been given after due and careful enquiry by the Issuer.

(c) commit to carry out and publish Issuers' research on annual basis.

(8) An applicant shall inform the Board in writing immediately upon change of sponsoring LDM giving reasons.

Application for Admission on the List

67.-(1) An application for Admission on the List at the Exchange shall be made to the DSE by filling in the Form No. I prescribed in the Second Schedule.

(2) An application under sub-rule (1) of this Rule shall be accompanied by a certificate from the LDM sponsoring the application by filling in Form No. II prescribed in the Sixth Schedule

(3) The DSE management shall place before the Board an application under these Rules as well as recommendations thereon for the decision of the Board and that decision shall be final.

Documents to be submitted with an application

68. The Issuer's application for Admission on the List shall be submitted to the DSE by the sponsoring Member. The application shall contain the following documents-

(a) a letter from the Issuer's Legal Counsel confirming that the applicant is duly constituted;

(b) a letter in the format specified in the Eleventh Schedule to these Rules from the sponsoring LDM confirming that the applicant is able and willing to comply with these Rules;

(c) ten copies of prospectus submitted to the Authority for approval and subsequently ten copies of any final approved prospectus marked up to show changes from the draft which was first submitted;

(d) ten copies of the applicant's audited accounts for the previous three years or for all previous years if the Issuer has been incorporated for less than such period;

(e) ten copies of the applicant's memorandum and articles of association or other appropriate governing documents according to the nature of the security and of any proposed alterations;

(f) details of the existing and intended distribution of the applicant's securities including particulars of any beneficial owners of 5% or more of the securities;

(g) a copy of all required authorisations with respect to submission for approval by the Board and publication of prospectus as to the changes in the Issuer's structure;

(h) where applicable, a copy of the proposed underwriting agreements and contracts, proposed agreements with securities exchanges for admission on the list of the securities to be offered and proposed agreements or contracts with the Registrar; and

(i) ACD/USB key or other electronic media with a copy of all of the above documents in electronic form.

Basic conditions to be fulfilled by an applicant

69. An applicant for Admission of its securities on the List shall comply with the following requirements-

(a) must be duly incorporated as a public company under the law of Tanzania and it must be in conformity with that law and its memorandum and articles of association and shall under that law be permitted to issue shares to the public;

(b) must have paid up capital of at least Tanzanian shillings one billion;

(c) the securities for which Admission on the List is sought must be issued in conformity with the laws of Tanzania and in conformity with the Issuer's memorandum and articles of association or equivalent documents and all authorisations needed for their creation and issue under the law or documents must have been duly obtained;

(d) the securities for which Admission on the List is sought must have a minimum value of at least Tanzanian shillings two billion, including where relevant, the minimum issue price of individual units in the specific case of Closed Ended Collective Investment Schemes and REITS, provided that:

(i) the requirement under paragraph (d) above shall not apply in the case of further issues of securities of a class which are already Admitted on the List; and

(ii) the Board may Admit on the List securities of a lower total value provided that it is satisfied that there shall be adequate marketability of the securities but it shall not lower the minimum value of an individual unit in any REIT.

(e) the securities for which Admission on the List is sought must be freely transferable but in exceptional circumstances approved by the Board, an Issuer may take power to disapprove the transfer of shares provided that such powers shall not disturb the market.

(f) (i) must have published or filed Annual Accounts covering a period of three years preceding the application and must have a profit after tax attributable to shareholders in at least two of the three financial years.

(ii) notwithstanding the contents of paragraph (f) (i) above, the Board may accept a shorter period if it is in the interests of the applicant or of investors and the Board is satisfied that investors shall have the necessary information available to arrive at an informed judgement on the applicant and the securities for which Admission on the List is sought; or a newly established the applicant has acquired a business or businesses which satisfies the three year trading record requirement under a management which will be continuing to manage the business subsequent to the acquisition by the applicant.

(g) must have Annual Audited Accounts

(h) the directors of the applicant must confirm that the working capital available is sufficient for at least eighteen months; where working capital is not sufficient, the Board may accept an application for further securities of a class already Admitted on the List provided the directors of the Issuer demonstrate satisfactory proposals to provide the additional working capital.

(i) any published profit forecast made by an applicant in respect of a period for which audited Annual Accounts have not yet been published must have had its accounting policies and calculations examined and reported upon by the reporting accountants. The sponsoring Member must have satisfied itself as to whether the forecast has been made by the directors after due and careful enquiry;

(j) where a new applicant already has securities Admitted on the List on an overseas stock exchange, it must be in compliance with the requirements of that Exchange;

(k) (i) where an applicant has a relationship with a substantial shareholder which could result in a conflict of interest between its obligations towards that shareholder and its duties to the general body of shareholders, the conflict could render the applicant unsuitable for Admission on the List;

(ii) in this Rule substantial shareholder means any shareholder entitled to exercise or control the exercise of 30% or more of the voting power at general meetings of the applicant or one which is able to control the composition of a majority of the board of directors of the applicant;

(l) (i) at least 25%, of the Issuer's shares being not less than one million shares of any class must be in the hands of the public prior to the time of Admission on the List. For these purposes, in public hands excludes holdings by major shareholders, directors and connected persons;

(ii) notwithstanding the contents of paragraph (l) (i) above, the Board may accept a lower percentage and/or a fewer number of shares where the amount of securities of the same class and the extent of their distribution would enable the market to operate properly;

(m) the shares must be fully paid up prior to their Admission for trading, with the exceptions of right issues which shall be fully paid up within 3 months;

(n) goodwill-

(i) where an applicant is dependent for a significant part of its assets or profits on intangible property rights or on contracts or concessions with or from third parties, the prospectus must make full disclosure of the terms of such rights or concessions (including all provisions relating to their termination or renewal) so as to enable investors to make an informed judgement of the value of the securities of the applicant;

(ii) if, prior to an Issuer's Admission on the List, it has engaged in transactions or arrangements which have had the effect of enhancing the value or extent of intangible assets shown or reflected in its financial statements, the Board may, if it considers that this might prejudice the interests of investors, deem the Issuer as unsuitable for Admission on the List;

(o) provisions of the memorandum and articles of association of the Applicant must comply with the requirements set out in the Fourth Schedule.

(p) where the application for listing is made in respect of any class of security, if-

(i) none of the securities of that class are already admitted on the List the application must relate to all securities of that class issued or proposed to be issued;

(ii) some of the securities of that class are already Admitted on the List the application must relate to all further securities of that class issued or proposed to be issued; and

(iii) Admission on the List must be sought for all further issues of a class of securities already Admitted on the List not more than one month after allotment;

(q) warrants or options to subscribe-

(i) in the absence of exceptional circumstances, the issue of options or warrants to subscribe equity must be limited to an amount equal to 10% of the issued equity capital at the time the warrants or options are issued. employee's share schemes shall not be considered for the purpose of this limit;

(ii) where an application for admission on the List is made for options or warrants to subscribe, the terms of issue must be such that the unit of dealing (whether trading separately) is an option or warrant to subscribe for one share;

(iii) where the terms of the subscription rights change (e.g., on a capitalisation issue), the sponsoring member must ensure that the officially published quotations continued to be based on the right to subscribe for one share; and

(iv) the terms for the exercise for options or warrants to subscribe must not be capable of variation or suspension at the discretion of the Issuer or of its directors (though they may contain specific arrangements for variation in the subscription price or number or shares to take account of alterations to the share capital of the applicant);

(r) options or warrants not accompanying other securities-

(i) where application is made for Admission on the List of options or warrants to subscribe or purchase securities, not being options or warrants accompanied by other securities, the Board may apply the same requirements as would apply to the securities to be subscribed or purchased;

(ii) where such an application is contemplated, the Chief Executive Officer shall be consulted at an early date as to the requirements which may be applicable.

(s) exchangeable or convertible securities warrants or options-

(i) Securities convertible or exchangeable into other class of Securities or options or warrants to subscribe or purchase such other class may be admitted on the List only if that other class of Securities is (or will become at the same time):

(aa) class of Securities; or

(bb) a class of Securities or traded on another regulated, regularly operating, and recognised open market;

(ii) the Board may admit on the List such Securities, options or warrants in other circumstance if they are satisfied that holders have the necessary information available to form an opinion concerning the value of the underlying securities to which such securities, options or warrants relate.

(t) the applicant must have at least 1,000 shareholders; exceptionally, a fewer number of shareholders may be accepted by the Board where the amount of securities of the same class and the extent of their distribution would enable the market to operate properly;

(u) the applicant must have in place an Audit Committee established as per the authority's guidelines on Corporate Governance.

Admission of Rights Issues on the List

70.-(1) Securities of Issuers representing rights to subscribe to ordinary shares may be Admitted on the List of the Exchange but only where these rights are renounceable in favour of other parties and are convertible into a class of security which has already been Admitted on the List.

(2) Right Issues shall be fully paid on the books closure date which shall be within 3 months from the admission date, or as may be agreed by the Exchange.

Admission on the List of Preference Shares

71.-(1) An Applicant for Admission on the List of preference shares shall meet the following criteria-

(a) must already have obtained admission on the list of its ordinary shares;

(b) must offer at least 1,000,000 issued preference shares of the class to be admitted on the list provided that, further issues of shares of a class already admitted on the List are not subject to these limits;

(c) must ensure that the total amount of preference shares of the applicant must not exceed 100% of shareholders' funds less intangible assets;

(d) must comply with such terms as the Exchange may require for the protection of shareholders.

(2) Sub-clauses (i) and (iii) of sub-rule (1) above shall not be deemed to exclude an application for the Admission on the List of preference shares in circumstances where the securities in question are unconditionally and irrevocably guaranteed by the Government.

(3) Notwithstanding sub-rule (1), the Board may, where in its opinion such a course of action may be justified, allow on such terms and conditions as it deems appropriate, Admission on the List of preference shares without prior Admission on the List of ordinary shares despite the fact that the gearing ratio of preference shares to ordinary shareholders' funds less intangible assets, exceeds 100%.

Fulfilment of Requirements	**72.**-(1) Prior to an Admission on the List becoming effective, the Chief Executive Officer must have confirmed to the Board that all requirements relating to the prospectus and the issue of securities for which Admission on the List is sought have been fulfilled by an applicant. (2) The applicant's reporting accountants and auditor must avoid conflicts of interest.
Listing Fees under MIMs	**73.–(1)** An applicant for listing and listed companies shall pay non-refundable application and annual fee as shall be laid down by the Board from time to time in accordance with the First Schedule. (2) The applications for listing shall be processed within a period of forty five (45) days to approval provided that, all other matters are timely completed by other parties. (3) An approved issuance shall be listed at the Exchange within three (3) from the date of approval. (4) Unless listed within six (6) months from the date of approval, an Issuer shall be required to submit a fresh application with an updated prospectus as regards the company's financials and other information. (5) A re-application for listing made under sub-rule (4) above shall be accompanied with an application fee if made twelve (12) months or beyond after the date of the first approval.
Continuing Listing Obligations	**74.**-(1) An Issuer shall comply with the continuing listing obligations set out in the Third Schedule. (2) An Issuer with their primary quotation on the List shall seek the permission of the Exchange before applying to List on another stock exchange. (3) Every Issuer shall establish an Audit Committee consisting of at least three directors. The Chairperson of the Audit Committee shall be an independent and non-executive director and at least one of the members of theAudit Committee shall hold a professional qualification in audit or accounting and of good standing. (4) An Issuer shall notify the Exchange of any price sensitive information which could materially impact the price of its securities at the Exchange and shall without delay, release an announcement providing details relating directly or indirectly to such Issuer that constitute price sensitive information other than those contained in published quarterly results. (5) In case the price sensitive information is to be kept confidential for a limited period of time, an Issuer shall, immediately upon realising that thepricesensitiveinformationandthenecessarydegreeofconfidentiality may be or may have been breached; publish a cautionary announcement. (6) For the purposes of sub-rules (4) and (5) above and in relation to what is provided in the Third Schedule; price sensitive information includes but not limited to situations where expected quarterly performance is below twenty-five percent (25%) compared to the previous period performance. (7) An Issuer shall all the time comply with its dividend policy as set out in the Issuer's prospectus or as approved by the shareholders during the shareholders general meeting, whenever paying dividends to the shareholders.

(8) An Issuer shall be required to include a report on Environmental, Social and Governance as well as Sustainability Reporting as part of Annual Report, as per the Guidelines specified under Attachment 4 to the Third Schedule.

Resolution of Issues

75.-(1) All matters concerning listings shall be addressed by a sponsoring Member to the Chief Executive Officer provided that when a matter has to be determined by the Board, the sponsoring Member may be accompanied by the representatives of the Issuer and other advisors any of whom may address the Board.

(2) The Board reserves the right to limit the number of persons involved in hearings under this Rule.

DIVISION III

LISTING RULES FOR THE ENTERPRISE GROWTH MARKET SEGMENT (EGMS)

General Provision

76. An applicant for the EGMs shall comply with all relevant legal and regulatory requirements to produce a valid prospectus as a condition of obtaining admission to the EGMs.

Approval Procedure

77.-(1) **S**ecurities shall not be admitted to the EGMs without a written approval of the Exchange.

(2) Admission to the EGMs may be made subject to such conditions as the Exchange deems necessary to protect investors.

Nominated Advisor

78. ANominated Advisor shall be in possession of such licences as are required by the Authority and has been admitted as a Non-Dealing Member of the DSE.

Requirement for Nominated Advisor

79.-(1) An applicant for Admission on the List under the EGMs shall appoint a Nominated Advisor to sponsor its application by executing a contract for the appointment of a Nominated Advisor in a manner set out in the Seventh Schedule.

(2) The Nominated Advisor shall, after carrying out due and careful enquiry, confirm to the DSE that the applicant:

(i) is suitable for admission on the EGMs and in particular that the applicant will not endanger the reputation or integrity of the EGMs;

(ii) has established procedures which provide a reasonable basis for its directors to make proper judgements as to its financial position and prospects; and

(iii) has directors who understand the nature of the responsibilities they shall be undertaking in respect of an Issuer which is admitted on the EGMs.

(3) The Nominated Advisor shall agree to-

(i) liaise with the DSE about any matters arising in connection with the applicant and submit all necessary documents to the DSE;

(ii) continue to advise the Issuer for as long as it always remains as the Nominated Advisor during the application process and thereafter following an Issuer's admission on the EGM; and provided it is satisfied that the Issuer is not a danger to the reputation or integrity of the market;

(iii) inform the Board in writing immediately upon its resignation or dismissal as a Nominated Advisor to the Issuer;

(iv) provide research on the company;

(4) The duties of a Nominated Advisor under this Rule shall be owed exclusively to the DSE.

Sponsoring Broker

80.-(1) Companies applying for listing under the EGMs shall also have a sponsoring broker who is a member of the DSE.

(2) In case the sponsoring broker is part of the same organisation with the nominated advisor, procedures shall be in place to avoid possible conflict of interest.

(3) The role of the sponsoring broker in the EGMs shall include-

(a) finding prospective investors for the applicant's shares;

(b) preparing and accompanying the company for the road shows and promote its shares to investors;

(c) trading in the secondary market; and

(d) providing research on the company.

Application for Admission on the EGMs List

81.-(1) An Applicant for the EGMs shall submit an application by filling in an application form as set out in the Second Schedule.

(2) The application shall be accompanied by an undertaking from its Nominated Advisor as set out in the Eighth Schedule.

(3) In signing the undertaking the Nominated Advisor warrants that he has considered and documented the matters set out in the application form.

Documents to be submitted with an Application for Listing on the EGMs

82. -(1) When applying for the EGMs the Nominated Advisor shall furnish the Exchange with the following documents-

(a) ten printed copies of the approved prospectus;

(b) three copies of the applicant's memorandum and articles of association (and any proposed alterations to be made to them prior to admission on the EGMs);

(c) a CD/USB key or other electronic media with a copy of all of the documents under paragraph (a) and (b) above in electronic form; and

(d) in case the company is in operation for more than one year, copies of management accounts or annual audited accounts (whichever is applicable).

Transferability of Securities

83.-(1) The securities for which admission on the EGMs is sought shall be freely transferable.

(2) In exceptional circumstances approved by the Exchange an applicant may take power to disapprove the transfer of shares provided that such powers do not disturb the market.

A company's Period of Existence

84. An applicant for the EGMs shall not be required to have any period of existence prior to application.

Distribution of Shares

85.-(1) At least 20% of distributed shares shall be in the hands of the public.

(2) For purposes of this Rule in public hands excludes holdings by major shareholders, directors and connected persons.

Fully Paid-up Shares and Rights Issues

86.-(1) Shares shall be fully paid up prior to their admission on the EGMs.

(2) Right Issues shall be fully paid on the books closure date which shall not be later than three months from the admission date, or as may be agreed by the Exchange.

(3) Securities issued by EGMs Companies representing rights to subscribe to ordinary shares may be admitted to the EGMs but only where these rights are renounceable in favour of other parties and are convertible into a class of security which shall be admitted on the EGMs.

Admission on the EGMs of Securities of the same class

87. Where the application for admission to the EGMs is made in respect of any class of Security the application must relate to all Securities of that class issued or proposed to be issued and in the event of further issues of that same class following admission on an Issuer's Securities to the EGMs, all such further issues must seek admission to the EGMs within one month.

Warrants or Options to Subscribe

88.-(1) In the absence of exceptional circumstances, the issue of options or warrants to subscribe equity must be limited to an amount equal to 10% of the issued equity capital at the time the warrants or options are issued.

(2) Employee's share schemes shall not be considered for the purpose of limit under sub-rule (1) above.

(3) Where an application is made for options or warrants to subscribe, the terms of issue shall be such that the unit of dealing, whether trading separately, is an option or warrant to subscribe for one share.

(4) Where the terms of the subscription rights change (for example, on a capitalisation issue), the Sponsoring Member must ensure that the officially published quotations continued to be based on the right to subscribe for one share.

(5) The terms for the exercise of options or warrants to subscribe shall not be capable of variation or suspension at the discretion of the issuer or of its directors.

(6) Notwithstanding sub-rule (5) of this Rule, the terms for the exercise of option or warrant may contain specific arrangements for variation in the subscription price or number of shares to take account of alterations to the share capital of the applicant.

Options or Warrants not accompanying other Securities	**89.-**(1) In general, where application is made for admission on the EGMs of options or warrants to subscribe or purchase securities, not being options or warrants accompanied by other securities, the Exchange may apply the same requirements as would apply to the securities to be subscribed or purchased. (2) Where an application under sub-rule(s) is contemplated, the Exchange shall be consulted at an early date as to the requirements which will apply.
Exchangeable or Convertible Securities Warrants or Options	**90.-**(1) Securities convertible or exchangeable into other class of Securities or options or warrants to subscribe or purchase such other class may be admitted on the EGMs only if that other class of securities is or may become at the same time- (a) a class of securities already Admitted on the List; or (b) a class of securities traded on another regulated, regularly operating, and recognised open market. (2) The Exchange may admit on the EGMs such securities, options or warrants other securities if they are satisfied that holders have the necessary information available to form an opinion concerning the value of the underlying securities to which such securities, options or warrants relate.
Period Moratorium	**91.-**(1) In the case of an applicant for the EGMs having less than a three-year track record, its promoters shall be locked-in for a period of three years from the date of admission on the EGMs. (2) For the purpose of this Rule, "locked in" means that the promoters shall not be allowed to dispose of any interest in the Securities.
Admission on the Official List of Preference Shares	**92.-**(1) A company applying for a listing of preference shares shall meet the following criteria- (a) have obtained an Admission on the List of any securities into which the preference shares are convertible. (b) ensure that the total amount of preference shares of the applicant must not exceed 100% of shareholders' funds less intangible assets. (2) This Rule shall not be deemed to exclude an application for the admission on the official list of preference shares in circumstances where the securities in question are unconditionally and irrevocably guaranteed by the Government.
Listing Fees under EGMs	**93.** All applicants and Issuers shall pay non-refundable application fee and annual fee shown in the First Schedule and as shall be laid down by the Board from time to time in accordance with these Rules.
Continuing Listing Obligations to be observed	**94.** An Issuer on the EGMs shall comply with the continuing listing obligations set out in the Third Schedule.

Market abuse and Manipulation

95. An Issuer on the EGMs, its directors or their connected persons shall avoid any practice which may create a false market and may not directly or indirectly participate in any operation which shall have a similar result.

Requirement to retain a Nominated Advisor

96.-(1) An Issuer on the EGMs shall be required to always retain a Nominated Advisor when the company is listed on the EGMs.

(2) Where an Issuer does not have a Nominated Advisor, the Exchange may suspend trading in its Securities on the EGMs and consider placing the Securities on the Non-Compliant Board.

Disciplinary Measures and Procedures

97. The disciplinary measures and procedures under Rule 65 shall apply in respect of Nominated Advisors and EGMs Issuers as for LDMs and companies admitted to MIMs respectively, and the same appeals process shall apply.

Migration to the MIMs

98. Companies listed on the EGMs may apply to migrate to the MIMs when they meet listing requirements for the MIMs.

DIVISION IV

LISTING RULES FOR DEBT SECURITIES

Approval of the Board

99.-(1)Corporate debt securities shall not be admitted without the written approval of the Board.

(2) Admission of debt securities may be made subject to such conditions as the Exchange deems necessary in order to protect investors.

Conditions to be Fulfilled by an Applicant

100.-(1) An application for listing of any other type of debt securities shall fulfil the following requirements-

(a) if the aggregate nominal value of the debt securities is not fixed, a statement to that effect together with the nature, number and numbering of the debt securities and the denominations shall be provided;

(b) particulars of the securities and summary of the rights conferred on the holders;

(c) where debt securities are issued by way of conversion or replacement of debt securities previously issued, a statement of any material differences between the securities for the old debt securities and the securities for the new debt securities;

(d) except in the case of continuous issues, the issue and redemption prices and nominal interest rate shall be provided; if several interest rates are provided for, an indication of the conditions for changes in the rate;

(e) procedures for the allocation of any other benefits accruing to the security and the method of calculating such benefits;

(f) arrangements for the amortisation of the debt, including the repayment procedures; and

(g) currency of the debt; if the debt is denominated in units of account, the contractual status of such units.

(2) An Issuer for listing of a convertible debt instrument shall be required to list securities into which they are convertible prior to listing a convertible debt.

Admission on the List of Debt Securities

101.-(1) An Issuer applying for admission on the List of debt securities shall meet the following criteria-

(a) where the debt security is convertible into equity, it must have already obtained an Admission on the List of the underlying equity;

(b) it offers at least Tanzanian Shillings one billion issued debt capital of the class to be admitted on the list but the Board may list securities of a lower value provided that it is satisfied that adequate marketability of the securities can be expected;

(c) further issues of securities of a class already Admitted on the List are not subject to these limits;

(d) its total debt capital does not exceed 400% of shareholders' funds less intangible assets; and

(e) it enters into a contract with the Exchange on such terms as the Exchange may require for the protection of bondholders.

(f) In the case of a Sustainable Bond issuance, the use of proceeds or the sustainability related performance targets (in the case of a Sustainability-Linked Bond specifically), shall be defined in line with the applicable Sustainable Bond Guidelines and Standards as defined under Fourteenth Schedule of these Rules.

(2) Paragraphs (a) and (c) of sub-rule (1) of this Rule shall not be deemed to exclude an application for the Admission on the List of debt securities in circumstances where the securities in question are unconditionally and irrevocably guaranteed by the Government.

(3) The DSE Listing and Trading Committee, where in its opinion such a course of action may be justified, may impose such terms and conditions as it deems appropriate, for an Admission on the List of debt securities-

(a) without prior Admission on the List of the underlying equity; and

(b) notwithstanding the fact that the gearing ratio of total debt-capital to shareholders funds less intangible assets, exceeds 400%.

(4) Except in the case of continuous issues, an indication of coupon and the method whereby that coupon is calculated shall be described in a summary form.

(5) The documents which must be filed in support of an application for bonds, debentures and debt securities shall be like those required in support of an application for ordinary shares as outlined in these Rules, except that the following additional information should be included:

(a) full title of issue;

(b) a certificate or copy of the document constituting the debt capital including all relevant details;

(c) any special legislation under which the debt securities have been created;

(d) details of any assets which may be used as security for the debt;

(e) final repayment date and any earlier repayment dates;

(f) date from which interest becomes payable and the due dates for interest;

(g) details of any guarantee of or surety for the payment of principal or interest amount including a copy of the proposed contract with a guarantor where the Issuer does not meet the CMSA's Guidelines for the issuance of corporate bonds and commercial papers;

(h) details of company or security rating by a Rating Agency in case the Issuer or the security is not guaranteed;

(i) details of any collateral for the bonds in case the Issuer or the bond is not guaranteed;

(j) names, function, description and head office of the trustee or other representative of the debt security holders;

(k) the terms of the trusteeship or representation including a copy of the proposed trustee agreement and a proposed contract with a guarantor (where applicable);

(l) In case the security on issue is not secured, a summary of clauses subordinating the debt to other debts of the Issuer already contracted or to be contracted.

(m) indication, where necessary, that the subscriptions may be reduced.

(n) possibility of early closure of the period during which the issue or offer of securities (except in the case of continuous issues) shall remain open after publication of the prospectus or information memorandum.

(o) an electronic copy of the register of bondholders from the Issuer's bond registrar in the format specified by the Exchange, at the allotment date to be provided to the Exchange seven days prior to admission.

(p) In case of an admission of a Sustainable Bond, the Issuer's Sustainable Bond Framework and the Pre-Issuance Verification Report produced by the External Reviewer must also be submitted.

(6) Where Admission on the List is sought for fixed income securities; particulars of the profits cover for interest and of the net tangible assets, the interest rate, if not already indicated above, must be stated.

(7) Where, for any reason, one or more of the documents mentioned under this Rule cannot be produced, a statement for non-production of that document shall be submitted.

Application Procedure for Government and other Legal Persons

102.-(1) The requirements under this Rule apply to debt securities issued by:

(a) other legal persons whose debt securities to be issued are unconditionally and irrevocably guaranteed by Government; and

(b) statutory bodies, Local Government Authorities and other Government Agencies.

(2) an application for listing of debt securities issued by legal persons or statutory bodies mentioned under sub rule 1 above shall be submitted to the Exchange by filling in an application form specified in the Second Schedule, together with the following documents for approval by the Exchange, at least five days prior to the intended listing:

(a) ten copies of the listing particulars or equivalent offering document, formal notices and in the case of issues by Issuers falling under paragraphs (a) and (c) of sub-rule (1) of this Rule any other document intended for publication by the Issuer or on its behalf;

(b) ten copies of any application form to purchase or subscribe securities;

(c) evidence of approval by the Authority, and

(d) an electronic media with a copy of all the documents under this Rule in electronic form.

(e) in case of a Sustainable Bond, the Issuer's Sustainable Bond Framework and the Pre-Issuance Verification Report as provided under Fourteenth Schedule of these Rules.

(3) In the case of issues other than debt securities issued by Government, the following documents shall also be lodged with the Exchange-

(a) an application by the issuer for admission to the list in the form set out by these rules signed by a duly authorised official of the issuer;

(b) an application by the sponsoring LDM, if any;

(c) payment of the appropriate fee for admission on the list and, where relevant, the annual fee;

(d) ten copies of the listing particulars or equivalent offering document satisfying all the requirements for the contents of such documents one of which shall be dated and signed by a duly authorised official of the Issuer or by his agent or attorney authorised in writing;

(e) where any document referred to in paragraph (d) above is signed by an agent or attorney, a certified copy of his authority;

(f) a copy of any consent, order or resolution authorising the issue; and

(g) an electronic media with a copy of all the documents under this Rule documents in electronic form.

(4) The contents of the listing particulars applicable to bodies falling under this Rule must reflect the general requirements of listing particulars with modifications and exceptions appropriate to the circumstances.

(5) An offering document of the Government securities shall contain-

(a) the full name of the issue, including where applicable coupon and maturity date;

(b) a statement that - "***these securities shall be Admitted on the List***";

(c) the amount and title of the securities for which Admission on the List is sought; and

(d) such other information as may be deemed appropriate by the Government or the Bank of Tanzania.

(6) In the case of securities issued by the Local Government Authorities the Issuer shall, in addition to requirements made under sub rules (3) and (4) comply with Guidelines issued by the Authority in relation to such securities.

(7) In the case of securities issued by the Government, the Exchange approval for listing shall not be required.

Publication of Listing Particulars

103.- (1) Where an application is made for the admission of securities by the Government or a body corporate falling under this Rule and listing particulars are required, admission shall not be granted unless the listing particulars or equivalent offering document has first been published in the manner referred to in sub-rule 2 below.

(2) Save as permitted by the relevant Committee, listing particulars or equivalent offering document may not be circulated or made available publicly, unless it has first been published as required by this Rule.

(3) Notwithstanding sub-rule (2) above, circulation of draft listing particulars or equivalent offering document is permitted if it is clearly marked as such, for the purposes of arranging an underwriting.

(4) The minimum requirements regarding publication are-

(a) where the listing particulars or equivalent offering document are not published in full in a local daily newspaper, a local newspaper must carry a formal notice;

(b) where the listing particulars or equivalent offering document are published in a newspaper, they must be accompanied by a statement that they are available at specific addresses;

(c) a notice in a local daily newspaper of general circulation must state at least the following:

(i) the name of the Issuer;

(ii) the amount and title of the securities for which admission on the List is sought;

(iii) the name of any guarantor of the principal or interest on such securities;

(iv) in the case of a fixed-income security with a facility to issue further tranches of the security, the total amount of the security which could be issued under such an arrangement; and

(v) the name of the sponsoring LDM, if any.

(vi) In the case of a Sustainable Bond, specify the Sustainable Label applied to the bond as defined in these Rules.

Fees for Debt Securities

104. Applicants and issuers shall pay such application; initial and annual fees shown in First Schedule or as shall be laid down by the Board from time to time in accordance with these Rules.

DIVISION V

LISTING RULES FOR FOREIGN AND CROSS-LISTED COMPANIES

Listing of Foreign Securities

105.- A Foreign Company may, subject to compliance with these Rules and approval of the Authority, apply for Admission on the List at the DSE.

Cross-listing of Securities

106.- (1) An Applicant already Admitted on the List on a recognised Stock Exchange may, subject to compliance with these Rules and approval of the Authority, apply for a cross-listing and Admission on the List at the DSE.

(2) An application for Admission on the List of securities at the DSE shall be made to the Exchange by a sponsoring LDM.

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(3) An Application for cross-listing of securities shall be accompanied by:

(a) An Information Memorandum containing information prescribed under the Capital Markets and Securities Act;

(b) A legal opinion by a lawyer practising in Tanzania, that a cross-listing will not infringe any legal provisions in either jurisdiction and that there is no legal reason why the Issuer should not be Admitted on the List; and

(c) Listing Fee.

Continuing Obligation Requirements

107. A foreign or cross-listed Issuer shall comply with all the continuing obligations of the DSE.

Transactions in Cross-Listed Securities

108. Transactions in foreign or cross-listed securities shall be subject to the CSD Rules.

DIVISION VI

LISTING RULES FOR RESOURCES COMPANIES

Listing of Resources Companies on the MIM and EGM Segments

109.- Without prejudice to the General Listing Rules, Listing Rules for the Main Investment Market segment (MIMs) and Listing Rules for the Enterprise Growth Market segment (EGMs) under Part V, Divisions I, II and III of these Rules respectively, an Issuer applying for listing of its mining, oil and gas equity securities on the MIMs or the EGMs shall meet the following conditions:

(a) must establish the existence of meaningful portfolio of reserves in a defined area where the company has exploration and exploitation rights which is substantiated by a Qualified Person's report prepared by a Competent Person;

(b) must submit a Qualified Person's report the effective date of which shall not be more than six months from the date of lodgment of the offer document;

(c) must have a working capital that is sufficient for its present requirements and for at least 18 months after listing which must include:

(i) operating, general and administrative and financing costs;

(ii) property holding costs; and

(iii) costs of any proposed exploration and/or development.

(d) must have a board of directors one third of which are independent directors with at least one with appropriate industry experience and expertise.

(e) must satisfy other listing requirements in Part V, Divisions I and II or Divisions I and III of the DSE Rules.

(f) must submit a confirmation that after conducting due diligence, the Issuer is not aware of any matter that has caused it to believe that the listing applicant:

(i) has not obtained all material licences, permits or certificates necessary to conduct its operations from the relevant governmental bodies in the jurisdictions where the Group operates;

(ii) is not in compliance with all laws, rules and regulations in all jurisdictions in which the Group operates, including but not limited to, the proper incorporation and good standing of any incorporated subsidiary or interest, except where such non-compliance is not material to the Group's business operations;

(iii) believes that the applicant has obtained title to or valid and enforceable rights to any assets; is in compliance of all laws; and possesses all material licenses; and

(iv) does not possess title to or valid and enforceable rights to any assets (including licenses and agreements) as is appropriate to the listing applicant or the Group, except where such lack of, or defect in, such title or rights is not material to the Group's business operations.

(g) In relying on the opinion from a legal adviser in providing the confirmation to the Exchange, the Issuer shall make due diligence inquiries including:

(i) assessing the suitability of the legal adviser having regard to whether the legal adviser has the relevant experience and is authorized to practice and advise in the relevant jurisdiction; and

(ii) reviewing the terms and scope of engagement.

Working Capital

110.- (1) For avoidance of doughty to what is provided under Rule 109 (c) of these Rules, working capital shall be considered as the applicant's ability to access cash and other available liquid resources (including proceeds from the initial public offering (IPO) and projected cashflows but excluding future borrowings/financing which have not been obtained) in order to meet its liabilities as they fall due.

(2) Where projected cashflows are relied upon, the Issuer must submit a confirmation to the Exchange that it is satisfied that the projections are prepared by the applicant's directors after due and careful enquiry.

(3) Proceeds from the IPO may be taken into consideration only if the invitation is fully underwritten. If the invitation is not underwritten but the listing is subject to a specified minimum amount to be raised from the invitation, the proceeds taken into consideration shall be limited to the minimum amount to be raised, as long as the amount are enough to satisfy the need for the project.

Additional Listing Conditions

111. A mineral, oil and gas company that cannot meet the requirements prescribe under Part V, Divisions I, II and III of the DSE Rules may list its securities on the DSE if it fulfils the following additional conditions:

(a) has market capitalisation of not less than TZS 5 billion based on the issue price and post-invitation issued share capital; and

(b) discloses its plans and milestones to advance to production stage with capital expenditure for each milestone. These plans must be substantiated by the opinion of an Independent Competent Person.

Prospectus or an Offering Memorandum or Introductory Document
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112. -(1) A Prospectus or an Offering Memorandum or Introductory Document issued by a Resources Company shall be in line with the requirements of the Capital Markets and Securities (Prospectus Requirements) Regulations issued under the CMS Act as well as Part V, Divisions I and II or I and III of the DSE Rules.

(2) A Prospectus or an Offering Memorandum or Introductory Document issued by a mineral, oil and gas company shall have additional information relating to its:

(a) interests in mineral, oil or gas assets;

(b) expertise and experience of its directors and senior management in governance and management of the business;

(c) legal title or ownership rights to explore, mine or explore and mine the relevant minerals, oil or gas assets;

Reasonable Spread and appropriate Expertise and Experience

113. DSE may admit the securities of a mineral, oil and gas company to listing notwithstanding that the Issuer failed to meet some of the requirements of Part V, Division II and III of the DSE Rule, provided that the Issuer can demonstrate that:

(a) The requirements of PartV, Division I of the DSE Rules are satisfied, or

(b) It has a reasonable spread of direct interests in mineral assets and has rights to actively participate in the management of those assets, whether by voting or through other rights which give it influence in decisions relating to the assets, provided, it or its group (including companies in which the Mineral Company has investments) is in possession of the necessary legal title of ownership rights to explore or mine or explore and mine the relevant minerals.

(c) Its directors and senior management collectively have appropriate expertise and experience for the governance and management of the applicant and the group's business. Details of such expertise and experience must be disclosed in any listing particulars prepared by the applicant.

Substantial Mineral Assets

114. An Issuer with substantial mineral assets must demonstrate that it, or its group (including companies in which they have investments), is in possession of the necessary legal title or ownership rights to explore, mine or explore and mine the relevant minerals, oil or gas assets.

Revised Listing Particulars

115. In the event that an Issuer is required to issue revised listing particulars pursuant to the Listing Rules, the Issuer shall not be required to prepare a Competent Person's Report pursuant to these requirements.

Information in Revised Listing Particulars

116. Where an Issuer with substantial mineral assets is required to submit revised listing particulars, the following information must be included in such documents:

(1) the asset in respect of a transaction measured against the purchase or disposal consideration, as the case may be; and

(2) measured against the market capitalization of the applicant issuer in respect of a new listing:

(a) a Competent Person's Report

(b) details of any direct or indirect beneficial interest, which each director (and his associates), Competent Person, and where applicable, related party, has, or within two years of the date of the pre-listing statement, had in any asset (including any right to explore for minerals):

(i) of the applicant Issuer;

(ii) which has been acquired or disposed of by, or leased to or by' the applicant Issuer, including any interest in the consideration passing to or from the applicant issue, and in the share capital of the applicant issuer;

(iii) financial information in terms of Part V, Division I, Rule 62 of the DSE Rules to the extent that the applicant Issuer has a financial history;

(iv) a statement by the directors regarding any legal proceedings that may have an influence on the rights to explore or mine, or an appropriate negative statement; and

(v) confirmation that the applicant issuer, or its group (including companies in which it has investments), is in possession of the necessary legal title or ownership rights to explore, mine or explore and mine the relevant minerals.

Qualified Competent Person

117. The prospectus, offering memorandum or introductory document for a Resources Company shall include a report by a Qualified Competent Person ("QCP") which is sufficient to cover the Issuer's technical assessment of the Resources Company's assets.

Qualified Competent Person's Report

118. –(1) The Report of the QCP shall be prepared no more than 6 months prior to the prospectus and be addressed to the Issuer and any sponsor or nominated adviser. The report shall be dated the same date as any draft prospectus submitted to the Authority and the Exchange or contain a statement from the Issuer that there has been no material change since the report was compiled.

(2) The Qualified Person's report must be prepared in accordance with the Local and or Internationally recognized Standards.

(3) In preparing the Qualified Person's report, the qualified person must consider all relevant information supplied by the directors of the listing applicant or Issuer.

(4) The Qualified Person must review the information contained in the offer document, circular or announcement, as the case may be, which relates to the Qualified Person's report and confirm that the information presented is accurate, balanced, complete and not inconsistent with the qualified person's report. The Qualified Competent Person's report shall not include blanket disclaimers or contain indemnities for fraud and gross negligence.

(5) If the Qualified Person's report includes a statement excluding the Qualified Person's liability for the completeness or adequacy of the information provided by the company and its advisors and for information extracted from public sources, this qualification must be subject to the Qualified Person having:

(i) made reasonable enquiries and exercised his judgment on the reasonable use of such information; and

(ii) found no reason to doubt the accuracy or reliability of the information.

Contents of Qualified Person's Report

119. (1) A Qualified Person's report must include a title page, table of contents and an executive summary and the main body of the report.

(2) The Executive summary shall contain the following:

(a) Introduction

(i) Full name, and if applicable, the partner/director in charge of the report; professional qualifications, years of relevant experience, Professional Society Affiliations and Membership (including details of a recognised professional association) of the qualified person and the address of the qualified person's firm/company;

(ii) Statement of independence by the qualified person, ifthereport is prepared by an independent qualified person who meets the requirements in of these Rules;

(iii) Aim of the report;

(iv) Scope of the report;

(v) Statement on the use of the report;

(vi) Basis of the report – including data sources, data validation and reliance on other experts;

(vii) Standard used; and

(viii)Whether a site visit has been undertaken (if so, when the site visit was undertaken and by whom and if a site visit has not been undertaken a satisfactory reason as to why not).

(b) Property description, size, location, access, natural and cultural environment, including:

(i) listing applicant's / Issuer's assets and liabilities, including the summary table of assets as provided under Appendix 1 to the Second Schedule.

(ii) nature and extent of listing applicant's/issuer's rights of exploration or extraction; and

(iii) description of the economic conditions for the working of the licenses, concessions or similar, with details of the duration and other principal terms and conditions of the concessions including fiscal conditions, environmental and rehabilitation requirements, abandonment costs and any necessary licenses and consents including planning permission.

(c) History of the property, including exploration history and any production history;

(d) Geological and geophysical setting, type and characteristics of the deposit/accumulation;

(e) Exploration data including drilling and sampling, sampling and analysis methods, sample preparation and security, quality assurance and quality control on the sample analyses;

(f) Mineral processing and metallurgical testing, if applicable;

(g) Resource and reserve estimates and exploration results, as applicable, in accordance with the relevant Standard, including a summary of reserves and resources;

(h) Planned extraction method, processing method, capital costs, operating costs, considerations including social, environmental, health and safety factors that may affect exploration and/or exploitation activities; and production schedule, if applicable; and

(i) Financial analysis of the operations, taxes, liabilities, marketing if applicable.

(3) The main body of the Qualified Person's report shall include:

(a) a summary table of assets set out in the format of Appendix 1;

(b) the format and specific disclosures set out inAppendix 2 to the Second Schedule.;

(c) the format and relevant tables set out in Appendix 3 to the Second Schedule.;

(d) and set out which Mining Reporting Standard has been used; and

(e) report on any existing reserves and resources statements, stating what analysis was undertaken or include a derivation of any reserve or resource estimates.

Valuation Report

120. (1) The prospectus, offering memorandum or introductory document relating to a Resource Company must include a valuation report on the assets of the listing applicant. The valuation report must be prepared by an independent qualified person in accordance with the best standard in valuation of mineral assets or an equivalent standard that is acceptable to the Exchange. The effective date of the valuation report shall not be more than 6 months from the date of lodgement of the offer document.

(2) The independent expert shall disclose the following facts in the valuation report:

(a) the standard used;

(b) principal assumptions used in arriving at the valuation, including but not limited to, assumed commodity prices, rate of discount and rate of inflation, and the basis for each assumption. Contracted commodity prices must be used where applicable and available. If unavailable, either forecast or constant prices may be used. Where forecast commodity prices are used, this should be accompanied by a statement by the Qualified Person that such forecast was arrived at after due and careful enquiry and reflects their view of a reasonable outlook of the future; and

(c) analysis of the sensitivity of such valuations to variation in the principal assumptions provided in (b) above set out as follows:

(i) In relation to commodity prices, the scenarios must include both constant and forecast prices;

(ii) In relation to the rate of discount, the scenarios must include the weighted average cost of capital;

(d) a report on the reserves of the listing applicant;

(e) an estimate of net present value. If the valuation is arrived at on an alternative basis, an explanation of the basis and the reasons for adopting the basis; and

(f) risk factors in the prospectus highlighting the uncertainties inherent in the assumptions made in arriving at the valuation and the effects they may have on the valuation of the mineral, oil and gas assets and the value of the offering shares.

Farm-in and Farm-out Transactions	**121.** –(1) A farm-in transaction refers to an acquisition of a partial interest of an existing asset by a company from a third party. A farm-out transaction refers to a sale of a partial interest of an existing asset owned by a company to a third party. (2) Farm-in and farm-out transactions are excluded from the requirements in Rule 120 if they are in the ordinary course of business of the Issuer. (3) Further to continuous disclosure obligations for DSE listed companies, where a farm-in or farm-out transaction only changes an Issuer's effective interest in the asset, Rule 125 is not applicable.
Technical Data Outside the QCP's Report	**122.** –(1) Where information contained in a prospectus is extracted from the QCP's Report it should be quoted accurately and presented in a balanced manner consistent with the QCP's Report. (2) Where any technical information is extracted from a third-party source, a reference or attribution to such source should be set out next to such extraction. (3) The QCP should review the technical information contained in the prospectus which relates to information contained in the QCP's Report and confirm in writing to the Issuer that the information presented is accurate, balanced and consistent with the QCP's Report.
Payments	**123.** The Issuer shall disclose in the prospectus offering memorandum or introductory document any payments aggregating over TZS 30 million made by the Issuer or on its behalf to any government or regulatory authority or similar body in respect of the acquisition of, or maintenance of its assets.
Risk Factors	**124.** TheIssuershalldiscloseriskfactorsbothspecificandgeneralrisksaffecting the Issuer. The Issuer shall set out risk factors that are specific to it ahead of any general risks or risks applicable to all mining companies.
Continuing Listing Obligations for Resources Companies	**125.** (1) An issuer shall wherever practical use the same mining reporting standard as used in its prospectus. In addition, any updating statement about its reserves or resources must be presented in a style and format consistent with its initial prospectus such that any changes can be readily compared to the prospectus.

(2) Where an urgent announcement precludes conformity to such standard then the Issuer shall ensure that such announcements are not misleading and provide a full reconciliation with the appropriate mining reporting standard as soon as possible but not later than 3 days after the announcement

(3) Any deviation from the relevant mining reporting standard shall be made clear in the announcement together with a statement about why the announcement cannot be made in conformity with the relevant mining reporting standard.

Exploration Updates

126. An Issuer's announcement concerning drilling or exploratory developments shall as a minimum contain:

(v) depth of zone tested;

(vi) drilling intervals;

(vii) number of drillings; and

(viii) the average grades of any mineralisation for the drillings.

DIVISION VII

LISTING RULES FOR INVESTMENT COMPANIES

General

127. The Listings Requirements apply to Investment Entities except as modified by Rules 127 to 133.

Fundamental Principles

128. In evaluating a listing application from an Investment Entity, the DSE shall consider the following fundamental principles:

(i) persons responsible for managing the investments must have adequate experience;

(ii) there must be an adequate spread of portfolio risk;

(iii) the applicant must not, to a significant extent, speculate in securities; and

(iv) the applicant meets the general listing requirements set out Main Investment Market listings.

Criteria for Listing

129. -(1) The DSE may admit to listing the securities of an Investment Entity notwithstanding that such an entity do not comply with the general listing requirements set out under Part V, Division II of the Rules - Main Investment Market segment, subject to the applicant having a subscribed permanent capital of at least TZS 50 billion and being qualified to be classified as an "Investment Company" under the CMSA Regulations and/or a sub-sector of the Global Classification System.

(2) In case sub rule (1) applies, the applicant must satisfy the following criteria:

(a) the applicant must comply with the criteria set out in Rule 69 except that, if it is not able to satisfy fully the criteria set out in Rule 69 (f).(three years'audited profit history), it must satisfy the the DSE that its managers have sufficient experience in the management of the types of investment in which the Investment Entity proposes to invest in.

(b) the applicant must confirm that its income shall be derived wholly or mainly from listed securities or other securities and neither the Investment Entity, nor any trading activity that is material to the group as a whole;

(c) if the Investment Entity invests in other companies or funds, which in turn invest in a portfolio of investments, it must ensure that the policies and objectives of the investee conforms to the principal objectives(s) of the Investment Entity;

(d) the applicant may seek a listing with an existing investment portfolio or with only cash;

(e) the board of directors, or any equivalent body, of the Investment Entity must be able to demonstrate that it will act independently of any investment managers of the Investment Entity, and the majority must not be employees of or professional advisers to the investment managers or any other company in the same group as the Investment Entity;

(f) the investment management company must, at all times, have an investment in the capital of the applicant equal to at least 10%, unless the DSE in its sole discretion, after taking account of the relevant experience of the management company, otherwise decides; and

(g) the applicant must disclose its portfolio to shareholders on a quarterly basis until such time as at least 50% of the portfolio has been established in investments other than cash or short dated securities

Contents of the Prospectuses

130. (1) In addition to the prospectus requirements set out under 60 (1) of the DSE Rules, the applicant must provide the following information in the prospectus:

(a) A description of the company's investment policy;

(b) If it intends to invest in less than 10 investable universes, a statement to that effect;

(c) An analysis of the investment portfolio, or proposed investment portfolio, by:
  (i) broad industrial or commercial or service sector; and
  (ii) listed and unlisted investments;

(d) An analysis of funds not invested in listed securities;

(e) An analysis of income between dividends, interest and other forms of income;

(f) A list of all investments with a value of greater than 5% of the total assets under management and in least the 10 largest investments stating:

  (i) a brief description of the business;

  (ii) whether the securities held by the Investment Entity are listed and, if so, the name of the stock exchange;

  (iii) the proportion of share capital owned;

  (iv) the cost of the investments;

  (v) the market value of the investment or, if the investment is not listed, a valuation by the directors of the investment entity stating the date of such valuation together with the disclosure that would have been provided pursuant to IFRS 13 had this valuation been presented in the IFRS compliant financial statements;

  (vi) the income received during the year (highlighting any abnormal income);

  (vii) any extraordinary items; and

  (viii) the proportionate underlying net assets attributable to the investment.

(g) An analysis of any provision for diminution in value of investments, naming the investments against which provision has been made and stating for each investment:

(i) its cost;

(ii) its book value;

(iii) the provision made; and (iv)

the reason for the provision;

(h) An analysis of any unrealized profits stating separately those between listed and unlisted investments;

(i) Details of the name of the group or company which manages the investments, together with an indication of the terms and duration of their appointment, the basis for their remuneration and details of their investment experience; and

(j) The net asset value per share and tangible net asset value per share.

(2) For purposes of sub rule (1) above, the net asset and tangible net asset shall be those as based on the values set out in the statement of financial position of the IFRS compliant financial statements.

Annual Financial Statements

131. In addition to the information specified under Rule 62, an Investment Entity must report the information required under Rule 130 in its annual financial statements.

Investment Policy

132. The Investment Entity shall ensure that all material changes on the investment policy or where a new investment policy is to be issued, the same must be approved by shareholders in a general meeting.

Transactions

133. (1) All transactions carried out by the management company on behalf of the fund shall be at arm's length.

(2) A management company shall not act or conduct transactions in any manner that would result in unnecessary cost or risk to the fund.

(3) All transactions by Investment Entities must be categorized and any transaction exceeding 10% must be announced pursuant to the provisions of the Capital Markets and Securities (Substantial Acquisitions, Takeovers and Mergers) Regulations). In respect of transactions less than 10% issuers must consider the application of the general obligation of disclosure pursuant to Rule 57 (c) and (g) and Rule 60 (4) in the event that any transaction constitutes price sensitive information (applied individually or on a cumulative basis).

(4) The exclusion provided in sub-rule (3) above shall not apply to related party transactions irrespective whether the transaction/s are in the ordinary course of business; and

(5) In the event that an Investment Entity wishes to conclude a transaction outside the scope of the investment policy, the investment policy must be amended pursuant to Rule 132 in order to allow the transaction.

Real Estate Investment Trusts

134. -(1) All applicants for Admission on the List of Real Estate Investment Trusts shall observe and ensure compliance with, the Capital Markets and Securities (Collective Investment Schemes Real Estate Investment Trusts), Rules 2011 as amended from time to time.

(2) Without prejudice to sub rule (1) above, an applicant for admission of a REIT shall comply with DSE Listing Rules set out under Part V, Division I and II and Continuous Listing Obligations.

(3) Prior to admission on the List, an applicant REIT shall be required to submit to DSE a proof that the Authority has granted permission for it to be admitted on the List.

DIVISION VIII

LISTING RULES FOR SPECIALIST SECURITIES

Specialist Securities

135. This section sets out the Listings Requirements relating to specialist securities namely Exchange Traded Notes (ETNs) and Exchange traded Funds (ETFs). It sets out the general disclosure and continuing obligations requirements which apply to ETNs and ETFs.

SECTION I

GENERAL PROVISIONS

Minimum Criteria

136. (1) An issuer wishing to list securities must comply with the minimum criteria set out in Rule 138 (unless stated otherwise elsewhere in these Rules) and submit its placing document to the DSE in accordance with the provisions of Rules 61 (3) and 144.

(2) An issuer is subject to the authority of the DSE (regarding its powers to list, suspend and terminate listings, and its powers to enforce the Listings Requirements). authority of the DSE, however, shall not apply to the directors of an issuer under this section.

(3) Once application has been made to and approval granted by the DSE, the securities will be traded in the same manner as any other securities on the DATES.

(4) Trades in specialist securities will be settled through CSDR and each holder of securities must appoint a CSDP or broker who will maintain an electronic record of ownership of the specialist securities. Specialist securities must be freely transferable, unless otherwise required by the law.

(5) Subject to Section 1(authority of the DSE), specialist securities may be suspended if the issuer of such securities fails to comply with the Listings Requirements.

(6) Issuers need not comply with Rule 62.

(7) An issuer may make written application to the DSE for the removal of the listing of any of its securities from the list and/or the deregistration of the placing document stating the time and date it wishes the removal of listing to be effective. The DSE may grant the request for removal subject to complying with the following, except where all securities are owned by the applicant issuer; the issuer must send a circular to the holders of securities stating:

(a) that the approval must be obtained from holders of securities by way of an extraordinary resolution in a general meeting for the removal of the listing prior to the issuer making written application to the DSE for such removal. The issuer will be precluded from voting; and

(b) the reasons for removal.

Sponsor

137. The issuer of securities under this section must appoint a sponsor, unless otherwise agreed to by the DSE. The sponsor shall execute its obligations as per the Listing Rules.

Criteria for the Issuer

138. The Issuer must meet the following criteria, unless specifically exempt by the DSE in the case of specific securities:

(a) it must be regulated under the Banking and Financial Institutions Act of 2006 (Act No. 5 of 2006) or the equivalent foreign legislation in the case of foreign issuers;

(b) it must prove to the DSE that it has the relevant expertise to issue securities or has the access to such expertise;

(c) the issuer must be in conformity with the applicable laws of its place of incorporation, having obtained all necessary statutory, or other, consents required to apply for and maintain a listing of securities; and

(d) it must either:

(i) satisfy the DSE that it has net tangible assets of not less than Tanzania Shillings 10 billion in jurisdictions acceptable to the DSE; and undertake that, throughout the duration of the issue, it shall maintain at least Tanzania Shillings 10 billion of its assets in the said jurisdictions; or

(ii) provide a guarantee from a third party that is acceptable to the DSE and such guarantor must comply with the provisions set out in sub-rules (a) and (d)(i) above. If the guarantor is not resident in Tanzania, the guarantee must state that Tanzania law governs the guarantee and that the guarantor accepts the exclusive jurisdiction of the Tanzanian courts.

(e) An issuer of specialist securities must comply with Rule 56 with respect to general conditions for listing.

Market Maker

139. The Issuer shall:

(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 shall always in normal market circumstances, endeavour to provide and maintain a reasonable bid and offer. Circumstances when the DSE may relieve the issuer from its responsibility to maintain a reasonable bid and offer until the issue is resolved include, (but are not limited to), when there is no bid and offer in the underlying market, when in the opinion of the calculation agent an instrument can be reasonably shown to have no value, when an issuance is sold out and/or the issuer is experiencing technical difficulties. The DSE may, in its sole discretion, determine that an Issuer be relieved of this responsibility for a specific period or issuance of securities.

Requirements for the Placing Document

140. (1) The DSE requires issuers to make use of a placing document that must comply with the following:

(a) the placing document must comply with the Listings Requirements;

(b) the placing document must be updated by the issuer and approved by the DSE where changes to the placing document are required; and

(c) any supplementary documents submitted under the placing document must adhere to the Listings Requirements. The DSE may allow certain information that is of a generic nature to be included in the placing document which can then be cross referenced in the pricing supplement.

(2) The placing document must include the following:

(a) in respect of the issuer:

(i) its full name;

(ii) its place and date of incorporation;

(iii) the full names and addresses of its directors (or in the event that the issuer is not a company, the persons with corresponding duties and powers as a director in relation to the issuer);

(iv) a description by the directors of any material changes in the financial or tradingpositionoftheissuersincetheendofthelastfinancialperiodforwhich annual financial statements have been published, or an appropriate negative statement. The board of directors must confirm that the 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. Where the auditors were involved, their exact involvement including their scope and conclusion must be clearly explained;

(v) information on any legal or arbitration proceedings, including any such proceedings that are pending or threatened of which the issuer is aware, that may have, or have had, a material effect on its financial position, or an appropriate negative statement;

(vi) if the issuer obtained a credit rating for the issuer itself or for the placing document, such fact must be disclosed in the placing document;

(vii) a description of the rights of the holders of securities in the event of the liquidation and business rescue proceedings of the issuer;

(viii)a description of how the proceeds generated from the issuing of the securities will be used by the issuer;

(ix) a statement that the DSE's approval of the listing of the securities is not to be taken in any way as an indication of the merits of the issuer or of the securities, that the DSE has not verified the accuracy and truth of the contents of the listing documentation and that to the extent permitted by law, the DSE will not be liable for any claim whatsoever;

(x) a limitation of liability provision must be provided in the placing document, that the DSE takes no responsibility for the contents of the placing document, pricing supplements, or the annual report (as amended or restated from time to time) or the amendments to the annual report, makes no representation as to the accuracy or completeness of any of the foregoing documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of placing document, pricing supplements, or the annual report (as amended or restated from time to time); and

(xi) a statement that claims against the DSE (Guarantee) Fidelity Fund may only be made in respect of trading in securities on the DSE and in accordance with the terms of the rules of the (Guarantee) Fidelity Fund, and can in no way relate to a default by the issuer of its obligations in terms of the issue of securities by the issuer;

(b) the names and addresses of the advisors and transfer secretaries to the issuer;

(c) in respect of any guarantor, the matters listed in Rule 140 (2) (a) (i) to (vi);

(d) details of the underlying asset/s in respect of which the securities will be issued, including:

(i) any relevant recently published information relating to the underlying asset/s; and

(ii) any other information the DSE may deem appropriate.

(e) a statement that the placing document and pricing supplement are available on the issuer's website;

(f) a statement detailing the risks of investing in securities. This shall include details of the trading risk as well as the risk of the issuer not being able to fulfil its obligations, notwithstanding the fact that the issuer will have been obliged to comply with the Listing Rules.

(g) disclosure to investors of all possible material risks and uncertainties facing the issuer, the industry in which it operates and the securities themselves;

(h) the issuer must accept full responsibility for the accuracy of the information contained in the placing document. The placing document must include the following statement:

"The issuer certifies that to the best of their knowledge and belief there are no facts that have been omitted which would make any statement false or misleading and that all reasonable enquiries to ascertain such facts have been made as well as that the placing document contains all information required by law and the DSE Listing Rules. The issuer shall accept full responsibility for the accuracy of the information contained in the placing document, pricing supplements and the annual financial report, the amendments to the annual financial report or any supplements from time to time, except as otherwise stated therein";

(i) a statement that upon exercise or settlement (as applicable), the issuer is responsible for settlement and not the DSE; and

(j) any other information that the DSE may deem appropriate.

Financial Information

141. An issuer making an application for registration of a placing document shall comply with the following:

(a) either include the financial information in the placing document or incorporate it by reference in the placing document at the time of the listing of the security or registration of the placing document. Where information is incorporated by reference and is made available in electronic form:

(i) the documents shall be made easily accessible when accessing the issuer's website;

(ii) the documents cannot be modified;

(iii) the website shall not contain hyper-links, with the exception of links to electronic addresses where information incorporated by reference is available; and

(iv) the investor shall have access to downloading and printing of the documents.

(b) an issuer making application for the registration of a placing document must have published and submitted financial statements to the DSE which:

(i) have been prepared in respect of at least the last three financial years and the latest audited financial statements of such issuer must be in respect of a period ended not more than 12 months before the date of the placing document;

(ii) have been prepared for the interim financial period where the audited financial statements of such issuer are older than 9 months. No audit or review opinion is required on the interim financial information;

(iii) have been prepared in accordance with the Companies Act or other appropriate legislation;

(c) notwithstanding the provisions of Rule 141 (b)(i), financial statements of an issuer relating to a period shorter than three years may be accepted provided the DSE is satisfied that:

(i) the acceptance of financial statements of the issuer for such shorter period willnotprejudicetheinterestsofinvestorsandthatinvestorshavesufficient information available to arrive at an informed assessment concerning the financial position and affairs of the issuer and the specialist securities for which the listing is sought; or

(ii) the securities for which the listing is sought are guaranteed, provided that the guarantor has complied with Rule 141.

(d) where the placing document or issuance of securities is guaranteed, the financial information of the guarantor must be prepared in accordance with Rules 141 (b). Such financial information must be made available for inspection at the registered office of the issuer for as long as securities are issued and outstanding under the placing document. The applicant issuer and the guarantor must publish a notice of availability announcement on DSE website stating when and where such financial information will be available for inspection; and

(e) financial information referred to in Rules 141 (b) and 141 (c) must be prepared in accordance with IFRS.

Ancillary documents

142. The placing document must be accompanied by:

(a) a formal application substantially in form and in accordance with the Second Schedule of the DSE Rules;

(b) the pricing supplement (if applicable);

(c) certified copies of the guarantee and/or the credit enhancement agreement (if applicable);

(d) the general undertaking by the applicant issuer in the form of a resolution of the Board, certified by the chairman (or the relevant authorised governing body of the applicant issuer);

(e) the memorandum of incorporation of the issuer (if applicable);

(f) the annual financial report of the issuer and guarantor (if applicable) in respect of the periods referred to in Rule 141 (b) and (c) above;

(g) the experts' consent letters (if applicable);

(h) Bank of Tanzania approval (if applicable);

(i) regulatory approval: where regulatory approval for the issue and/or listing of securities is required from other regulators, the DSE will not grant approval for the issue and/or listing until such time as it receives a copy of the related approval/ruling;

(j) a draft of the announcement referred to in Rule 149;

(k) index license agreement (if applicable); and

(l) such other information as may be required by the DSE.

Requirements for Pricing Supplement

143. (1) The pricing supplement must include the following terms of the issue:

(a) the initial price level and issued amount (if applicable);

(b) the expiry date;

(c) the procedure to be followed in the event of an exercise of a security (if applicable);

(d) the procedure in the event that a holder of security fails to exercise its rights prior to the expiry date;

(e) in the event of the issuer providing for a cash payment where any one or more holders of securities fail to exercise their rights under the securities prior to the expiry date, a statement that payment will be made through CSDR on the payment date;

(f) how corporate actions in the underlying asset or assets or affecting the underlying asset or assets will influence the rights of the holders of securities;

(g) any tax implications;

(h) whether or not the holders of securities will receive any distributions receivable on the underlying asset/s and the frequency thereof;

(i) the effect of any corporate actions or restructuring by the issuer;

(j) a statement that any change in the terms of the securities must be approved

(k) by extraordinary resolution, excluding the votes of the issuer, any guarantor and their associates; and

(l) a directors' responsibility statement in compliance with Rule 140 (2) (i) above.

(2) The contents of the pricing supplement relating to an index and index product securities must include:

(a) a description of the index, including the name of the publisher of the index, its date of establishment and how it is compiled;

(b) the identity of the party that sponsors and/or calculates the index;

(c) an explanation of the computation of the index;

(d) the frequency with which the index is updated and published;

(e) the provisions in the event of modification and discontinuance of the index;

(f) the historic highs and lows of the index for the last five years;

(g) the closing spot level or closing price at the last practicable date; and

(h) authority to use the index from the party that sponsors and/or calculates the index.

Submission Process and the Timetable

144. (1) The submission and approval of the placing document and any other documentation to be issued to investors under this section, shall be subject to the review process set out under Rule 61 (3).

(2) The issuer is required to prepare its timetable on the basis that formal DSE approval shall be obtained not less than seven business days prior to the proposed listing date of the relevant securities. An issuer may make use of marketing material to assist with the book building exercise and/or auctioning, as the case may be, prior to the DSE granting its final approval provided that it is not misleading and it is stated in the document that the DSE's approval has not been granted yet.

Application for Additional listing

145. All applications for listing of additional securities shall be:

(a) in the case of a subsequent issue of securities under a placing document, made by submitting a draft pricing supplement prior to the issue date (if material amendments are made to the terms of the placing document, a revised placing document must be submitted to the DSE);

(b) in the case of a further issue of securities made under an existing issue (tap issue), the issuer shall advise the DSE in writing of the terms of such further issue;

(c) supported by a duly executed resolution of the board, or legal authority, specifically authorising the subsequent issue and further issue and listing; and

(d) announced on DSE's and Issuer's website prior to the issue date of securities.

Changes to Existing Securities or Placing Document

146. -(1) In the event that the issuer makes any changes to the placing document or pricing supplement that affects the terms and conditions of the securities or the guarantee, 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 securities holders, holding not less than 51% of the value of a specific class of securities.

(2) In the event that the applicant issuer makes any changes to the placing document or pricing supplement:

(a) the DSE must be notified of the following:

(i) an increase in the authorised amount of the placing document in respect of the original listing. The issuer's written notice to the DSE must be accompanied by a resolution of the board of the issuer or an appropriate legal authority;

(ii) a change in company information or to provide additional company information, the issuer's written notice to the DSE must be accompanied by a certified copy of the certificate reflecting this amended or additional information; and

(b) the issuer must request the DSE's approval for the following:

(i) any changes to the terms and conditions of securities;

(ii) to extend the maturity date of any security, subject to the terms and conditions of the placing document and by extraordinary resolution;

(iii) to increase the amount of issued security, the issuer must provide the DSE with details of the increase amount, the remaining balance and the proposed effective date of such increase; and

(iv) to reduce the amount of issued security, the issuer must provide the DSE with details of the reduction amount, the remaining balance and the proposed date of reduction.

(3) Any corporate action proposed by an issuer is to be undertaken in accordance with the corporate action timetable approved to by the DSE.

Circulars

147. An issuer must comply with provisions of relating to Prospectuses requirements and Announcements.

Signing and Dating

148. The placing document and pricing supplements (if applicable) must be signed by the authorised directors or an appropriate legal authority. The signatories shall be deemed to have authorised the publication of the placing document. Every signature to the placing document shall be dated, and the latest of such dates shall be deemed to be the date of the placing document.

Announcements

149. (1) An issuer must publish the following information on the DSE's and Issuer's website:

(a) An announcement, which is to be made immediately after the DSE has approved an application for listing, containing:

(i) the full name and place and date of incorporation in respect of the issuer and any guarantor;

(ii) the period of marketing (if applicable) and the expected listing date;

(iii) the salient terms of the issue;

(iv) a statement that DSE approval for the listing has been granted;

(v) the code under which the securities will trade and the ISIN;

confirmation that the placing document is available on the issuer's website;

(b) an announcement, which is to be made at least ten (10) business days prior to the expiry date (or such other date acceptable to the DSE), containing:

(i) the expiry/maturity date (if any);

(ii) the date of payment for, and delivery of, the underlying security;

(iii) any special arrangements (e.g. cash payment or non-election); and

(iv) such other information as the DSE may deem appropriate.

(c) Any declaration of dividends (as defined in terms of the Income Tax Act), interest and other similar payments (distribution payments and cash disbursements to shareholders) by an applicant issuer should immediately be announced.

(2) The issuer will also be required to make an announcement should there be any changes in the constituents of the asset pool relating to a corporate action or otherwise (if applicable). Such announcement must be made through DSE website and posted on the issuer's website.

(3) An issuer must announce any corporate action or restructuring in the underlying asset/s, provided it affects the listed security. The announcement is to be made at least ten business days prior to the record date of the relevant corporate action or such other date acceptable to the DSE. The final terms of the amendment must be announced by no later than 10.00 a.m on the day prior to the effective date of such amendment.

Basic Parameters for Securities that track or Reference an Index

150. If the securities to be listed will track or reference an index it must be issued over an index or index product acceptable to the DSE in accordance with Rules 151 to 156 relating to index disclosures and acceptable index calculators.

SECTION II

INDEX DISCLOSURES AND ACCEPTABLE INDEX CALCULATORS

General

151. (1) Issuers wishing to list any instruments where an index is referenced must ensure that the ground rules comply with Rule 152 and index calculators must comply with Rules 152 to 156.

(2) The DSE will publish a list of acceptable index calculators on its website. Such acceptable index calculators will not be required to obtain approval on an ongoing basis, subject to Continuing Obligations.

(3) Issuers must submit an application to the DSE illustrating full compliance with Rules 152 to 156 prior to the listing of any instrument with an index as underlying.

(4) Issuers shall not be permitted to make use of an index without a valid index license agreement obtained from the index sponsor.

Transparency

152. (1) The construction of the index, including the treatment of various corporate actions (where applicable), must be clearly documented in a ground rule summary document. The document must be publicly available on the issuer's and DSE's website to ensure full transparency.

(2) The DSE shall consider the following principles in determining whether the comprehensive ground rules document is acceptable:

(a) it must contain the basic constitution of the index and the treatment of all known corporate actions (where applicable) must be clearly disclosed to ensure that such corporate actions are dealt with timeously, objectively and consistently;

(b) details of index reviews and their intervals must be clearly disclosed;

(c) the ground rules must ensure that the index is free of any type of manipulation by the index calculator or the issuer;

(d) it must include details of the process involved when there are changes to the index, including but not limited to any corporate action (where applicable) and how these changes will be communicated to investors;

(e) index methodology must be clear and give details of the calculation method, constitution, index rules, index review, changes to the index and the consequences of any changes in the index methodology. This must be in plain English so that it is easily understandable;

(f) the use of sole discretion by the index calculator should be limited to avoid any unnecessary movement in the market. Advance communication by the index calculator with the market is imperative;

(g) the mathematics applied in the index must match the written description of the index;

(h) the index must be replicable as far as practically possible, i.e. investors must achieve the same returns as the index in the open market;

(i) any changes pertaining to the index must be published publicly on the issuer's website and in a timely manner, via a notice, for index users to be able to replicate the index as far as practically possible, as must corrected index data in the event of erroneous distribution of data;

(j) a clear policy should exist in terms of corrections e.g. how will these be published and how will these be corrected;

(k) all instruments in the index must have a reliable and discoverable price that is published;

(l) material changes to the index methodology must be communicated to the DSE, and communication to the market via `DSE website must be made before implementation;

(m) a brief explanation, sufficient for an investor to understand how an index was developed, including, at a minimum, the size and liquidity of the market being assessed namely the number and volume of transactions submitted, the range and average volume and range and average of price, and indicative percentages of each type of market data that have been considered in a benchmark determination. Terms referring to the pricing methodology must be included "transaction-based", "spread-based" or "interpolated/extrapolated"; and

(n) a brief explanation of the extent to which and the basis upon which expert judgment if any, was used in establishing an index.

Experience

153. (1) The index calculator shall satisfy the DSE that it has adequate experience in calculating indices.

(2) The DSE shall consider the following principles in determining whether an index calculator has the required experience:

(a) the index calculator shall have sufficient staff with considerable relevant experience. Experience could include the calculation of in-house benchmarks, custom indices or having worked with or been employed by an acceptable index calculator for a considerable period; and

(b) the index calculator shall prove that it has enough knowledge and experience in dealing with the impact of corporate actions (where applicable) on indices. This will be achieved by displaying a track record of handling corporate actions (where applicable) that it has dealt with.

Independence

154. (1) An index calculator shall not act as an index calculator to any organisation or fund of which it is not independent except with the specific approval of the DSE.

(2) The index calculator must be able to demonstrate to the DSE that it can act in a neutral and objective manner without any undue influence from the issuer or its associates.

(3) The DSE shall consider the following principles in determining whether to allow an index calculator to act for an organisation or fund from which it is not deemed to be independent:

(a) the department or area that is responsible for calculating the index must operate separately from the issuer of the instrument;

(b) the department responsible for calculating the index must not have any reporting lines into the department responsible for issuing the instrument;

(c) 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;

(d) 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 issuer of the instrument and at all times in the best interest of investors; and

(e) disclosure about the relationship must be disclosed in the listing documentation together with details on the index calculator's ability to act independently.

Continuity

155. The index calculator shall ensure that a sufficient number of experienced staff are available to properly discharge the index calculator's responsibilities at all times.

Technology

156. (1) The index calculator must demonstrate to the DSE that it has a robust system in place.

(2) The DSE shall consider the following principles in determining whether the system is acceptable:

(a) there is in place, a process to prevent manipulation of the index system. The index calculator shall confirm this to the DSE and the issuer of the instrument must confirm that it is satisfied with the said process;

(b) the system must have regularly tested back-ups; and

(c) the technology being used must ensure continuity with proper automation and data feeds.

Fees

157. An issuer shall pay the relevant fees as determined by the DSE.

SECTION III

EXCHANGE TRADED NOTES

General

158. (1) The provisions of Rules 136 to 157 shall apply to ETNs.

(2) ETNs track the performance of a specified security or other assets, which include, but are not limited to, indices, commodities, currencies or any other asset acceptable to the DSE. The said underlying asset or security must:

(a) be sufficiently liquid to satisfy the DSE that there will be proper price formation in the ETN; and

(b) if the underlying asset or security constitutes an index, such index must be acceptable to the DSE in accordance with Rule 151.

(3) ETNs must be open-ended in nature unless otherwise determined by the DSE.

Listing Criteria

159. (1) The mechanics of the ETN must be satisfactory to the DSE and must be issued over an asset referred to in Rule 158.

(2) In the case of ETNs that make provision for distributions to noteholders, such distributions must be announced in accordance with the corporate action timetable approved by the DSE.

(3) An issuer with or seeking a listing of an ETN at the DSE is required to comply with and satisfy all applicable Listings Requirements and as modified by the provisions set out below:

(a) details of all parties involved in the ETN structure and must give an indication of the cost ratio applicable to the ETN;

(b) a description of the index, including the name of the publisher of the index, its date of establishment and how it is compiled;

(c) a description of the constituent stocks (if applicable);

(d) ETNs must have a net asset value that is calculated in a transparent manner; and

(e) The pricing supplement and marketing material must include a warning statement regarding the credit risk of the issuer and specify the characteristic differences between ETFs and ETNs.

Daily Publication

160. The issuer must publish the following details on its website each day:

(a) the NAV, showing the fair value based on the index level for the preceding day, and the accrued costs incurred in the ETN;

(a) the accrued distributions that are distributable to ETN holders, if applicable; and

(b) the index level for the preceding day.

SECTION IV

EXCHANGE TRADED FUNDS

General

161. -(1) The provisions of Part V, Division VIII, Section I shall apply to ETFs.

(2) The underlying asset or security tracked by the ETF must be sufficiently liquid to satisfy the DSE that there will be proper price formation in the ETF.

Criteria for ETFs

162. (1) ETFs must:

(a) be open ended in nature unless otherwise determined by the DSE;

(b) have a NAV that is calculated in a transparent manner and published on the issuer's website; and

(c) be issued over an asset as referred to in Rule 161.

(2) The arranger or management company of the ETF must prove to the DSE that it has the relevant expertise to issue securities or has the access to such expertise;

(3) The legal structure and mechanics of the ETF must be satisfactory to the DSE. The DSE must be consulted at an early stage before formal application for listing is made. An ETF structured as a Collective Investment Scheme must also obtain registration as a Collective Investment Scheme from the Capital Markets and Securities Authority before formal application for listing is made.

(4) In the case of ETFs that make provision for distributions to security holders, such distributions must be made on at least an annual basis. Such distributions must be announced in accordance with the requirements stipulated Rule 149 (1) (c) relating to dividends and in accordance with the corporate action timetable approved by the DSE.

(5) The ETF must be fully covered by the underlying asset or assets that the ETF references at all times.

Placing Documents

163. In addition to the disclosure requirements set out in Rule 140 (2) above, an applicant issuer of ETFs must include the following in a placing document:

(a) a statement to the effect that investors must seek their own independent tax advice;

(b) details of all parties involved in the ETF structure and an indication of the cost ratio applicable to the ETF;

(c) if applicable, a description of the index, including the name of the publisher of the index, its date of establishment and how it is compiled;

(d) a description of the constituent stocks/assets (if applicable);

(e) the identity of the party that sponsors and/or calculates the index;

(f) an explanation of the computation of the index;

(g) the frequency with which the index is updated and published;

(h) the provisions in the event of modification and discontinuance of the index; and

(i) the authority to use the index from the party that sponsors and/or calculates the index.

Daily publication

164. The issuer must publish the following details on its website each day:

(a) the NAV of the security, showing the fair value based on the index level for the preceding day;

(b) the accrued reserves distributable to ETF holders (if applicable);

(c) the index level (if applicable) for the preceding day;

(d) the accrued costs incurred in the ETF (if applicable);

(e) the index constituents (if applicable); and

(f) constituent shares applicable to index for creation and redemption purposes.

Creations and Redemptions of existing ETF Securities

165. Applicant issuers may increase or decrease the issue size of existing ETFs, subject to the submission of a memorandum detailing the specific terms of the increase or decrease in issue size.

PART VI

DIVISION I

EQUITIES TRADING RULES

Eligible Securities

166.-(1) Securities Admitted to the List and such other public securities specified by the Exchange shall be traded on DATS and shall be verified, cleared and settled through the CSD in accordance with these Rules.

(2) With regard to Securities of Issuers representing rights to subscribe to ordinary shares Admitted on the List of the Exchange where these rights are renounceable in favour of other parties and are convertible into a class of security which has already been Admitted on the List, these may be traded on DATS prior to the closure of the offer.

Persons permitted to Trade

167.-(1) Only DATS Traders are permitted to trade on DATS.

(2) LDMs shall ensure that their ADRs or DATS Traders comply at all times with these Rules and circulars from the Exchange. Any failure to comply with any such Rules may result in a disciplinary action by the DSE.

(3) An ADR or DATS Trader shall not transact any business for any LDM other than the one in respect of which approval has been sought and granted by the Exchange.

Attendance at Trading Sessions

168.-(1) Each LDM shall have DATS Trader present for the duration of each trading session.

(2) DSE shall monitor the market during each trading session.

(3) No unauthorised person shall be permitted access to DATS.

(4) The Exchange shall have the discretion to refuse any person access to DATS except for the authorised staff of the Authority.

(5) Trading may continue provided a minimum of one LDM is represented and can access DATS and the CSD.

(6) DATS trading terminals may be located in the LDMs offices or at the Trading Floor.

Client Instructions

169.-(1) It is the responsibility of an LDM to ensure that they receive bona fide instructions from clients and that they have effective procedures for identifying the persons from whom they take instructions to effect transactions in accordance with these Rules.

(2) At no stage shall an LDM offer or bid for securities on behalf of a client unless he has a genuine request by a client and has completed the verification procedure in accordance with these Rules. The Market Official may require any LDM to prove that a genuine request exists and the LDM shall comply, except where an LDM acts as principal in accordance with these Rules.

(3) Subject to client instructions, LDMs shall use their best endeavours to buy and sell securities on the same trading day following the receipt of instructions from its client, if the Trading Session is open or if not at the next available Trading Session. An LDM must stamp client orders to denote time of receipt and acceptance and must submit client bids and offers to DATS promptly, for each security, for each individual order, in the order in which they were received.

(4) An LDM may be ordered by the Exchange to explain any of its actions.

(5) LDMs taking purchase orders from Institutional Investors shall ensure that such investors have in place financial arrangements, including bank guarantees, with a Custodian to ensure funds are available at the Clearing Bank prior to Settlement Time.

Trading as Principal

170.-(1) An LDM may trade as a principal.

(2) Orders executed on behalf of an LDM's Connected Persons shall be considered as principal orders in DATS.

Exchange Dealings

171.-(1) Every Trade transacted on DATS, whether for the account of the LDM or an LDM's client, shall be executed by the LDM in the name of the LDM and for the liability of the LDM, according to these Rules.

(2) All trades on DATS are final at the time of execution binding on both parties unless reversed within the settlement period when:

(a) the DSE reverses or cancels a trade at its discretion in accordance with Rule 172;

(b) an LDM applies to annul a transaction. An application to annul a transaction on DATS shall not be accepted by DSE management, except:

(i) on a specific allegation of fraud or wilful misrepresentation; or

(ii) upon prima facie evidence of such material mistake in the trade as in their judgement; the DSE may require the consent of the other party to the trade.

Irregular Deals

172.-(1) The determination of irregular deals shall be concluded by the Market Official whose decision shall be final.

(2) Any Trade which in the opinion of the Market Official is irregular or is in contravention of these Rules or the law shall be reported immediately to management.

(3) If after an investigation an error is detected, the Exchange may take any action which it deems fit including the cancellation of the trade.

(4) Where the DSE cancels a trade as per sub-rule 3 above it shall inform the CSDR in writing before settlement.

Trading Sessions

173.-(1) All trading must be conducted during trading sessions.

(2) Trading sessions shall be held on such days and times as the DSE shall determine from time to time by circular subject to approval by the Regulator.

(3) Market opening and closing times shall be established by the Exchange and may be different for each category of securities. No transactions shall be executed before the opening or after closing time set out in the most recent approved circular.

(4) Securities shall be traded continuously every Business Day except as notified by the Exchange.

(5) Trading session of the Exchange shall be supervised by the Market Official.

Access to DATS

174. Access to DATS is limited to-

(a) DATS Traders;

(b) Authorised Exchange personnel;

(c) The Authority; and

(d) Any other person duly authorised by the Exchange.

System Failure

175.-(1) Failure in any of the systems installed in the Exchange for trading purposes shall be immediately reported to the Market Official who shall take the necessary action to suspend or close trading.

(2) Failure of any systems installed between remote DATS Traders and the Exchange shall result in the Market Official taking the necessary action but may only lead to suspension or closure of trading if all DATS Traders are excluded from the market.

(3) Every effort shall be made by the responsible parties, the DSE, Bank of Tanzania, the Authority, the system vendor and LDMs to resume an orderly trading. The Market Official may extend trading hours to compensate the lost time.

(4) Under no circumstances shall the Exchange be responsible for damages arising from any such failure, error or defect in the system.

Ownership of Securities

176.-(1) The ownership of a security together with all its rights and interests in respect of which the transaction has been effected passes from the seller to the buyer at the moment of trade execution. For DATS trades, the time is sourced from the DATS system clock and for Pre-Arranged Trades it is the time concluded by the two counterparties.

(2) Following the close of the trading session, the Exchange shall pass the necessary entries in the registers of holders of the relevant securities maintained under the CSD to reflect the transactions effected during the trading session, with delivery of title in the CSD on Settlement Day.

(3) Between the trade time and Settlement Day, the buyer shall have a claim against the seller for securities bought on the Exchange and the seller shall have a claim against the buyer for the total consideration of the trade.

Short Selling

177.-(1) Short Sales are prohibited.

(2) DATS shall always be integrated to the CSD to determine the existence of Securities before trading is executed.

Validity of Bids and Offers

178. To be valid, bids and offers must be:

(a) posted to DATS;

(b) visible to all Members generally and without discrimination and in the manner prescribed by these Rules.

Tick Sizes and Trade Ranges

179.-(1) Orders must be placed within the defined Tick Sizes as specified by the Exchange. Trades shall only be executed within the Trade Ranges as set by the Exchange.

(2) Bids and Offers shall be posted into DATS in the minimum Tick Sizes set out under Ninth Schedule.

(3) The Exchange shall have the right to adjust Tick Sizes and Trade Ranges in the light of market conditions and shall publish such changes accordingly subject to approval of the Authority.

Division of Markets

180.-(1) The market for securities is divided into equity, debt and other securities segments as the Exchange may determine.

(2) The equity market is further sub-divided by size into-

(a) Normal Lot;

(b) Block Trade.

(3) The debt market offers a Normal Lot marketplace.

Normal Lots

181.-(1) The Normal Lot size for each security is specified by the Exchange.

(2) The standard Normal Lot for equities is 1 share and is not dependent on the issue price of the security.

(3) The order size for Normal Lots in renounceable rights to subscribe to shares is 1 share and is not dependent on the issue price of the renounceable rights to subscribe to shares.

(4) The order size for Normal Lot for debt securities is dependent on the par value of the security.

Block Trades

182. The Exchange offers the following types of Block Trades-

(a) Pre-Arranged; and

(b) All or None (AON).

General requirements for all types of Block Trades

183.-(1) When an LDM receives either an order to buy or sell equities which qualifies as a Block Trade as defined in these Rules, or it receives a Pre-Arranged Trade, it shall make a request for approval to the Exchange before attempting to execute the instructions on DATS.

(2) If the Exchange decides that the proposed trade is of a size that exceeds the capacity of the Market, the Exchange may give permission to the LDM to approach other LDMs to attempt to match the bid/offer in whole or in part.

(3) On receipt of an approval from the Exchange, a Block Trade must be posted on DATS by the end of the current or next trading session. The trade information will be further disseminated to all DATS users and external parties connected to DATS who are authorised to receive real time data in accordance with these Rules.

(4) All Block Trades are irrevocable (i.e., once an order has been placed it cannot be cancelled or changed except with special permission from the Exchange), unless cancelled by the Exchange under these Rules.

(5) Block Trades shall not be used for the purposes of updating indices, VWAP and the closing price but shall be included in the market volume statistics.

Pre-Arranged Trades	**184**.-(1) Pre-Arranged Block Trades shall be submitted to DATS by both LDMs with contra LDM codes as well as all other trade attributes required by DATS. (2) Until both sides of the trade with corresponding contra LDMs have been entered, the Block Trade shall be deemed not to have been concluded. (3) A match occurs when both parties have completed the entry accurately with the exact same information with one buyer and one seller and where the seller has sufficient unencumbered securities in their CSD account. (4) All Block Trades must be submitted to DATS within the trading session upon approval from the Exchange. (5) If the seller does not have an adequate CSD balance the trade shall be rejected and shall remain unmatched. Any other discrepancies shall also leave the trade unmatched in DATS. (6) In order to achieve price discovery, Pre-Arranged Trades shall be executed at the entered price.
Amendments of Pre-Arranged Trades	**185.** Pre-Arranged Trades shall not be amended but may be cancelled by contra parties together with the agreement of the Exchange or cancelled by the Exchange under these Rules.
Pre-Arranged Trades Lifetime	**186.** Unmatched Pre-Arranged Trades shall expire in DATS in 15 minutes or as configured by the Exchange from time to time but may be re-inserted within the same trading session.
Instruments	**187.** Pre-Arranged Trades can be undertaken for any securities Admitted on the List.
Visibility of Pre-Arranged Trades	**188.**-(1) Pre-Arranged Trades shall have no pre-trade transparency on DATS terminals except to the LDMs involved in the transaction. (2) The trade shall be displayed in real time on execution to DATS users and to other subscribers to market data.
Clearing the Order Book	**189**. Pre-Arranged Trades shall have no interaction with the order book and shall not clear the order book.
All or None (AON) Blocks	**190**.-(1) An AON block is a discrete type of Block Trade for the auction of equities during a trading session separate from the Pre-Opening Auction. (2) An AON block shall remain on DATS for up to a maximum of 3 business days and in the event there is no match it shall expire. (3) The firstAON block bid/offer sets the block size for the auction. (4) Only the best bid and offer for the AON block is retained on DATS. (5) At the end of the auction, the best bid and offer, defined by price shall be matched.

Price Discovery Mechanism	**191**. The price discovery for AON Block Trades is as follows- (a) if both sides are entered, the initial price is the execution price; (b) if the bid is constant and the offer is bettered then the best offer price becomes the trade price; (c) if the offer is constant and the bid is improved then the best bid price is the trade price.
Bidding Constraints	**192**.-(1) The block size shall remain constant throughout the auction process. (2) The initial bid or offer must be entered into the DATS. An LDM shall not better its own initial bid/offer. Subsequent orders from other LDMs must offer price improvement. Only following such price improvement, will the LDM making the initial bid or offer be capable of making further price improvement. (3) Once a side has been improved then only that side can be further improved, unless the initial improvement is reversed by the Exchange.
Bidding Procedure	**193**.-(1) The bidding process shall start after the initial bid and/or offer have been entered in DATS. (2) TheAONauctionshallbeconcludedatsuchtimeasspecifiedbytheExchange.
Amendments of AON Trades	**194**AON Trades cannot be amended or cancelled by LDMs.
Price Constraints	**195**. AON blocks may not have price constraints as long as the order price is supported by an independent valuation approved by the Regulator.
Visibility of AON Trades	**196**. The AON auction only disseminates the best bid and offer to LDMs. The execution will be reported on conclusion of the trade to LDMs and other consumers of market data in real time.
Trading Phases	**197**.-(1) The business day at the DSE for all securities Admitted on the List shall be divided into four phases as shown under Tenth Schedule. (2) The DSE shall have the authority to take such decisions as may be required to vary the above timetable. Any variation shall be published in a circular.
Pre-Opening	**198.**-(1) During the Pre-Opening, limit price orders can be entered, amended or cancelled. No trades shall take place. (2) The market status shall be displayed as 'PRE-OPEN'. (3) DATS shall continuously calculate and disseminate the pre-opening order quantity imbalance to DATS Traders. Each new incoming order and each cancellation results in a recalculation. Price information shall not be displayed. (4) The following order types shall not be accepted by DATS during the Pre-Opening:

(a) Market Orders; (b)

Fill or Kill (FoK);

(c) Immediate or Cancel (IoC);

Open Auction

199. The opening auction is phase during which the Opening Price is established for all securities Admitted on the List.

Opening Algorithm

200.-(1) The Opening Price shall be calculated based on the following principles:

(2) The Opening Price is the price level at which the greatest number of securities could be executed.

(a) In case of a tie between many prices, the price at which the maximum number of shares are traded shall be the Opening Price;

(b) Bids and offers do not have to balance in quantity for a successful open auction to occur;

(c) All trades executed during the Opening shall be executed at the Opening Price;

(d) Orders at the Opening Price may remain partially filled or unexecuted due to an imbalance in the bids and offers;

(e) If a security does not trade during open auction the Opening Price shall be the previous opening price;

(f) Odd Lot orders are not considered for execution during open auction;

(g) During open auction the market status shall be displayed as

'AUCTION';

(3) The following steps explains the algorithm:

(a) Step 1: Establish Opening Price;

(b) Step 2: Match all possible orders using price and time priority at the Opening Price;

(c) Step 3: Match from the side of the market with the least orders against the side that fills most of orders above and below the price;

(d) Step 4: Orders at the Opening Price are satisfied on a pro rata basis as follows:

(i) Pro-rating takes place in blocks of 10 units (Normal Lot). For debt securities pro-rating shall take place according to its trading unit which shall depend on its par value.

(ii) Orders above 10 units shall be prorated in blocks of 10 units.

(iii) If demand cannot be met allocation shall be by time priority.

(e) All unmatched orders shall remain in the order book when the market opens retaining their price/time priority.

Continuous Trading

201.-(1) During continuous trading, orders that will not be immediately executed shall be queued for future execution in a prioritised queue based on price, capacity and time as follows:

(a) *Price Priority:*The price of an order is the primary priority for execution. An order can be specified with a limit price or a market price. For both bid and offer, the higher priority price is defined as the better price, i.e., a bid at a higher price shall take priority over other bids at a lower price and an offer order at a lower price shall take priority over other offers at a higher price.

(b) *Capacity:* The capacity of an order is the secondary priority for execution. At a single limit price, orders of clients (agency orders) shall have precedence over those of LDMs and their employees (principal orders).

(c) *Time Priority:* The time of entry of an order is the third priority for execution. When bids or offers are at the same price, the earliest one takes priority over those delivered later and matching takes place on a *First In First Out* (FIFO) basis. Orders entered in DATS shall be given a time stamp noting their actual date and time of entry. At a single capacity band (agency or principal) within a limit price, the earliest time of entry take priority in the queue.

(2) Based on the three priorities mentioned under sub-rule (1) above, during continuous trading prices shall be fixed and matched as follows:

(a) If a new order (either a market or a limit order) matches a limit order in the order book, the price of the limit order initially in the order book limits the transaction price. The order book thus dictates the price.

(b) (i) If a new limit order matches a market order in the order book, the price of the newly entered limit order shall become the execution price.

(ii) If there is a limit order on the opposite side of the order book, in addition to the market order, and if this limit is more favourable for the new incoming limit order, the trade between the new limit order and the market order takes place at the favourable price (i.e., the price of the initial limit order).

(c) (i) Where two market orders are matched, the matching price is sourced from either the most recent traded price from the current trading session or where the security has not traded during the current trading session, the most recent closing price from previous trading sessions.

(ii) If there is a limit order on the opposite side of the order book, in addition to the market order, whose price is more favourable for the newly arrived market order than the reference price (last traded price), then the more favourable price is applied for the transaction between the two market orders.

(3) Unexecuted or partially filled orders remain in the order book unless they expire or are cancelled.

(4) Orders where the current disclosed volume is partially executed shall retain the original time stamp;

(5) Where an order contains an undisclosed volume, a new time stamp shall be given at the time the undisclosed volume is rolled-in to the disclosed volume.

(6) Changing the terms of order may result in a new time stamp whether or not a new time stamp is assigned depending on the nature of the change to the order as per Rule 110 of these Rules.

(7) During Regular Trading, the market status shall be displayed as “OPEN”.

Market Close

202. As the market is in the process of being closed, the market status shall be displayed on DATS as 'CLOSING'; when the market is closed, the market status shall be displayed as 'CLOSE'.

Closing Price

203.-(1) Closing Price shall be defined as the Volume Weighted Average Price (VWAP) of trades executed during a trading session, provided that a minimum of 100 shares have traded.

(2) If a security does not trade during the current trading session, the Closing Price shall be its previous closing price. Where a cross-listed security has not so traded, the DSE may deem the Closing Price as being the Closing Price from another market where the security may have traded most recently and in the largest liquidity levels.

(3) Where a security has remained untraded on any market where it is listed for twenty-one (21) consecutive business days, the normal applicable price constraint limits shall be removed provide that an independent valuation report to justify a change of price shall be submitted to DSE for consideration and approval.

(4) After close of trading, no trading activity can occur until the pre-opening begins on the next Business Day.

Posting Orders

204.-(1) Orders shall be entered to DATS by LDMs or their agents in accordance with the tick size rules.

(2) All orders submitted to DATS are time stamped once validated. If it is technically valid, processing continues; if not, it is returned with the appropriate comment. No checks apart from those explicitly stated in these Rules shall be performed on order size or price.

(3) DATS shall maintain an order book for each board, where bids and offers are recorded with prices determined according to these Rules.

Order Validation

205.-(1) Orders shall be validated for correctness prior to being posted on the order book in DATS.

(2) The following validation checks are included:

(a) Valid Board Lot size;

(b) Valid security code;

(c) Trading status (listed, suspended or cancelled);

(d) Price ranges i.e., a difference exceeding a configurable percentage of the previous closing price shall not be accepted;

(e) Tick Sizes – shown on a Table on the Ninth Schedule;

(f) Valid client / LDM ID combination;

(g) Check with CSD that the seller holds the required number of unencumbered securities.

(3) Orders that pass the validation checks shall be accepted by DATS. Accepted orders shall contain an Exchange allocated order ID, which shall be used for all future references to the order.

(4) If an order fails validation it shall be rejected.

(5) Orders shall not be valid until they are accepted by DATS.

Order Amendments

206.-(1) An LDM may change the terms of an order already entered in DATS in the following manner:

(2) If the security or the order type (bid or offer) needs to be changed, the order must be cancelled and re-entered.

(3) If any of the following changes are effected, a new time stamp shall be given to the order:

(a) change in price;

(b) increase in disclosed volume;

(4) If any of the following changes are submitted, the order shall keep its original effective time stamp:

(a) decrease in disclosed volume;

(b) changes in undisclosed volume.

Cancellation of Orders

207.-(1) An order may be cancelled as long as it had not been matched.

(2) During a trading session, LDMs may remove single orders, groups of orders, all orders, or the un-executed portion of an order from DATS.

(3) The Exchange may remove orders from the order book at any time at its discretion or exceptionally on instruction from LDMs and the Authority.

Order Logbook

208.-(1) All bids and offers shall be collected while they are still current and are set out in an order book which at least contains the following information:

(a) a unique order number;

(b) the date and time of receipt of the order;

(c) the type of order (i.e., bid or offer);

(d) the name or symbol of the Issuer;

(e) the number of securities to be traded (split between disclosed and undisclosed volume).

(f) the trading price and any pricing conditions.

(g) the expiry condition of the order; if any.

(h) the client ID.

(i) the financial intermediary code, if applicable.

(j) the counterparty, where applicable.

(k) any other relevant information.

Types of Orders

209. There are two types of orders that can be submitted to DATS: (a) Limit Orders.

(b) Market Orders.

Limit Orders

210. A Limit Order is an order in which the maximum bid price or minimum offer price is specified when it is submitted to DATS.

price Market Orders expire

211.-(1)AMarket Order is defined as an order to bid or offer a security at the best or prices prevailing in the market at that point in time. Markets Orders shall

at the end of each trading session or such other time as defined in DATS, by the DSE management, from time to time, by circular.

(2) Market Orders have matching priority over Limit Orders.

(3) Market Orders shall be prevented from trading at extreme prices through a Protection Price in DATS.

(4) Market Orders shall not appear in the order book.

Protection Price

212.-(1) The Price Cap limit is a fixed percentage of the previous closing prices, plus or minus:

(a) 15% variation for securities whose market capitalization is below TZS 1 trillion;

(b) 5% variation for securities whose market capitalization is TZS 1 trillion and above, and the number of issued shares is above 2 billion; and

(c) 2% variation for securities whose market capitalization is TZS 1 trillion and above, and the number of issued shares is below 2 billion.

Order Attributes

213. Orders shall have the following attributes:

(a) Qualifiers;
(b) Time in force;
(c) Minimum fill quantity; and
(d) Disclosed and undisclosed quantities.

Order Qualifiers

214. Order qualifiers modify the execution conditions of an order based on volume, time and price constraints.

No Qualifiers

215. Orders shall be executed at a specified price or better. If a partial execution occurs the remainder shall be added to the order book and shall remain in the order book till executed, cancelled, amended or expired.

Fill or kill (FOK)

216. This principle requires the immediate purchase or sale of the whole specified quantity, at a given price or better. If the whole order cannot be filled immediately, it is killed. FOK orders shall not be captured by the system during pre-open. FOK orders are not visible in the order book.

Immediate or Cancel (ICC)

217. This principle requires immediate purchase or sale of a specified quantity at a specified price or better for all or part of the order. If no immediate execution occurs the order is cancelled. If an immediate partial execution occurs the remainder is immediately cancelled. IOC orders shall not be captured by the system during pre-open. ICC orders are not visible in the order book.

Time in Force (TIF)

218. Time in force choices limit the lifetime of an order in the book up to the limit specified by the Exchange. TIF orders are visible in the order book up to the expiration time.

Good till Cancelled (GTC)

219. In this principle, the order remains valid till cancelled or up to the number of market days specified by the Exchange. GTC orders are visible in the order book up to the expiration time.

Good till Day (GTD)

220. In this principle, the order expires at the end of the specified trading day if unexecuted. Only Board Lot orders may contain the GTD qualifier. GTD orders are visible in the order book up to the expiration time.

Day Order (DAY)

221. A day order expires at the end of the current trading day if unexecuted. Day orders are visible in the order book up to the expiration time.

Minimum fill Quantity

222.-(1) A minimum fill quantity shall not be entered for Normal Lot orders.

Disclosed and Undisclosed Volumes

223.-(1) Each order shall contain a total volume, a disclosed volume and may include an undisclosed volume which is not shown to the market. All disclosed volumes are visible to all LDMs and other parties authorised by the Exchange.

(2) For an order where disclosed volume is not specified, it is implicitly equal to the total volume.

(3) Undisclosed volume amounts are private, seen only by the LDM entering the order and other parties authorised by the Exchange. Disclosed quantities must be greater than 25% of the order size. Any undisclosed quantity is ignored at the time of order execution as it is not visible to the market.

(4) Subject to the time and price priority rules, an order is filled to the extent of the disclosed volume of the order.

(5) A complete fill of the original disclosed volume shall result in the full replenishment from the remaining order volume provided that sufficient undisclosed volume remains. Where insufficient undisclosed volume remains, the undisclosed volume shall expire.

(6) The disclosed quantity acts as the roll-in quantity upon the original order entry.

(7) Roll-in quantity shall not be changed except by changing the disclosed volume.

(8) A change in the disclosed volume shall not change the total or remaining volume.

(9) An increase in disclosed volume shall cause a new time stamp and change in queue priority.

(10) A decrease in disclosed volume shall not cause a new time stamp.

(11) A partial fill of the disclosed volume diminishes current disclosed volume without replenishment from the undisclosed volume.

(12) The total disclosed volume shall be traded before a new roll-in quantity is brought in from the undisclosed volume.

(13) Once the total disclosed volume is traded, another amount equal to the original disclosed volume shall be rolled-in with a new time stamp.

New issues and Corporate Action Price Discovery

224.-(1) The Opening Price for a new equity Admitted on the List is the initial public offer price.

(2) For the first trading session following Admission, the Exchange shall remove all Price Protections but reserves the right to take such actions as may be required in order to maintain an orderly market.

(3) Following a public announcement of corporate action regarding a listed security, the Exchange shall amend the Price Cap Limit on the trading price of the security and include a 5% allowance for variation from the previous closing price in all cases as the price cap limit, applicable for 5 working days; however, it reserves the right to take any actions necessary to maintain an orderly market.

Trade Confirmation and Cancellation

225.-(1) Executed trades may be cancelled either with the consent of the Exchange and mutual agreement of both LDMs or where the Exchange determines that the particular circumstances of that trade warrant its cancellation and only prior to settlement.

(2) Cancellations shall be made within the trading day before LDMs commits the trades.

Dissemination of Market Information

226.-(1) DATS provides for the real time dissemination of market information as follows:

(a) All pre-trade information shall be published on DATS and subscribers of market data except as otherwise provided below:

(i) The pre-trade information shall be published to the DSE website with a delay defined by the Exchange; and

(ii) Block Trades shall not be subject to pre-trade transparency requirements.

(b) Pre-trade information shall include all attributes of an Order other than the counterparty.

(2) All post trade information shall be published on DATS and subscribers of market data immediately after it is entered into DATS.

Market Report

227. The DSE shall provide an official market report for circulation and publication in the press after each trading session containing the latest prices dealt in each security and any other information specified by the DSE from time to time.

Market Halt

228. –(1) The market can be halted at the discretion of the Exchange during the Pre-Opening and Continuous Trading either temporarily or completely. During a market halt the market status shall be displayed as "HALT".

(2) The DSE shall not be liable for any financial loss occasioned as a result of the Market HALT unless there is a proof of negligence.

Security Halt

229.-(1) The Exchange may, at its discretion, impose a trading halt on a security, for such duration as it sees fit, in the following instances:

(a) Prior to the announcement of price sensitive information;

(b) To obtain a clarification from the Issuer on a rumour/report regarding the Issuer which has been brought to the attention of the Exchange;

(c) When there is unusual movement in price/volume of a security; or

(d) For any other reason where the Exchange has reason to believe a false market exists.

(2) The DSE may set circuit breakers for individual securities (known as trip percentages). When the price of a security exceeds the trip percentage, trading in the security is automatically halted.

(3) The DSE shall not be liable for any financial loss occasioned as a result of the Security HALT unless there is a proof of negligence.

Updates Depository

230.-(1)When sell orders are submitted to DATS, the Verification process is completed against CSD account records. If there are sufficient securities in the CSD account, the free balance shall be deducted. If the Verification process cannot be completed satisfactorily, sell orders shall be rejected by DATS.

(2) When buy orders are submitted to DATS, the Verification process checks if the buyer has a valid CSD account. If the Verification process cannot be completed satisfactorily, sell orders shall be rejected by DATS.

(3) CSD records shall be updated in real time following the execution of Trades in DATS.

DIVISION II

BONDS TRADING RULES

Debt Securities Board

231. –(1) Debt securities shall be traded daily on the Debt Securities Board on the DATS.

(2) The DATS can be integrated with external system approved by Authority to facilitate secondary transactions of debt securities.

(3) LDMs shall report all trades transacted via an external trading infrastructure.

(4) All transactions on the Debt Securities Board shall be settled at T+1.

Debt Securities Trades

232. –(1) Debt securities with periodic partial principal repayments shall be traded at the subsequent minimum nominal value following the partial principal repayments.

(2) Where debt securities traded bear a floating rate of interest, the daily applicable reference interest rate shall be displayed on the Debt Securities Board at the start of the trading session.

(3) All debt securities shall be traded cum coupon up to the date fixed for the closure of books for determination of entitlements as communicated by the Issuer.

(4) A debt security issued by the Government or by a body corporate shall not be traded within the last 2 working days of the principal redemption.

Trading Hours

233. -(1) Trading of debt securities shall be conducted from Monday to Friday continuously in daily trading sessions commencing at 9.30 a.m. and closing at 4.00 p.m. each day.

(2) The Chief Executive Officer may vary the trading hours upon the occurrence of an event that prevents adherence to the set trading hours.

(3) Where the Chief Executive Officer varies the trading hours in accordance with (2) above, the Exchange shall immediately notify the Authority of the variation.

Order Input

234.-(1) LDMs shall post orders on the DATS through their trading terminals which shall then be processed by the DATS for validation, acceptance and execution.

(2) The minimum board lot on the Debt Securities Board shall be one unit.

(3) Once the order is accepted by the DATS it shall be automatically time stamped and allocated an order ID which shall be used for all future references to the order.

(4) Orders input into the DATS shall be anonymously displayed to the market.

(5) An LDM shall be solely responsible for the accuracy of details of orders entered into the DATS in accordance with these Rules.

(6) The order entry instructions for debt securities shall include:

(a) Security code
(b) CSD Account
(c) An indication whether it is a buy or sells order.
(d) Quantity/Volume.
(e) Yield and price (clean price).
(f) Duration of validity of instructions; and
(g) Respective order attributes.

(7) Following the entry of an order, the DATS shall validate the order by confirming that the seller's CSD account holds the required number of securities and that the same are available for trading.

(8) Where an order fails validation, it shall be rejected and the reasons for such rejection given.

Cancellation or Amendment of Orders

235. –(1) An LDM may cancel or amend orders any time prior to execution.

(2) Where an order has been partially executed, the unexecuted portion of the order may be cancelled.

(3) LDMs shall have access to only their respective orders for cancellation or amendment.

(4) Orders shall only be amended in respect of price/ yield, volume attributes or duration of validity of instructions.

(5) An amended order shall be considered to be a new order with a new time stamp.

Matching of Orders

236. –(1) All orders shall be ranked in the order book by reference to first price and then time.

(2) Priority shall be given to the highest buy orders and the lowest sell orders.

(3) When buy or sell orders are entered at the same buy or sell price priority shall be given to the earliest buy or sell order on a first-in-first-out basis.

(4) Orders for debt securities shall execute when the yield or clean price matches.

(5) Where a partial execution of an order occurs, the remaining volume will be registered in the order book preserving its original time stamp.

(6) There shall be no cancellation of the trades after the execution of orders unless there are technical faults.

Reference Price of a Fixed Income Security

237. The reference price of a debt security shall be the last traded clean price and for a newly listed debt security shall be the average price received from the primary market.

Bond Pricing and Accrued Interest

238. Prices quoted on DATS shall exclude dirty prices.

Trading Ex-coupon

239.-(1) For the purpose of trading bonds, books closure for interest payments shall be the seventh calendar day (seventh day inclusive) before the actual bondholders register closure-date by the Bond Registrar.

(2) Bonds shall be traded ex coupon on the seventh day before the actual bondholders register closure-date.

Trading Ex-principal

240. Redeemable bonds shall be traded ex principal on the seventh day before the principal repayment date as applied under the ex-coupon Rule above.

Bonds Trading Guidelines

241. Without prejudice to the above bonds trading provision, DSE shall follow Bonds Trading Guidelines as approved by the Regulator.

DIVISION III

DIGITAL PLATFORMS TRADING RULES

242. Any person is allowed to trade through the digital trading platforms.

Mobile Trading Procedures in Listed Securities

Registration and Auto Account Opening

243. (1) Prior to accessing mobile phone trading platform investors shall register and get credentials from the platform.

(2) The registration and CSD account opening process for Tanzania nationals and residents without CDS accounts shall be as follows:

(a) Investors shall enter their KYC details such as National Identification Card or Electronic Passport Details for CDS account opening. The KYC details shall be verified online with National Identification Database

(b) Successful validated clients from National Identification Database / MNO will be required to select a broker for final verification and the necessary approvals.

(c) Upon approvals and opening of the CDS and brokerage accounts, the credentials will be sent to the respective investor for use when accessing mobile phone trading platform

(3) Investors with CDS accounts, will be required to register and get necessary credentials. Upon submitting CDS accounts and other secondary details the system will register the client and send the necessary credentials. The credentials will be used to login when accessing the mobile phone trading platform.

(4) The credentials will allow the investor to access the DATS and CDS through the broker with whom they have registered.

Investor's Guarantee

244. (1) By registering to the mobile phone trading platform, an Investor guarantees to protect his system access credentials against other unauthorized individuals.

(2) Any order made through the registered phone number to the trading platform whichfulfillsallprerequisiteswillbeconsideredlegitimateandtheownerof the telephone number will be responsible for the transaction and its related charges and consequences.

Platform Host's Role

245. The Electronic Securities Service Provider or Platform Host shall:

(a) ensure that the secondary market trading platform is available across all Mobile Phones Network Operators (MNO) through a uniform short code owned and operated by DSE.

(b) provide registration to all users of the secondary market trading platform. Upon registration, users of the platform must be provided with login credentials for subsequent platform accesses. This will act as front-line system verification for its users.

(c) ensure that users of the platform are authenticated by rejecting all accesses and requests made to the platform by un-registered clients and those who provide wrong identification credentials.

(d) keep detailed records of all accesses made to the platform including order and payments details for a period of not less than seven (7) years.

(e) facilitate the access to the trading platform of the DSE to an investor through the Licensed Dealing Members (LDMs/Brokers) of the Exchange. Complete orders (including Name of the Investor, CDS A/C number, Security or Company name, Quantity and Price) shall be forwarded immediately to Brokers. The Brokers shall be responsible for order execution and subsequent settlement and/or delivery of securities.

LDM's Roles

246.LDM's or Brokers shall have the following Roles:

(a) LDMs shall be responsible for validation of all orders by ensuring that all parameters conforms to the Trading Rules of the DSE before authorizing the order to the ATS.

(b) Upon receipt of a complete order from the Platform Host, the Broker shall immediately carry out a complete Know Your Client (KYC) procedure.

(c) Orders which pass the KYC procedure shall immediately be submitted to the ATS for trading while orders that fail the KYC procedure shall not be processed and immediately reported back to the investor and in case it is a suspicious transaction, to the Financial Intelligence Unit. The KYC procedure shall include but not limited to identification and authentication of the person placing an order and genuineness of the order. In the case of selling orders, the Broker shall ensure where necessary he gets soft copies of documents confirming ownership of the securities being sold.

(d) Once the order is executed on ATS, on T+0 the Broker shall be required to inform the Client about the execution.

(e) On T+2 the Broker must confirm and ensure that settlement has been done accordingly including payments and or delivery of securities.

(f) On T+3 the Broker shall pass to the client the soft copy of the client's holdings report to confirm purchase and or sells of the securities.

Platform Accessibility and Trading Sessions	**247** – (1) The Platform Host shall ensure that the system is available across all Mobile Phones Network Operators (MNO) through a uniform short code, Mobile App and URL for the web.to users all the time to facilitate system access and placing of orders at user's convenient time. (2) The duration and timing of DSE's trading session shall be the normal working days Monday to Friday from 9:00 a.m. to 4:00 p.m. or otherwise as provided under the DSE Rules for the time being in force. (3) Mobile or internet trading platform shall allow a client to place an order any time the client access the platform, orders shall be booked immediately when trading session is open. In case of off market orders, they shall be sent to the order book during the beginning of the subsequent trading session.
Order Validation	**248**. –(1)The Platform Host shall provide front line validation of orders whereby all accepted orders must have order quantity which is equal or greater than 10 shares with a minimum value of TZS 50,000 or face value of a bond. (2) The Platform Host shall ensure that prices are within the price cap limit provided under Rule 212. (3) The LDM shall provide a second line validation of all orders by ensuring that all parameters conform to the Trading Rules of the DSE before authorizing the order to the ATS.
Client's Order Instructions	**249**. –(1) A client is allowed to place a buy or sell order which has a minimum value of TZS 50,000 or face value of a bond and a maximum value of TZS 5 million. (2) An order received through a Mobile Phone Trading Platform shall be deemed to be active (good till cancelled) until otherwise advised by the client.
Order Cancellations	**250.** A client wishing to cancel his order posted in the platform, must communicate his request to cancel the order to his chosen Broker by means of telephone calls, text messaging and or email communication.
Trade Reports	**251.** On execution date T+0, the Broker shall notify the client about the execution by telephone and may provide the trade confirmation slips (contract note) to the client through email communication.
Settlement	**252.** Settlement of all securities traded through the Mobile Phone Trading Platform shall follow the normal DSE's trading cycle of T+2 for equities and T+1 for bonds.
System Failure	**253.** Where the Mobile Phone Trading Platform is not functioning for whatever reasons, the Platform Host must ensure the system is restored within the earliest possible time (not more than 24 hours) with no losses of client's data (order details and payment particulars).
Adherence to the General Trading Rules	**254.** In case of any uncertainties and misinterpretation that may rise from the use of these Rules, the general equity trading rules shall apply.

PART VII

FOREIGN INVESTORS RULES

Permission for Investment by Foreign Investors

255. A Foreign Investor may subject to the limits prescribed in the Capital Markets and Securities (Foreign Investors) Regulations, 2003 (as amended), acquire the securities of an Issuer in respect of which the Issuer is making an application for listing or which are already listed at the DSE. .

Appointment of Custodian

256.-(1) A Foreign Investor shall, prior to the acquisition of securities at the DSE appoint a Custodian.

(2) The Custodian shall be responsible for maintaining a record of securities of a respective Foreign Investor as well as implementing duly received instructions of the investor.

Deposit of Certificates (securities) into the CSD

257.-(1) Where Foreign Investors acquire securities Admitted on the List, those securities shall be deposited by the Issuer into the CSD of the DSE.

(2) Upon the entry into force of these Rules, all Foreign Investors who hold shares in companies Admitted on the List at the DSE shall deposit those shares into the CSD of the DSE through a CSD Member.

(3) Securities deposited into the CSD shall be held in accordance with these Rules.

(4) The DSE shall, within 3 business days of the next month furnish the Authority with a report showing details of the holdings of securities by Foreign Investors as at the last day of the previous month.

(5) An LDM shall on every application for the securities of an Issuer; or on the transfer of the securities of an Issuer to an investor, declare whether the applicant or the transferee, as the case may be, is a citizen of Tanzania or a Foreign Investor.

(6) No LDM shall effect an order for the purchase of securities of an Issuer if such purchase will result in a breach of the limits prescribed for foreign investors under these Rules.

(7) The DSE shall prepare in respect of each day a report showing:

(a) The number of securities of each Issuer traded on that day; and

(b) The number of securities of each Issuer available for purchase by Foreign Investors and shall furnish such report to the Authority before the commencement of trading day.

(8) The DSE shall publish every report prepared under this Rule on its website.

PART VIII

INVESTOR PROTECTION FIDELITY FUND

Preliminary

258. The Exchange has established a Fidelity Fund which shall be used for the purposes of compensating investors who suffer pecuniary loss as a result of, or in connection with any default by LDMs. The Fidelity Fund shall be administered by the Exchange in accordance with the Act.

Claims

259.-(1) An investor may make a claim against the Fidelity Fund by submitting such claim to the Exchange.

(2) Such claim shall be confined to loss or misappropriation by the LDM of cash or securities held by such firm on behalf of the investor in connection with, or arising out of, or in contemplation of transactions in securities Admitted on the List where:

(a) It is established that an investor has made a claim in writing to his LDM by registered letter and this has not been satisfied within a maximum period of two (2) weeks from submission of the claim;

(b) Upon receipt of a claim the Exchange shall ask the claimant to fill in an Application for Declaration of Default. A sample of Declaration of Default is set out under the Twelfth Schedule. The Exchange shall submit such application to the Board.

(3) The Board shall cause a copy of the Default Notice to be served on the LDM at its registered place of business. The respondent shall have a right to answer in writing to the facts alleged in the said application within seven (7) days from the date of service of the application and shall cause a copy of such answer to be served on the Board.

(4) On expiry of the period aforementioned, the Exchange management shall file the Application for Default Notice with the Board together with any relevant documents.

Declaration of Default

260.-(1) The Board may, upon an Application for a Default Notice by an investor, declare the LDM to be in default if the firm:

(a) is guilty of any negligent act, error, omission or breach of professional duty; or

(b) is guilty of any dishonest or fraudulent act or omission perpetrated with the manifest intent to cause an investor to sustain a pecuniary loss; or

(c) has suspended payment of monies or outstanding balances due to investor or clients as required.

(2) A Declaration of Default shall be effective as from the day it is given in the decision of the Board, which shall therein premise the reasons leading to its deliberation.

(3) The Board shall convey its deliberations to the DSE management and the DSE management shall take the appropriate disciplinary action it deems necessary as per the Board's directive(s).

Default Notice

261. The Exchange shall post a copy of the Default Notice on the Notice Board of the Exchange forthwith and shall serve such Default Notice on the LDM in default.

Application for Compensation

262.-(1) Investors who consider that they may be entitled to make a claim for compensation under these Rules shall apply to the Exchange without delay but not later than four (4) months from the date of issue of the Default Notice.

(2) Each Application for Compensation in a form set out under Thirteenth Schedule shall be submitted to the Committee for its deliberations.

Exclusion from Compensation

263.-(1) A claim for compensation shall not be considered if the investor is adequately protected in respect of his loss under any other existing compensation or insurance scheme and the Board may postpone its decision in relation to a claim for compensation until the amount payable under such other scheme is determined.

(2) The following may constitute grounds for rejecting an Application for Compensation from an investor, but may not be exhaustive:

(a) If the investor has contributed in any way to the financial difficulties of the firm in default; or

(b) If the application is found to contain any inaccuracy or omission, unless this is clearly immaterial or is shown by the investor to be wholly innocent; or

(c) Where, in the opinion of the Board, the investor has so conducted himself in his dealings with LDM in default, as to be in breach of applicable law or regulations, including these Rules.

Limit of Compensation

264.-(1) The amount which may be paid out to an investor as compensation shall be 80% in respect of all claims which have been made by the investor subject to a maximum amount stipulated under the Act, provided that the total compensation paid from the Fidelity Fund in any one year shall not exceed 50% of the balance available in the Fidelity Fund.

(2) Subject to the above limits, the Board shall have absolute discretion to determine the amount of any payment which it may make by way of compensation and may authorise that compensation in the form of cash or securities as it may deem necessary.

Reduced or Interim Payments

265.-(1) Where the Board is satisfied that in principle, compensation is payable but considers that immediate payment in full would not be prudent, having regard to other applications for grant of compensation made or likely to be made or to any uncertainly as to the amount of the investor's overall net claim, it may determine to pay an appropriate lesser sum in final settlement or to make a payment on account.

(2) A payment on account shall be treated as the payment of a compensation sum and shall not inhibit the Board from making a determination in respect of any balance.

(3) The Board may also determine to make a payment on account or to pay a lesser sum where the investor has a prospect of recovery in respect of the claim from any third party or through an application for compensation to any other person.

Assignment of Rights

266.-(1) As a pre-condition to receiving compensation from the Fidelity Fund under these Rules, the investor seeking compensation shall be required to transfer to the Exchange his claim against the LDM in default.

(2) The investor shall be required to subrogate his rights to the Exchange to the extent that the claim has been satisfied under these Rules.

(3) Investors shall therefore, be required to sign such documentation as may be necessary to effect this assignment and to confirm that they have not received any payment from any other scheme or from the LDM in default since making the claim and prior to any payment being made to such investor under these Rules.

Powers of the Board

267.-(1) The Board shall hold, manage and apply monies of the Fidelity Fund in accordance with these Rules, although the express powers given do not restrict its general powers of management.

(2) The monies available in the Fidelity Fund shall be invested from time to time as the Board directs, having regard to the need for prudence.

(3) The Board may borrow money or otherwise incur indebtedness for the purpose of the Fund, in any way and in any terms it thinks fit, provided that such borrowings do not exceed the net asset value (less a realisation margin) of the Fidelity Fund.

Revenue of the Fidelity Fund

268.- The Fidelity Fund shall consist of:

(a) Transaction fees paid by investors for this purpose;

(b) The interest and profits accruing from the investment of the Fidelity Fund;

(c) All monies paid to the Fidelity Fund by the Exchange;

(d) All monies recovered by or on behalf of the Exchange in the exercise of any rights of action;

(e) All monies paid by an Insurer under a contract of insurance or indemnity entered by the Board of the Exchange under the Act;

(f) All other monies lawfully paid into the Fidelity Fund.

Payment out of the Fidelity Fund

269.- The payments out of the Fidelity Fund shall consist of:

(a) Monies as determined and directed by the Board to be paid in settlement of the investors' justified claims; and

(b) Any administrative expenses.

Records

270. The Board shall ensure that DSE management maintains proper records of the transactions of the Fidelity Fund.

Cooperation with the Committee and the Board

271. The LDMs shall cooperate with the Board and the Committee in making available all information, books and documents and shall otherwise render all such assistants as is necessary or desirable to assist the Committee to perform these functions under these Rules.

PART IX

SECURITIES MARKET INDICES

Index Management Committee

272.-(1) There shall be a Committee composed of Management members to manage the process of building indices. The Committee's mandate is to ensure that the management and on-going operation of the index is independent and transparent.

(2) The Exchange shall, through the Committee develop its indices as it deems fit.

Duties and responsibilities of the Index Management Committee

273. - The duties and responsibilities of the Committee shall be to:

(a) Establish the criteria and procedures for selection of the constituents of the DSE Indices.

(b) Determine the base year period and value of the indices.

(c) Formulate a scientific and transparent methodology of indices calculation.

(d) Review, monitor and maintain periodically the new indices and make adjustments as required.

(e) Consider the development of sector indices.

Periodic review of Indices Constituents

274.-(1) The Committee shall meet at any time as the circumstances may demand, to review the constituents of the indices. The constituent reviews will be based on data collected. Details of the outcome of the review shall be published as soon as possible after the Committee meeting has concluded.

(2) The periodic review of constituents will be conducted using the following steps:

(a) Create database of all securities listed on the DSE;

(b) Apply all liquidity tests set out in these Rules;

(c) Exclude securities which do not fulfil the criteria set out in these Rules;

(d) Rank all eligible securities by market capitalisation, largest first and smallest last;

(e) Where a greater number of securities qualify to be included in the index than those qualifying to be removed, the lowest ranking securities presently included in the index will be removed to ensure that the number of securities remains constant. Likewise, where a greater number of securities qualify to be removed from the index than those qualifying for inclusion, the highest-ranking securities which are presently not in the index will be included to match the number of securities being removed at the periodic review.

(f) Adjust share weightings for availability to all investors.

Removal and Replacement

275.-(1) If a constituent is de-listed, or ceases to have a firm quotation, or is subject to a takeover offer which has been declared wholly unconditional or has, in the opinion of the Committee, ceased to be a viable constituent as defined by these Rules, it will be removed from the constituents and replaced by a reserve security ranking highest by full market capitalisation as at close of business on the day preceding the inclusion of the replacement security.

(2) The removal and replacement are effected simultaneously, before the start of business on the day following the day on which the event justifying removal was announced. Announcement after close of business are normally deemed to be made on the following business day. In the case of a takeover, the qualifying event is an announcement that the offer has been declared wholly unconditional.

Mergers, restructuring and complex takeovers

276.-(1) If the effect of a merger or takeover is that one constituent is absorbed by another constituent the resulting Issuer will remain a constituent of the Index, and a vacancy will be created. This vacancy will be filled by selecting the highest-ranking security from the reserve list as at close of business on the day preceding the inclusion on the replacement security.

(2) If a constituent Issuer is taken over by a non-constituent Issuer, the original constituent will be removed and replaced by the merged entity. In the event that the merged entity is ineligible for the relevant index, it will be replaced by the highest-ranking security from the reserve list as at close of business on the day preceding the removal of the original constituent.

(3) If a constituent Issuer is split so as to form two or more companies, then the resulting companies shall be eligible for inclusion as index constituents if their market capitalisation(s) are large enough to qualify, and if they qualify in all other respects. The lowest ranking constituent of the index is removed.

New issues

277.-(1) If, in the view of the Committee, a new issue is so large that the effectiveness of the index as a market indicator would be significantly and adversely affected by its omission, the Committee may decide to include the new issue as a constituent of the index at the earliest practicable opportunity. In such a case, the timing of the inclusion of the new constituent will be at the discretion of the Committee.

(2) New issues of companies which do not qualify for early entry, but which meet the criteria for eligible securities will be eligible for inclusion in the next review.

(3) If the Committee decides to include a new issue as a constituent security other than as part of the normal periodic review procedure, this decision must be publicly announced at the earliest practicable time.

Suspension of Dealing

278. Where a suspension of a constituent lasts for more than 30 calendar days and in the opinion of the Committee is unlikely to return to the market, it will be deleted from the index. When a stock is otherwise removed following suspension of its quote, the stock will be removed at its suspension price unless otherwise decided by the Committee.

Treatment of Securities Re-Admitted to Trading

279.-(1) Securities which were removed from any shares indices, which on re-admission are larger than the smallest constituent of the index, shall be re-instated in the index at the price at which they were removed and the lowest ranking constituent of the index will be selected for removal. The addition and deletion of stocks occur simultaneously such that there are always sufficient constituent companies.

(2) Securities which on re-admission are smaller than the smallest constituent of the index, shall then be re-instated in the same index at the price at which they were removed after the close of the index calculation on the trading day prior to re-admission.

Changes to Constituent Weightings

280.-(1) Adjustments to reflect a major change in the amount or structure of a constituent company's issued capital must be made before the start of business on the day on which the change takes effect (e.g. the Ex-Date for a rights or capitalisation issue).

(2) Adjustments to reflect less significant changes (e.g. the issue of an additional block of shares under an employees' equity scheme) would be implemented as soon as possible following the announcement of the change.

Determination of the Closing Price of a Security

281. The closing price of a security shall be the Volume Weighted Average Price (VWAP) of trades executed during the trading session, provided that a minimum of 100 shares have traded.

Computation of Market Capitalization

282. Total Market capitalization for a day shall be computed as the aggregate sum of the current share price (closing price) of each individual listed company multiplied by its issued shares.

Computation of Indices

283. Indices shall be computed based on Market Capitalization Weighted Index. There shall be Sectorial Indices as approved by Index Committee from time to time.

PART X

FEES

Purpose of Fees

284.-(1) All Members must pay all fees and costs.

(2) The Exchange may waive all or part of fees and costs, provided it continues to treat all Members equally.

(3) Unregulated services provided by the Exchange are not covered by these Rules and may attract fees and costs as agreed between the Exchange and its clients from time to time.

DSE Fees

285. These Rules shall govern the fees provided under the First Schedule to these Rules.

Invoicing Method

286.-(1) All invoices from the DSE shall be issued to customers in paper form to a specific point of contact agreed between the DSE and each customer, unless as otherwise prescribed by the DSE from time to time.

(2) The DSE shall issue all invoices as required or within 10 days of the month end when the invoice falls due.

Invoicing Date

287. DSE fees are invoiced on the following dates:

(a) Application Fees - on application.

(b) Initial membership/listing fees - on joining. For the purpose of this Rule, all Members and Issuers are deemed to join from the start of each month.

(c) Annual membership/listing fees - annually on 1st January.

(d) Transaction fees - at the end of each month.

(e) Other services - at the end of each month, quarter or as incurred, as specified for the service.

DSE Standard Terms and Conditions

288.-(1) All fees are non-refundable.

(2) Without prejudice to what is provided under sub-rule (1), DSE shall forfeit fees paid in advance the purpose of which has not materialised twelve (12) months from the date of payment.

(3) All fees are payable electronically directly in the currency specified, to the DSE's bank account as contained on its invoices from time to time. Invoices within Tanzania shall be paid via the Tanzania Inter Bank Settlement System (TISS). International invoices shall be paid via SWIFT.

(4) Payments by DSE customers from abroad shall include all international bank charges.

(5) Payment terms are:

(a) Cleared funds in advance for all Application Fees; or

(b) 30 days in arrears.

(6) The DSE shall be entitled to charge a late payment fee for all invoices which are outstanding in cleared funds at the required payment date, at a 2% above the Bank of Tanzania discount rate, charged for the whole period up until the period when full payment of such sums are received.

LDM Fees

289.-(1) LDMs must advise their clients as to all the commission rates and other charges to be applied to transactions carried out on the client's behalf before the business is accepted.

(2) All fees payable by an LDM in respect of transactions in marketable securities shall be charged by the DSE and paid by the LDM. The amount deductible from payment to the client under this Rule due to the Exchange and the Authority shall be remitted directly to the Exchange and the Authority by the LDM at the end of each month.

(3) LDMs shall advise their clients as to the indicative rate of commission which has been approved by the Authority.

(4) All charges and commissions levied shall be as shown on the Contract Note.

(5) All bank charges or expenses incurred on behalf of clients shall be borne by the clients concerned.

(6) Where an Issuer is effecting a public issue through a new issue, rights, offer for sale, placing of tender, and an LDM is appointed a sponsoring Member, such Member shall be paid a fee, not being brokerage, as may be negotiated between the parties concerned.

(7) Every Member shall pay the fees due under these Rules.

(8) Without prejudice to Rule 289 (6) where an LDM fails to pay the outstanding commission payable to DSE for more than 3 months, the DSE shall deny the LDM access to the trading system until such time the amount is payable in full.

PART XI

GENERAL PROVISIONS

Intellectual Property	**290.**-(1) The DSE owns the intellectual property in its trademark and logo. (2) All data entered on DATS, including Orders, Trades, any other transactions, and all derivatives of data thereof (i.e., including but not limited to indices), shall belong at all times to the DSE as its intellectual property. (3) Consequently, any use thereof outside DATS shall at all times require the prior written approval and consent of DSE, subject to such fees, terms and conditions that the DSE may in its discretion impose.
Amendment or Suspension of the Rules Book	**291**. These Rules may be suspended or amended where two-thirds of the Board so agree and provided that notice of such suspension or amendment is contained in the notice calling the relevant Board meeting. Provided that any such suspension or amendment shall not take effect prior to the Authority's endorsement.
Liability	**292.** The Exchange shall not be liable directly or indirectly for omissions or acts done in good faith in the administration or implementation of these Rules.
Records Retention Period	**293**. (1) A Member and Listed Company shall maintain and keep securities transactions records and related information of its clients or shareholders as the case may be throughout the period of their relationships and the Member and Listed Company shall maintain such records and information for the period of not less than seven years after the termination of the relationships (2) A Member and Listed Company shall have a duty to furnish securities transactions records and related information maintained under sub-rule (1) above to an inspector or any other officer authorised by the Board.
Effective Date	**294**. These Rules shall come into operation on the date of approval by the Capital Markets and Securities Authority.

FIRST SCHEDULE: THE DSE FEE STRUCTURE AS APPROVED BY THE AUTHORITY

[Made under Rules 24 (5), 48, 73, 93, 104 and 285]

S/N	Category		Specific Fee		Fee		
1.	DSE Membership Application Fee		All applicants		TZS 2,000,000		
2.	DSE Annual Membership Fee		Licensed Dealing Member		TZS 1,000,000		
			NOMADs		TZS 500,000		
			Custodian Banks and other Operators		TZS 1,000,000		
3.	Listing Fee Equities - MIMS				**Rate**	**Min**	**Max**
			Initial Listing Fee		0.25%	2mn	30mn
			Annual Listing Fee		0.05%	2mn	20mn
			Additional Listing Fee		0.2%	2mn	30mn
	Listing Fee Equities - EGMS		Initial Listing Fee		0.1%	1mn	10mn
			Annual Listing Fee		0.025%	1mn	5mn
			Additional Listing Fee		0.01%	1mn	10mn
4.	Listing Fees	Corporate Bonds			**Rate**	**Min**	**Max**
			Initial Listing Fee		0.05%	2mn	20mn
			Annual Listing Fee		0.0125%	2mn	10mn
			Additional Listing Fee		0.025%	1mn	10mn
		Government Bonds	Initial Listing Fee		0.05%	No Limit	No Limit
			Annual Listing Fee		0.0125%		
			Additional Listing Fee		0.025%		
5.	Listing Fees – Mutual Funds				**Rate**	**Min**	**Max**
			Initial Listing Fee		0.05%	0.5 mn	10 mn
			Annual Listing Fee		0.125%	0.5 mn	5 mn
			Additional Listing Fee		0.01%	0.25 mn	5 mn
6.	Listing Fees - ETFs				**Rate**	**Min**	**Max**
			Initial Listing Fee		0.1%	1 mn	20 mn
			Annual Listing Fee		0.025%	1 mn	10 mn
			Additional Listing Fee		0.1%	0.5 mn	10 mn
7.	Transaction Fees - Bonds	Less or equal TZS 100mn		**Broker**	**DSE**	**CSDR**	**CMSA**
			Bond Trader	0.063%	0.017%	0.010%	0.010%
			Non-Bond Trader	0.063%	0.017%	0.010%	0.010%
		More than TZS 100mn	Bond Trader	0.035%	0.017%	0.010%	0.010%
			Non-Bond Trader	0.035%	0.017%	0.010%	0.010%
8.	Transaction Fees-Equities		Brokerage Commission		**Rate**	**Min**	**Max**
					Up to TZS 10 mn	1.7%	1.7%
					On the next TZS 40 mn	1.5%	1.5%
					On any sum above TZS 50 mn	0.8%	0.8%
			DSE and CMSA's Commission (where 0.02% goes to Fidelity Fund and 0.28% is being equally divided)		**Rate**	**Min**	**Max**
					Up to TZS 10 mn	0.3%	0.3%
					On next TZS 40 mn	0.3%	0.3%
					On any sum above TZS 50 mn	0.3%	0.3%
9.	Infrastructure Fee		Trading Members and Institutions (*excluding the Regulator*) taking a market data screen.		TZS 2,835,597 per member, per annum effective from 1st September 2021.		

SECOND SCHEDULE
APPLICATION FOR LISTING OF SECURITIES AT
DSE [Made under Rules 67 (1), 81 (1), 102 (3), 119 (2) and (3) and 142 (a)]

This form is to be used by an Issuer for Applications to list securities on either Main Investment Market Segment (MIMS) or the Enterprise Growth Market (EGM). For EGM Issuers it must be accompanied by an undertaking from a Nominated Advisor as shown in Eighth Schedule.

A. THE APPLICANT

1. Name of Applicant:

Hereby applies for the Admission on the List of the following securities at the DSE (hereinafter called "the Exchange"):

2. The Applicant was established in (country):

Under (Law): ..... on (date): .....

Issued with incorporation certificate number (if any) .....

2. Address of the registered office:

3. Address of each office at which a Shareholders' Register is kept:

4. Has application been made for Admission on the List on any other Stock Exchange?

(if so, what is the Exchange (s) and the result)

5. Will securities be issued and recorded in the CSD for all holders of securities of which Admission on the List is requested?

(if not, state proposed date of issue)

B. SECURITIES TO BE ADMITTED

(show separately the number and denomination of each class of securities for which Application is sought)

Confirm that theApplication is for the total number of issued securities of the above class of securities

Are there any authorised but unissued securities of the above class of securities, if so specify

C. AUTHORISED AND ISSUED CAPITAL

(show separately any different classes of securities of the Issuer, the amount paid up on each class, and the dividend and voting rights attaching to each class. Where there is a difference between authorised and issued please specify)

How many forfeited shares (if any) does the Issuer hold?

D. PARTICIPATION RIGHTS

Have any rights been granted to any person or to any class of persons to participate in any issue? (if so, give particulars)

1. Last day of Financial Year .....
2. Month in which Annual General Meeting is usually held .....
3. Month(s) in which Dividend (s) is (are) usually paid .....
4. Full shareholders register and their holdings as at the date of application. .....

E. CONTACT DETAILS (main) : .....

Alternate contact details: .....

F. ACCOMPANYING DOCUMENTS

1. Ten copies of any prospectus submitted to the Authority for approval. Where approval has been granted by the Authority, ten copies of the approved prospectus together with evidence of approval by the Authority of the prospectus.
2. Three copies of the Memorandum and Articles of Association. The MEMARTS should contain provisions(s) relating to protection of Minority Shareholders and observance of good corporate governance principles as per the guidelines on the same issued by the Authority.
3. Where applicable, annual accounts for the three latest years, except if disclosed in full in the prospectus.
4. Copies of all prospectuses and memoranda of sale issued in the last three years.
5. Application and first year Listing Fees.
6. Where the Application is made for the EGM, the undertaking by the Nominated Advisor as per format and content provided under Eighth Schedule to these Rules.
7. A CD/USB key or other electronic media with a copy of all of the above documents in electronic form.
8. Where the Application is made for a resources company, a Qualified Competent Person's (QCP) Report with the following

   8.1 a table indicating a Summary of Assets as per format and content provided under Appendix 1 to this Schedule;

   8.2 the format and specific disclosures set out inAppendix 2 to this Schedule;

   8.3 a table indicating a Summary of Reserves and Resources set out in Appendix 3 to this Schedule; and8.4 the Mining Reporting Standards to be used in any QCP's report

G. UNDERTAKING

In consideration of the DSE ("the Exchange") granting the Issuer's application for the Admission on the List of securities described in this form of Application, the Issuer HEREBY UNDERTAKES AND AGREES to:

8. The DSE CSD providing the authentic and definitive record of title including all details relevant to the holdings of such securities, including non-listed securities for the securities held in the CSD, and the DSE shall be authorised to provide the CSD and associated registry services as defined in applicable laws.
9. Comply with the continuing obligations of an Issuer Admitted on the List as set out in these Rules, as amended from time to time.

The Common Seal of the Company is hereunto affixed in the presence of:

I. Director

II. Director/Secretary

III. Date

8.1 Appendix 1 - Summary Table of Assets

Detail Asset	Holder	%INTEREST	STATUS	LICENCE EXPIRY	LICENSED AREA	COMMENTs
Asset 1	Holder's Name	% Interest in Holder	Exploration	Date	X Miles squared	e.g. sampling in x months
Asset 2	" "	" "	Development	" "	" "	e.g. drilling and sample grades to date
Asset 3	" "	" "	Production	" "	" "	e.g. current production tonnes per annum

In the table of assets in a prospectus, the Asset description must include the jurisdiction and project name. The description of the asset's status must be either exploration or development or production. No other status is permissible.

8.2 Appendix 2 - Contents of a QCP Report

The QCP's report shall comprise the matters set out in this Appendix.

1. Executive summary
2. Table of contents
3. Introduction

The introduction shall include:

4. The QCP's qualifications and a statement that the QCPis independent (as required by Rule 3 (iii) above;
5. An explanation of the sources of all information on which the QCP is based (for example any site visits (including details of who undertook such visit and when), drilling results, seismic data, reservoir or well data, sample analysis, interviews with directors, details of desktop research): and
6. A description of reserves and/or resources, where applicable detailing characteristics, type, dimensions and grade distribution, and the methods to be employed for their exploration and extraction (including Appendix 1 disclosure)
7. An overview of the region, location and assets.

This section of the QCP shall include:

iv. A description of the applicant's assets and liabilities, the rights in relation to them and a description of the economic conditions for the working of those licences, concessions or similar including any environmental, land access, planning and obligatory closure costs;

iv. Details of any interest (current or past) any director, the QCP or promoter has in any of the assets; and

v. Appropriate maps, some background on the country and location plans demonstrating the major properties comprising the assets, their workings and geographical characteristics and wells, platforms, pipelines, bore holes, sample pits, trenches and similar, to the extent they exist.

(viii) Reserves & resources (separately disclosed)

This section shall include:

vi. statement of reserves (if any), and where applicable resources including an estimate of volume, tonnage and grades, (in accordance with the mining reporting standard, which should be consistently applied and disclosed in line with the tables in Appendix 3), method of estimation, expected recovery and dilution factor, expected extraction and processing tonnage or volume, as appropriate, depending on whether the reserves and/or resources are of minerals or oil and/or gas. Where there are resources that have not been sufficiently appraised in order to provide the previous information, a separate statement of such resources together with any other quantified information which has been appraised in accordance with the mining reporting Standard; and

vii. estimate of net present value (post tax) at a discount rate of 10% of reserves (or equivalent depending on the mining reporting standard used) analysed separately and the principal assumptions (including cost assumptions, effective date, constant and or forecast prices, foreign exchange rates) on which valuation is based together with a sensitivities analysis. Additional valuations may be included within the QCP report but should include an explanation of the basis of such a valuation and the method used.

(viii) Other Assets and Equipment to Extract Assets

This part of the QCP's report shall include any other material assets of the issuer and commentary on the plant and equipment which will be necessary operations consistent with the extraction rates expected.

(ix) Conclusions

These conclusions must be supported by the QCP's report generally.

Appendix 3 - Summary of Reserves and Resources by Status

Category	**Gross**			**Net Attributable**			**Operator**
	Tonnes	Grade	Contained metal	Tonnes	Grade	Contained metal	
Ore/ Mineral							
Proved							
probable							
Sub-total							
Per asset							
Measured							
Indicated							
Inferred							
Sub-total							
TOTAL							

In the table in the QCP's report summarising the reserves and resources by status (above), "gross" shall include all those reserves and resources under a licence: whereas "net" shall include only those attributable to the issuer

THIRD SCHEDULE
CONTINUING LISTING OBLIGATIONS

[Made under Rules 2, 53 (2), 74, 94, 107, 135 and 151 (2)]

I. GENERALDISCLOSURES AND TIMETABLES

An Issuer must notify the Exchange of any major development in its financial position or prospects which are not public knowledge, but which could materially impact the price of its securities. The Exchange will inform the market of this information. Notwithstanding the generality of the foregoing, an Issuer shall notify the Exchange immediately a decision has been taken on any of the following matters so that the Exchange may advise the market:

1. The Audited Financial Results for the financial year, such results are to be submitted within six months following the end of the Member's financial year and the Quarterly Management Accounts that are to be submitted within thirty days after the end of each quarter of a financial year. The format and contents of such announcements are to be in accordance with guidelines issued by the Exchange (see **Attachment 1** to this schedule).

2. In the case of a Sustainable Bond, the Annual Sustainable Bond Report shall be made available annually for the duration of the bond. The inaugural Report shall be within the first 12 months of issuance and signed off by the External Reviewer.

3. Short particulars of any of new capital whether to be issued as capitalisation or by way of rights to shareholders.

4. Any changes in the Directorate, the Secretary, Auditors and Legal Advisors and the date of the financial year end.

5. Any sale or purchase of assets, licences or subsidiaries which could materially alter the company's business stating the consideration for any disposal and the effect of the disposal on the Company.

6. Subject to paragraph 7 on page 140 below, any award or cancellation of a dividend or other cash payment.

7. Where an Issuer proposes a corporate action involving any announcement of a timetable for an action affecting the rights of existing shareholders, it shall require the prior approval of such timetable (including the record dates) by the DSE. Allow a minimum period of fourteen (14) Business Days from the date of announcement of the relevant corporate action and record date. The record date shall mean the last date when settled positions are entitled to benefit from the relevant corporate action.

8. For the purposes of the preceding paragraph, a corporate action shall include such matters as dividend, scrip dividends, bonus issues, capitalisation issues, rights issues, open offers.

9. Where an Issuer calls a General Meeting, which is not contained in its Annual Report and Accounts it should notify the DSE of the time, date and details of resolutions. Following the Extraordinary General Meeting it shall notify the DSE of the results of those resolutions forthwith.

10. Any litigation or threat of litigation which may have a material impact upon the price of the Issuer's securities.

11. Substantial, Reverse or Related Party Transactions as defined herein below.

All notifications to the Exchange which are required by this Appendix must be in writing to the Exchange by fax or email to such address as the Exchange may from time to time publish. Such information should not be passed by the Issuer to any third party (other than the Issuers professional Advisors) until it has been released to the Market by the Exchange.

II. DOCUMENTS TO BE SUBMITTED TO THE EXCHANGE

1. The Company shall forward to the Exchange as soon as issued:

(i) 10 copies of the Annual Report and Accounts.

(ii) In the case of a Sustainable Bond, 10 copies of the Annual Sustainable Bond Report, which may be a short separate report, or incorporated into the main Annual Report.

(iii) 10 copies of half yearly interim statement.

(iv) 10 copies of all Resolutions increasing the capital and all notices relating to further issues of capital or any other circular.

(v) A CD/USB key or other electronic media with a copy of all of the above documents in electronic form.

2. Fees - the Issuer shall pay all admissions and on-going fees within the payment terms in respect of every application for a quotation of bonus, rights or other issues as levied by the Exchange from time to time.

III. FURTHER MATTERS

An Issuer shall apply for Admission on the List of all bonus or rights issues or other allotments, prior to issue, even where the new shares rank *pari passu* with existing quoted shares.

IV. REGISTER

The Issuer must agree in relation to its securities Admitted on the List: -

To maintain for such issues, its register of holders on the CDS operated by the DSE in accordance with the DSE Rules.

To provide the rights and benefits of holders in the Issue, as set out in its Memorandum and Articles of Association to all those who are recorded in the CDS as the beneficial owners of shares in the Issuer.

V. DOCUMENTS FOR APPROVAL OR INSPECTION

1. All circulars to holders of securities (including electronic communications) together with notices of meetings, proxy forms and notices by advertisement to holders of bearer securities will be submitted to the Exchange in draft form for approval before they are published. Drafts of any proposed amendment to the Company's Memorandum and Articles of Association or equivalent documents will be submitted to the Exchange (but in the case of debt securities, this is only required where the amendment would affect the rights of the holders of such securities.)

2. Draft documents should be submitted through the Company's Sponsoring Member and not by the Issuer direct. Four copies of each document are required, which should be submitted in sufficient time for approval and, if necessary, re-submission prior to final printing.

3. It is not necessary to submit draft of the annual accounts nor, if the business of the meeting is only the routine business of an annual general meeting, the notice convening the annual general meeting of the related form of proxy. It is not necessary to submit a draft of a half-yearly report or preliminary profit statement so long as it conforms with Exchange Guidelines.

4. Changes to articles of association must conform with the requirements of FOURTH SCHEDULE

5. MEMORANDUM AND ARTICLES OF

   ASSOCIATION [Made under Rules 69 (O) and the Third

   Schedule]

6. Whenever shareholders are sent a notice of meeting which includes any business, other than routine business at an annual general meeting, an explanatory circular will accompany the notice or, if the business is to be considered at or on the same day as an annual general meeting, an explanation will be incorporated in the Directors' Report. An explanatory circular will also accompany any notice of meeting sent to holders of debt securities.

7. The Issuer shall forward to the Chief Executive six copies of all circulars, notices, reports, announcements or other documents at the same time as they are issued and four copies of all Resolutions passed by the Issuer other than Resolutions concerning routine business at an annual general meeting.

8. The Issuer shall send proxy forms, with provision for two-way voting on all Resolutions intended to be proposed, with the notice convening a meeting of holders of securities to all persons entitled to vote at the meeting.

9. Copies of all Directors' service contracts of more than one year's duration or, where any such contract is not reduced to writing, a Memorandum of the terms thereof,
   mustbemadeavailableforinspectionattheregisteredofficeoftransferofficeduring usual business hours on any weekday (Saturdays, Sundays and public holidays excluded) from the date of the notice convening the annual general meeting until the date of the meeting and made available for inspection at the place of meeting for at least 15 minutes prior to the meeting and at the meeting. The Issuer must state in a notice convening the annual general meeting the place and time at which copies or, as the case may be, memoranda of all such service contracts will be available for inspection or, if so, that there are no such contracts.

10. Any information which is notified to the Issuer in respect of the interests (or changes in such interests), including options, whether or not held through another party (corporate or otherwise), of each Director, including his spouse and children under the age of 18 years in so far as is known to the Issuer, or each holder of 5% or more of the share capital of the Issuer, must immediately be notified to the Exchange. The notification to the Exchange must include the date on which the transaction amount and class of securities concerned.

11. An Issuer must ensure that each of its Directors is obliged to notify it of all information needed to comply with this requirement.

VI. MODEL CODE

The Issuer must adopt and ensure compliance with these Rules governing dealings by Directors in the securities of the Issuer Admitted on the List, in terms not less than those of the Model Code issued by the Exchange and set out in these Rules.

VII. SUBSTANTIAL TRANSACTIONS

A transaction will be considered substantial if passes class tests set out in

ATTACHMENT 2 subject to the Capital Markets and Securities (Substantial Acquisitions Takeovers and Mergers) Regulations. It includes any transaction by a subsidiary of the Issuer but excludes any transactions of a revenue nature in the ordinary course of business and transactions to raise finance which do not involve a change in the fixed assets of the Issuer or its subsidiaries. An Issuer must notify the Exchange without delay as soon as the terms of any Substantial Transaction are agreed, disclosing the information specified by section **ATTACHMENT 3** - MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF ISSUERS so that the Exchange may advise the market.

VIII. REVERSE TRANSACTION

A reverse transaction is any major acquisition or acquisitions in a twelve month period which for an Issuer would:

1. Exceed 100% in any of the class tests as contained in these Rules; or
2. Result in a fundamental change in its business, board or voting control; or
3. In the case of an investing company, depart materially from its investing policy (as stated in its prospectus or approved by shareholders in accordance with these Rules).

Any agreement which would effect a reverse transaction must be conditional on the consent of its shareholders being given in general meeting.

Where shareholder approval is given for the reverse transaction, trading in the securities of the Issuer will be cancelled. If the enlarged entity seeks Admission on the List, it must make an application in the same manner as any other new Applicant applying for admission of its securities for the first time and pay an admission fee to DSE based on its enlarged market capitalisation.

IX. RELATED PARTY TRANSACTIONS

For an Issuer which is a REIT or other Collective Investment Scheme, a Related Party transaction is a transaction of any type with a Related Party. For all other Issuers, it is one with a Related Party which exceeds 5% in any of the class tests which are set out in these Rules.

As soon as an Issuer agrees a transaction with a related party, it must immediately write to the Exchange setting out:

1. The name of the Related Party and why it is considered to be a Related Party; and
2. The extent of the Related Party's involvement and interest in the transaction: and
3. A statement that the board of the Issuer, excluding any director involved as a Related Party, consider that the transaction is based on normal commercial terms, at arm's length, and not prejudicial to the unit or shareholders' interest.
4. The information required by **ATTACHMENT 3** - MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF ISSUERS on page 148.

X. AGGREGATION OF TRANSACTIONS

Transactions completed during the twelve months prior to the date of the latest transaction must be aggregated with that transaction for the purpose of determining whether when:

1. They are entered into by the Issuer with the same parties or their families;
2. They involve the acquisition of securities or an interest in one particular business; or
3. Together they lead to a principal involvement in any business activity or activities which did not previously form a part of the Issuer's principal activities.

XI. CORPORATE GOVERNANCE

Without prejudice to the generality of the foregoing, a listed company shall have an effective Audit Committee. The Audit Committee shall have adequate resources and authority to discharge its responsibilities.

XII. SPECIAL PROVISIONS FOR REITS

1. Where an Issuer is a REIT, its management company shall announce the net asset value per unit of the Fund on a quarterly basis; and
2. Shall announce each and every change to its fees and services subsequent to its offer document.

XIII. SPECIALIST SECURITIES

An issuer is required to comply with the following continuing obligations once its securities have been listed:

1. in the event that the issuer makes any changes to the placing document or pricing supplement that affect the terms and conditions of the securities or the guarantee, 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 holders of securities, holding not less than 51% of the value of a specific class of securities;
2. within four months after the issuer's year end, update the placing document in the event of a material change and if there have been no changes it must include a statement on its website that there has been no material changes;
3. publish on DSE's and Issuer's website, without delay, details of any new issue of securities (and, if applicable, guarantees, security or credit enhancements relating thereto), as well as any amendments to the terms and conditions attaching to existing listed securities;

4. publish on its website, within four months after the issuer's financial year end, the annual financial statements for the relevant financial year, which financial statements are required to have been reported on by the issuer's external auditors;
5. release an announcement on DSE's and Issuer's website confirming that the required information is available on its website;
6. publish a net asset value (NAV) of its listed securities daily on its website (if applicable to the type of security being listed);
7. if the issuer obtained a credit rating for the issuer itself or for the placing document, any changes in such rating must be disclosed on DSE's and Issuer's website;
8. if the issuer fails to comply with the rule relating to the publication of annual financial statements, the procedures for non-compliance will apply.

XIV. INDEX CALCULATORS

1. The index calculator is approved based on the information presented to the DSE with the initial application and in order to maintain standards on a continuing basis the issuer of any securities after due and careful inquiry must notify the DSE in February each year of any significant changes including:
   (a) any changes to its staff responsible for calculating the index;
   (b) any changes to its technology; and
   (c) any changes to its relationship between the index calculator and the issuer of securities and any of its associates
2. The issuer of any securities must annually in February each year submit documentation to the DSE illustrating that after due and careful inquiry, the index calculator has had continuous compliance with the guidelines. In the event of a material change to the index methodology or index calculator, it may be necessary to reassess the initial application for approval.

XV. ETFs

In addition to the general Continuing obligations, an ETF issuer may make written application to the DSE for the removal of the listing of any of its securities from the list and/or the deregistration of the placing document stating the time and date it wishes the removal of listing to be effective. The DSE may grant the request for removal, provided that the following procedures have properly been applied and perfected:

(a) the assets underlying the ETF have been liquidated for the benefit of investors; or

(b) an in-specie pro rata distribution of the assets underlying the ETF is made to investors.

XVI. SPECIAL PROVISIONS FOR RESOURCES COMPANIES

Recourses Companies shall consistently use a single mining reporting standard.

XVII. ISSUERS OBLIGATIONS IN RELATION TO SUSPENSIONS

If an issuer's securities are suspended, it must, unless the DSE decides otherwise:

(a) continue to comply with all the Listings Requirements applicable to it;

(b) submit to the DSE a monthly progress report pertaining to the current state of affairs of the issuer and any action proposed to be taken by the issuer in order to have the listing reinstated; and advise the holders of securities, on a quarterly basis, concerning the current state of affairs of the issuer and any action proposed by the issuer in order to have the listing reinstated, including the date on which the suspension is expected to be lifted.

ATTACHMENT 1 -
GUIDELINES ON PERIODIC REPORTS

The periodic reports must consist of figures and, in the case of the consolidated report, an explanatory statement relating to the group's activities and company during the relevant period. *Where the operation of any law or regulatory requirement mandates an issuer to produce audited or other reports, then these should be notified to the Exchange and the Regulator.*

A. LICENSED DEALING MEMBERS (LDMs) ANNUALAND QUATERLY FINANCIAL STATEMENTS

XYZ Limited

Statements of profit or loss and other comprehensive income For the year/period ended 30th June 20XX

TZS M	Note		30.03.20x
Revenu		30.06.20x	x XXX
e	x W	XXX	
Expenses*			XXX
* Staff	W	XXX	XXX
Costs	W	XXX	XXX
Administrative	W	XXX	XX
expense Operating		XXX	X
expense **Total**			
Expenses		XXX	XXX
	W	XXX	XXX
Profit Before Tax		XXX	XX
Income tax			X
expense			
Profit/(Loss) After Tax	W	XXX	
		XXX	XXX
Other Comprehensive Income			XXX
Gain/(Loss) on fair value on Trading	W	XXX	
Investment **Total comprehensive income**	W	XXX	XXX
			XXX
Basic Earning Per Share (BEPS) TZS			
Diluted Earning Per Share (DEPS) TZS			

**Entities are encouraged to present an analysis of expenses on a face of statement of profit or loss and other comprehensive income using classification based on either nature of expenses or their function within the entities, whichever provides information that is reliable and more relevant.

"W" Stands for Working Reference
Number "X" Stands for Monetary Value

XYZ Limited

Statements of profit or loss and other comprehensive income For the year/period ended 30th June 20XX

TZS M	**Note**	**30.06.20x**	**30.03.20x**
Revenue	x W	XXX	x XXX
Expenses*			XXX
* Staff	W	XXX	XXX
Costs	W	XXX	XXX
Administrative	W	XXX	XX
expense Operating		XXX	X
expense **Total**			
Expenses		XXX	XX
	W	XXX	X
Profit Before Tax		XXX	XXX
Income tax			XX
expense			X
Profit/(Loss) After Tax	W	XXX	
		XXX	
Other Comprehensive Income			XXX
Gain/(Loss) on fair value on Trading	W	XXX	XXX
Investment **Total comprehensive income**	W	XXX	
			XXX
Basic Earning Per Share (BEPS) TZS			XXX
Diluted Earning Per Share (DEPS) TZS			

**Entities are encouraged to present ananalysis of expenses on a face of statement of profit or loss and other comprehensive income using classification based on either nature of expenses or their function within the entities, whichever provides information that is reliable and more relevant.

"W" Stands for Working Reference
Number "X" Stands for Monetary Value

XYZ Limited Statement of Financial Position As at 30th June 20XX				
TZS M	**Notes**	**30.06.20xx**		**30.03.20xx**
ASSETS				
Non-Current Assets				
Goodwill	W	xxx		xxx
Property Plant and Equipment	W	xxx		xxx
Intangible Assets	W	xxx		xxx
Treasury Bond Leased	W	xxx		xxx
Land Deffered Tax	W	xxx		xxx
Assets	W	xxx		xxx
		xxx		**xxx**
Current Assets				
Cash and Cash equivalents balances Bank	W	xxx		xxx
deposits	W	xxx		xxx
Income Tax Receivables Short	W	xxx		xxx
term investment Trade	W	xxx		xxx
Receivables	W	xxx		xxx
Prepayments and other receivables	W	xxx		xxx
Total Current Liabilities		**xxx**		**xxx**
TOTAL ASSETS		**XXX**		**XXX**
Equity and liabilities				
Equity				
Share Capital Share	W	xxx		xxx W
Premium Retained		xxx		xxx W
earnings Revaluation		xxx		xxx W
surplus		xxx		xxx W
Capital contribution		xxx		xxx **xxx**
Total Equity				**xxx**
LIABILITIES				
Non-Current Liabilities				
Finance lease liability	W	xxx		xxx W
Loans/Borrowings Deferred		xxx		xxx W
tax liabilities		xxx		xxx **xxx**
Total Non-Current liabilities				**xxx**
Current liabilities				
Borrowings	W	xxx		xxx
Trade creditors	W	xxx		xxx
Payables to clients Tax	W	xxx		xxx
liability Provisions	W	xxx		xxx
Total Current liabilities	W	xxx		xxx
		xxx		**xxx**
TOTAL EQUITY AND LIABILITIES		**XXX**		**XXX**

XYZ Limited				
Statements of cash flows				
For the quarter/ year ended 30th June 20XX				
TZS M	Note	**30.06.20xx**		**30.03.20xx**
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before taxation				
Adjustment to reconcile profit before tax to net cash flows:				
Interest received		xx		xx
Dividend received		xx		xx
Depreciation		xx		xx
Operating Cash Flows Before Movement In Working Capital		**xx**		**xx**
(Increase)/Decrease in Trade Receivable		xx		xx
(Increase)/Decrease in Prepayments and other receivables		xx		xx
Increase/(Decrease) in short term deposits		xx		xx
Increase/(Decrease) in Longterm deposits Increase/(Decrease)		xx		xx
in contract liabilities Increase/(Decrease) in Trade Payables		xx		xx
Cash generated from operations		xx		xx
Income taxes paid		xx		xx
NET CASH FLOWS GENERATED FROM OPERATING ACTIVITIES	W	(x)		(x)
		XX		**XX**
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Earned				
Acquisition of Fixed Assets/Purchase of PPE		xx		xx
Short term investment made		xx		xx
NET CASH FLOWS FROM INVESTING ACTIVITIES	W	xx		xx
		XX		**XX**
CASH FLOWS FROM FINANCING ACTIVITIES				
Dividends paid				
Interest paid on other borrowings Repayment		xx		xx
of interest on shareholder loan		xx		xx
NET CASH (USED IN) GENERATED FROM FINANCING ACTIVITIES NET		xx		xx
(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS Cash and		**XX**		**XX**
cash equivalents at the beginning of the year		**XX**		**XX**
Effects of exchange rate changes on cash and cash equivalents held in foreign		xx		xx
currencies Cash and cash equivalents at the end of the year	W	xx		xx
		XX		**XX**
Quater Financial Statements				
To be signed by:				
Chief Executive Officer				
Date:				
Head of Finance/Qualified Accountant				
Date:				
Head of Internal Audit (If any)				
Date:				
Annual Audited Accounts				
To be signed by: Two Directors, Qualified Accountant and External Auditors or as required by the National Board of Accountants and Auditors (NBAA)				

XYZ Limited						
Statements of						
changes in equity						
TZS M	**For the quarter/year ended 30th June 20xx**					
Quarter/Year ended 30th June 20xx	**Notes**	**Share Capital**	SharePremium	Retained Earnings	Property Revaluation	Total Equity
At start of quarter/year		xxx	xxx	xxx	xxx	xxx
Transition adjustment				(x)		(x)
Changeson initialapplicationof IFRS						
Other Comprehensive Income						
Total comprehensive income for the quarter/year		-	-	(xx)	xx	(xx)
			(xx)	-	-	
Armotisation of excess depreciation revaluation		-	-	(xx)	xx	-
Deferred tax on depreciation transfer						
At end of the quarter/year		xx	xx	(xx)	xx	(xx)
Quarter/Year ended 31st March 20xx		xx	xx	xx	xx	xx
At start of quarter/year						
Total comprehensive income for the quarter/year		-	-	(xx)	-	(xx)
Armotisation of excess depreciation revaluation		-	-	xx	(xx)	-
At end of quarter/year		xx	xx	(xx)	xx	(xx)

B. LISTED COMPANYANNUALAND QUATERLY FINANCIAL STATEMENTS

XYZ PLC					
Consolidated and Separate statements of profit or loss and other comprehensive income For the year/period ended30th June 20XX					
TZS M		GROUP		COMPANY	
	Note	30.06.20xx	30.03.20xx	30.06.20xx	30.03.20xx
Revenue	W	XXX	XXX	XXX	XXX
Expenses**					
Staff Costs	W	XXX	XXX	XXX	XXX
XXX Administrative expense	W	XXX	XXX	XXX	XXX
Operating expense	W	XXX	XXX	XXX	XXX
XXX		XXX	XXX	**Total**	**Expenses**
Profit Before Tax			**XXX**	**XXX**	**XXX**
XXX Income tax expense	W	XXX	XXX	XXX	XXX
					XXX
Profit/(Loss) After Tax		**XXX**	**XXX**	**XXX**	**XXX**
Other Comprehensive Income					
Gain/(Loss) on fair value on Trading Investment	W	XXX	XXX	XXX	XXX
XXX **Total comprehensive income**			**XXX**	**XXX**	**XXX**
					XXX
BasicEarning Per Share (BEPS)TZS	W	XXX	XXX	XXX	XXX
XXX DilutedEarning PerShare (DEPS) TZS	W	XXX	XXX	XXX	XXX
					XXX

**Entities are encouraged to present ananalysis of expenses on a face of statement of profit or loss and other comprehensive income using classification based oneither nature of expenses or their function within the entities, whichever provides information that is reliable and more relevant.

"W" Stands for Working

Reference Number "X" Stands for Monetary Value

XYZ PLC					
Consolidated and separate statement of financial position As at 30th June 20XX					
TZS M		GROUP		COMPANY ASSETS	
Notes 30.06.20xx			30.03.20xx	30.06.20xx	30.03.20xx Non-
Current Assets					
Goodwill	W	xxx	xxx	xxx	xxx
Property Plant and Equipment	W	xxx	xxx	xxx	xxx
Right-of-use assets	W	xxx	xxx	xxx	xxx
Intangible Assets	W	xxx	xxx	xxx	xxx
Treasury Bond	W	xxx	xxx	xxx	xxx
Leased Land	W	xxx	xxx	xxx	xxx
Deffered Tax Assets	W	xxx	xxx	xxx	xxx
Investment in subsidiary	W	-	-	xxx	xxx
Total Non-Current Assets		**xxx**	**xxx**	**xxx**	**xxx**
Current Assets					
Inventories	W	xxx	xxx	xxx	xxx
Trade and other receivables	W	xxx	xxx	xxx	xxx
Bank deposits	W	xxx	xxx	xxx	xxx
Income Tax Receivables	W	xxx	xxx	xxx	xxx
Short term investment	W	xxx	xxx	xxx	xxx
Prepayments and other receivables	W	xxx	xxx	xxx	xxx
Cash and Cash equivalents balances	W	xxx	xxx	xxx	xxx
Total Current Liabilities		**xxx**	**xxx**	**xxx**	**xxx**
TOTAL ASSETS		**XXX**	**XXX**	**XXX**	**XXX**
Equity and liabilities					
Equity					
Share Capital	W	xxx	xxx	xxx	xxx
Share Premium	W	xxx	xxx	xxx	xxx
Retained earnings	W	xxx	xxx	xxx	xxx
Revaluation surplus	W	xxx	xxx	xxx	xxx
Capital contribution	W	xxx	xxx	xxx	xxx
Total Equity		**xxx**	**xxx**	**xxx**	**xxx**
LIABILITIES					
Non-Current Liabilities					
Finance lease liability	W	xxx	xxx	xxx	xxx
Loans/Borrowings	W	xxx	xxx	xxx	xxx
Deferred tax liabilities	W	xxx	xxx	xxx	xxx
Total Non-Current liabilities		**xxx**	**xxx**	**xxx**	**xxx**
Current liabilities					
Borrowings	W	xxx	xxx	xxx	xxx
Trade creditors	W	xxx	xxx	xxx	xxx
Payables to clients	W	xxx	xxx	xxx	xxx
Tax liability	W	xxx	xxx	xxx	xxx
Provisions	W	xxx	xxx	xxx	xxx
Total Current liabilities		**xxx**	**xxx**	**xxx**	**xxx**
TOTAL EQUITY AND LIABILITIES		**XXX**	**XXX**	**XXX**	**XXX**

XYZ PLC

Consolidated and separate statements of cash flows For the quarter/ year ended 30th June 20XX

TZS M	Note	GROUP		COMPANY	
		30.06.20xx	30.03.20	30.06.20xx	30.03.20xx
	xx				
CASH FLOWS FROM OPERATING ACTIVITIES Profit before taxation					
Adjustment to reconcile profit before tax to net cash flows: Interest received		XX	XX	XX	
Dividend			XX XX	XX	
received			XX	XX	XX
Depreciation			XX	XX	
Operating Cash Flows Before Movement In Working Capital (Increase)/Decrease in Trade Receivable			XX **xx**	**xx**	**xx**
(Increase)/Decrease in Prepayments and other receivables Increase/(Decrease) in short term			**xx** XX	XX	
deposits Increase/(Decrease) in Longterm deposits			XX	XX	XX
Increase/(Decrease) in contract liabilities			XX	XX	
Increase/(Decrease) in Trade Payables			XX XX	XX	
Cash generated from operations Income taxes paid			XX	XX	XX
NET CASH FLOWS GENERATED FROM OPERATING ACTIVITIES			XX	XX	
	W	(X)	XX XX	XX	
CASH FLOWS FROM INVESTING ACTIVITIES Interest Earned		**XX**	(X)	(X)	(X)
Acquisition of Fixed Assets/Purchase of PPE Short term investment made			**XX**	**XX**	**XX**
NET CASH FLOWS FROM INVESTING ACTIVITIES		XX	XX	XX	XX
	W	XX	XX	XX	XX
CASH FLOWS FROM FINANCING ACTIVITIES Dividends paid		**XX**	**XX**	**XX**	**XX**
Interest paid on other borrowings					
Repayment of interest on shareholder loan		XX	XX	XX	XX
NET CASH (USED IN) GENERATED FROM FINANCING ACTIVITIES NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS Cash and cash equivalents at the beginning of the year		XX	XX	XX	XX
		XX	XX	XX	XX
		XX	**XX**	**XX**	**XX**
		XX	**XX**	**XX**	**XX**
		XX	XX	XX	XX
Effects of exchange rate changes on cash and cash equivalents held in foreign currencies	W	XX	XX	XX	XX
Cash and cash equivalents at the end of the year		**XX**	**XX**	**XX**	**XX**

Quater Financial Statements To be signed by:

Chief Executive Officer

Date:

Head of Finance/Qualified Accountant
Date:

Head of Internal Audit (If any)
Date:

Annual Audited Accounts

To be signed by: Two Directors, Qualified Accountant and External Auditors or as required by the National Board of Accountants and Auditors (NBAA)

XYZ PLC						
Consolidated and separate statements of changes in equity For the quarter/year ended 30th June 20xx						
GROU P TZS M	**Notes**	**Share Capital**	**Share Premium**	**Retained Earnings**	**Property Revaluation**	**Total Equity**
Quarter/Year ended 30th June 20xx						
At start of quarter/year		xxx	xxx	xxx	xxx	xxx
Transition adjustment				(x)		(x)
Changeson initialapplicationof IFRS						
Other Comprehensive Income						
Total comprehensive income for the quarter/year		-	-	(xx)		(xx)
Armotisation of excess depreciation revaluation		-	-	xx	(xx)	-
Deferred tax on depreciation transfer		-	-	(xx)	xx	-
At end of the quarter/year		xx	xx	(xx)	xx	(xx)
Quarter/Year ended 31st March 20xx		xx	xx	xx	xx	xx
At start of quarter/year						
Total comprehensive income for the quarter/year		-	-	(xx)	-	(xx)
Armotisation of excess depreciation revaluation		-	-	xx	(xx)	-
At end of quarter/year		xx	xx	(xx)	xx	(xx)
COMPANY TZS M	**Notes**	**Share Capital**	**Share Premium**	**Retained Earnings**	**Property Revaluation**	**Total Equity**
Quarter/Year ended 30th June 20xx						
At start of quarter/year		xxx	xxx	xxx	xxx	xxx
Transition adjustment				(x)		(x)
Changeson initialapplicationof IFRS						
Other Comprehensive Income						
Total comprehensive income for the quarter/year		-	-	(xx)		(xx)
Armotisation of excess depreciation revaluation		-	-	xx	(xx)	-
Deferred tax on depreciation transfer		-	-	(xx)	xx	-
At end of the quarter/year		xx	xx	(xx)	xx	(xx)
Quarter/Year ended 31st March 20xx		xx	xx	xx	xx	xx
At start of quarter/year						
Total comprehensive income for the quarter/year		-	-	(xx)	-	(xx)
Armotisation of excess depreciation revaluation		-	-	xx	(xx)	-
At end of quarter/year		xx	xx	(xx)	xx	(xx)

Notes:

7. The Exchange may authorise the omission from a periodic report of information if they consider that disclosure of such information would be contrary to the public interest or seriously detrimental to the Issuer or the LDM, provided that, in the latter case, such omission would not be likely to mislead the public regarding facts and circumstances, knowledge of which is essential for the assessment of the shares in question. The Issuer, LDM or its representatives will be responsible for the correctness and relevance of the facts on which any application for such exemption is based. The Board may authorize the omission from a periodic report of any other information and from the preliminary profits statement of any information either on the grounds referred to above or if they consider such omission otherwise necessary or appropriate.

8. In the case of an Issuer, the explanatory statement in the periodic report must include any significant information enabling investors to make an informed assessment of the trend of the Issuer's activities and profit or loss together with an indication of any special factor which has influenced those activities and the profit or loss during the period in question and enable a comparison to be made with the corresponding period of the preceding financial year. It must also, as far as possible, refer to the company's prospects in the current financial year.

9. Where the accounting information given in a periodic report has been audited that fact must be stated. If the accounting information contained in a periodic report has been audited by the company's auditor, his report thereon including any qualifications must be set out in the report.

ATTACHMENT 2 - TESTS

Issuers are required to provide the following information on class tests to the Exchange, which shall not be publicly disseminated unless required by these Rules. The class tests for determining whether a transaction is a substantial acquisition are as follows:

The Gross Assets Test

Gross assets is calculated as follows:

(a) The subject of the transaction x 100 / Gross assets of the Issuer

Figures to use for the Gross assets test:

9. The "Gross assets of the Issuer" means the total of its fixed assets plus total current assets. These figures should be taken from the most recent of the following:

VII. The most recently notified consolidated balance sheet; or

VII. Where an admission document has been produced for the purposes of admission following a reverse takeover, any pro forma net asset statement published in the admission document may be used, provided it is derived from information taken from the last published audited consolidated accounts and that any adjustments to this information are clearly shown and explained; or

VIII. In a case where transactions are aggregated, the most recently notified consolidated balance sheet (as at a date prior to the earliest aggregated transaction).

10. The "Gross assets the subject of the transaction" means:

VIII. In the cases of an acquisition of an interest in an undertaking which will result in consolidation of the undertaking's net assets in the accounts of the Issuer, or a disposal of an interest in an undertaking which will result in the undertaking's net assets no longer being consolidated in the accounts of the Issuer, the assets the subject of the transaction means the value of 100% of the undertaking's assets, irrespective of what interest is acquired or disposed.

IX. In the case of an acquisition or disposal which does not fall within paragraph 2(a), the assets the subject of the transaction means:

i. For an acquisition, the consideration plus any liabilities assumed; and

ii. For a disposal, the book value of the assets attributed to that interest in the Issuer's last audited accounts.

X. In the case of an acquisition of assets other than an interest in an undertaking, the assets the subject of the transaction means the book value of the assets.

The Profits Test

(b) Profits attributable to the assets the subject of the transaction x 100 / Profits of the Issuer

Figures to use for the Profits test:

10. The "Profits of the Issuer" means profits before taxation and extraordinary items as stated in the following:

    x. The last published annual consolidated accounts;

    xi. The last notified preliminary statement of annual results; or

    xii. In a case where transactions are aggregated, the last such accounts or statement prior to the earliest transaction.

11. In the case of an acquisition or disposal of an interest in an undertaking of the type described withinparagraph2(a),the"profitsattributabletotheassetsthesubjectofthetransaction"means 100% of the profits of the undertaking irrespective of what interest is acquired or disposed.

The Turnover Test

(c) Turnover attributable to the assets the subject of the transaction x 100 /Turnover of the Issuer

Figures to use for the Turnover test:

1. The "Turnover of the Issuer" means the turnover figure as stated in the following:

    xii. The last published annual consolidated accounts;

    xiii. The last notified preliminary statement of annual results; or

    xiv. In a case where transactions are aggregated, the last such accounts or statement prior to the earliest transaction.

2. In a case of an acquisition or disposal of an interest in an undertaking of the type described within paragraph 2(a), the "turnover attributable to the assets the subject of the transaction" means 100% of the turnover of the undertaking irrespective of what interest is acquired or disposed.

The Consideration Test

(d) Consideration x 100 / Aggregate market value of all the ordinary shares (excluding treasury shares) of the Issuer

Figures to use for the Consideration test:

2. The "Consideration" means the amount paid to the vendors, but the Exchange may require the inclusion of further amounts.

I. Where all or part of the consideration is in the form of securities to be Admitted on the List, or traded on the DSE, the consideration attributable to those securities means the aggregate market value of those securities.

II. If deferred consideration is, or may be, payable or receivable by the Issuer in the future, the consideration means the maximum total consideration payable or receivable under the agreement.

3. The "Aggregate market value of all the ordinary shares of the Issuer (excluding treasury shares)" means the value of its enfranchised securities on the day prior to the notification of the transaction (excluding treasury shares).

The Gross Capital Test

(e) Gross capital of the company or business being acquired x 100 / Gross capital of the Issuer

Figures to use for the Gross capital test:

3. The "Gross capital of the company or business being acquired" means the aggregate of:

(i) The consideration;

(ii) If a company, any of its shares and debt securities which are not being acquired;

(iii) All other liabilities (other than current liabilities), including for this purpose minority interests and deferred taxation; and

(iv) Any excess of current liabilities over current assets.

4. The "Gross capital of the Issuer" means the aggregate of:

(i) The aggregate market value of its securities (excluding treasury shares);

(ii) All other liabilities (other than current liabilities), including minority interest and deferred taxation; and

(iii)Any excess of current liabilities over current assets.

The figures to be used must be the aggregate market value of the enfranchised securities on the day prior to the notification of the transaction (excluding treasury shares).

Substitute Tests

In circumstances where the above tests produce anomalous results or where the tests are inappropriate to the sphere of activity of the Issuer, the Exchange may disregard the calculation and substitute other relevant indicators of size, including industry specific tests. Only the Exchange can decide to disregard one or more of the class tests, or substitute another test.

In respect of major acquisitions of which an Issuer must notify the Exchange so that the marketplace can be informed, it shall include the following information:

1. Particulars of the transaction, including the name of any other relevant parties;
2. A description of the assets which are the subject of the transaction, or the business carried on by, or using, the assets;
3. The profits attributable to those assets;
4. The value of those assets if different from the consideration;
5. The full consideration and how it is being satisfied;
6. The effect on the Issuer;
7. Details of the service contracts of any proposed directors;
8. In the case of a disposal, the application of the sale proceeds;
9. In the case of a disposal, if shares or other securities are to form part of the consideration received, a statement whether such securities are to be sold or retained; and
10. Any other information necessary to enable investors to evaluate the effect of the transaction upon the Issuer.

ATTACHMENT 3 -
MODEL CODE FOR SECURITIES TRANSACTIONS

10. The purpose of the code is to provide protection against misinformed criticism both of the Issuer and individual directors, it is against the law to deal on the basis of 'insider' information: i.e., material information which is not generally available to the public.

11. Directors are always thought to be in possession of more information than can at any particular time be published. Accordingly, they must accept that they cannot at all time feel free to deal in their companies' securities, even when legal obligations would not prohibit them from doing so.

12. In order to avoid this criticism, the Exchange considers it undesirable for directors to buy or sell their company's securities:

    I. Where a director for his own protection, should be told not to deal because there is a price sensitive matter under discussion of which he is himself unaware (perhaps because it has not yet been made known to the board) which is likely ultimately to call for an exceptional announcement.

    II. The periods immediately prior to the regular announcements of results and dividends.

13. The purpose of the model code is to give guidance on these two occasions so as to enable companies to establish an agreed procedure which would provide general protection against misinformed criticism both for the Issuer and for the individual directors, given that, under legal obligations, a director might otherwise be free to deal.

14. The Board sees the model code as setting a minimum standard of good practice against which companies should measure their own Issuer codes. The model code should therefore be seen as setting guidelines rather than rigid Rules to be followed in every detail.

15. The following model Rules should be used as guidelines for companies in formulating their own codes:

    I. Directors shall not deal in their companies' securities on considerations of a short-term nature

    II. A director shall not deal in any of the securities of the Issuer at any time when he is in possession of unpublished price-sensitive information in relation to those securities.

    III. The same restriction shall apply to dealings by a director in the securities of any other Issuer when by virtue of his position as a director of his own company, he is in possession of unpublished price-sensitive information in relation to those securities.

16. At other times, a director WHO IS NOT PROHIBITED FROM DOING SO BY LEGAL OBLIGATIONS can feel free to deal subject to the provisions of these Rules which follow:

    III. Director should not deal in any securities of his own company without first notifying the chairman (or other director (s) appointed for the specific purpose), and receiving acknowledgement. In his own case chairman should first notify the board at a board meeting or alternatively notify the other director(s) appointed for the purpose and receive acknowledgement.

iv. Immediately following any dealing by him (or in which he has material interest) a director shall notify details of the dealing (including number of shares, price and date of transaction) to the person appointed to receive notification by him under Rule 2.1 above and shall receive an acknowledgement.

v. The procedure established within the Issuer should, as a minimum, provide for there to be a written record maintained by the Issuer that the appropriate notification (including notification of any dealing) was given and acknowledged, and for the director concerned to have written confirmation to that effect.

vi. During the periods of two months immediately preceding the preliminary announcement of the company's annual results and of the announcement of the half-yearly results together with dividends and distributions to be paid or passed a director should not purchase any securities of the Issuer nor should he deal in securities in the circumstances set out in basic principle 5 above; nor should he sell any such securities, unless the circumstances are exceptional, for example, where a pressing financial commitment has to be met. In any event he must comply with the procedure in Rule 2 of this Appendix above.

vii. Companies producing quarterly results should consult the Chief Executive on the formulation of modified dealing procedures appropriate to their case.

viii. The restrictions on dealings by a director contained in this code should be regarded as equally applicable to any dealings by the director's spouse or by on behalf of any infant child and any other dealings in which he has a material interest. It is the duty of the director, therefore, to seek to avoid any such dealing at a time when he himself is not free to deal.

ix. Any director of the Issuer who acts as trustee of a trust should ensure that his co-trustees are aware of the identity of any company of which he is a director so as to enable them to anticipate possible difficulties. A director having funds under managements should likewise advise the investment manager.

x. Any director who is a beneficiary, but not a trustee, of a trust which deals in securities of the Issuer should endeavour to ensure that the trustees notify him after they have dealt in such securities on behalf of the trust, in order that he is turn may notify the Issuer. For this purpose he should ensure that the trustees are aware of the companies of which he is a director.

17. A list of directors' dealing in the securities of the Issuer since the date of the previous list should be circulated to members of the board with the board papers.

18. The directors of an Issuer should as a board and individually endeavour to ensure that any employee of the Issuer or director or employee of a subsidiary company who, because of his office or employment in the Issuer or a subsidiary, is likely to be in possession of unpublished price-sensitive information in relation to the securities of any Issuer, deals in those securities in accordance with this model code.

ATTACHMENT 4 –
GUIDELINES TO SUSTAINABILITY REPORTING

Introduction

The DSE acknowledges its mandate to provide an orderly and fair market that enable proper price discovery. DSE also recognize as part to this, the need to ensure the market is sustainable, transparent and inclusive.

As investors increasingly understand the impact that Environmental, Social and Governmental (ESG) factors may have the ability of companies to create value over the long run, the DSE encourages its trading members and listed companies to consider disclosing relevant ESG information.

Given DSE's mandate and emphasis on disclosure by listed issuers, these Guidelines identifies investors as the key stakeholder group for Exchange-led ESG disclosure and focus on ensuring the availability of baseline investor-relevant decision useful information.

1. Policy Statement on Sustainability Reporting

1.1 The Guidelines on Corporate Governance Practices for Listed Companies in Tanzania (the "Guidelines") issued by the Capital Markets and Securities which is applicable to listed companies on a "comply or explain" basis, sets standard of corporate governance in Tanzania. The Guidelines provides among other things, that the Board is collectively responsible for the long-term success of company. The Board's role includes a consideration of sustainability issues, e.g. environmental and social factors, as part of its strategic formulation.

1.2 The DSE believes that sustainability reporting is an important aspect of holistic disclosure by listed companies. Issuers should assess and disclose the environmental and social aspects of their organisational performance, in addition to the financial and governance aspects that are already part of the customary and regulatory disclosure practiced.

1.3 The interaction with the communities in which the company operates, and its environmental and social interactions within such communities affect long-term organisational success. The company's relationship with its stakeholders drives the company to conduct its businesses responsibly. The DSE notes that corporate transparency on responsible business practices, particularly the environmental and social aspects, may not have been perceived as necessary or important in the company's reporting to stakeholders. To address this information gap, the DSE encourages listed companies to communicate with their stakeholders on their corporate footprint in the environmental and social realms.

1.4 This Policy Statement describes sustainability reporting and sets out broad principles to guide listed companies in formulating their sustainability reporting frameworks.

1.5 The DSE adopts a progressive approach towards sustainability and sustainability reporting, which balances global and local developments. The policy statement sets the baseline for holistic reporting going beyond corporate governance to social and environmental aspects.

2. Purpose of the Guide to Sustainability Reporting

Most of the DSE listed companies have yet to embark on sustainability reporting, perhaps due to considerations such as costs, reporting scope and lack of familiarity with the process. This Guidelines helps listed companies take that important first step, extending their reporting on corporate governance to environmental and social aspects of the company's performance.

2.1 Board Responsibility

The Board of Directors is responsible for the strategic direction of a company. This includes holistic integration of environmental, social and governance considerations in the company's strategy. In setting the company's values and standards, the Board works with management for a meaningful consideration of key sustainability issues throughout the organisation.

2.2 Comprehensive Risk Management Framework

2.2.1 Stakeholders are increasingly looking beyond standard corporate governance issues to the Board's management of environmental and social issues. Stakeholders'confidence will be enhanced by the company's demonstration of effective management of the environmental and social aspects of its business operations. The DSE considers that proper attention be given to the company's impact on the environment and society as part of the risks managed within a comprehensive risk management framework. The risks are both immediate and long-term. Accordingly, risk mitigation and reporting should be carried out.

2.2.2 Sustainability aspects may be organisational strengths. Companies with "Green Label" certification, socially-responsible processes, and who engage in preservation of biodiversity, demonstrate sustainability as corporate strengths. Engaging in sustainable business development contributes to the company's value and timely reporting should be done.

2.3 Performance Measurement System

An effective risk management framework should be accompanied by a performance measurement system that allows the company to benchmark its sustainability performance against stated objectives and facilitates comparison over time. This helps the company to identify areas for improvement and demonstrate accountability. Most sustainability reporting frameworks provide further guidance on the indicators which should be measured.

2.4 Sustainability Reporting

2.4.1 The DSE encourages the company to disclose its sustainability policy, including mitigation of risks, performance data and other material information which deepens stakeholders' understanding of corporate performance. Sustainability reporting complements financial disclosure to give a comprehensive account of how the company has performed. Companies should provide a balanced and objective view of their performances by including both positive and negative impacts.

2.4.2 Listed companies should strive for high standards of Sustainability Reporting. They should ensure quality disclosure and transparency, going beyond the mere form of reporting.

2.5 International Guidance

A vast body of literature is available for listed companies seeking detailed guidance on sustainability reporting. ISO 26000 – Guidance on Social Responsibility provides global guidance on concepts and principles relevant to social responsibility. The Global Reporting Initiative (GRI) Sustainability Reporting Guidelines provides a valuable framework to assist listed companies with sustainability reporting. DSE listed companies may adopt an approach best suited to their industry.

3. The Importance of Sustainability Reporting

3.1 In Raising Corporate Transparency

3.1.1 Sustainability reporting is a made-to-measure account of how environmental, social and economic considerations are embedded in the governance structure. It broadens organisational disclosure beyond traditional financial metrics and raises corporate transparency on environmental and social metrics.

3.1.2 Sustainability reporting allows a balanced and understandable assessment of the company's performance by stakeholders to facilitate corporate accountability, as promulgated by one of the principles under the Guidelines of Corporate Governance.

3.2 In Strengthening Risk Management

3.2.1 By looking beyond economic, strategic and operational factors to include social and environmental considerations, sustainability reporting will allow DSE listed companies to consider emerging risk areas and to identify opportunities presented by risks that are overlooked by other analytical and systems driven approaches.

3.2.2 A risk management approach that incorporates sustainability provides management with useful data for identifying emerging issues and developing appropriate responses that help protect corporate reputation and improve shareholder value.

3.3 In Promoting Stakeholder Engagement

Identification of and engagement with stakeholders are fundamental to sustainability reporting and are cited as critical steps by various international sustainability frameworks. Listed companies need to identify their stakeholders to effectively engage those that are interested in and affected by the company's sustainability performance. Given the varied nature and interests of stakeholders such as shareholders, employees, customers, suppliers and communities, stakeholder engagement enables the company to take into account the information needs of various stakeholders with regards to the disclosure of sustainability related information. The company must prioritize the stakeholders and respective issues to disclose.

3.4 In Improving Communications with Stakeholders

By broadening disclosure beyond financial disclosure to include non-financial disclosure of environmental and social interaction and impact, the company provides a framework for measuring non-financial performance. It also gives guidance on the opportunities and threats faced in managing non-financial risks. Sustainability reports can be used for benchmarking and assessing sustainability performance with regard to existing frameworks, demonstrating how the organisation influences and is influenced by expectations about sustainable development, and facilitating peer comparison over time. As such, sustainability reporting serves as a platform for improving communications with stakeholders.

3.5 Independent Assurance

Independent assurance increases stakeholder confidence in the accuracy and completeness of the information. External verification by independent professional bodies such as accounting firms would add credibility to the performance data and other information contained in the report. However, independent assurance is not a mandatory step in the process of sustainability reporting.

4. The Reporting Entity

4.1 As part of Continuing Listing Obligation, the Exchange requires all listed companies to take sustainability reporting as an integral part of governance, operating and reporting culture.

4.2 Sustainability reporting is particularly relevant for listed companies who:

(i) Operate in industries that are susceptible to environmental and social risks;

(ii) Operate in industries that produce significant environmental pollutants;

(iii) Are heavy users of natural resources; or

(iv) Are part of a supply chain where end customers demand that suppliers and contractors behave responsibly.

5. Quality of Report

5.3 Internationally Accepted Reporting Frameworks

5.3.1 The Exchange encourages the adoption of internationally accepted reporting frameworks, such as the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines, in disclosing the company's sustainability performance.

5.3.2 The GRI Sustainability Reporting Guidelines is globally applicable and sets out general principles and indicators that listed companies can use to measure and report their economic, environment and social performance. It is possible for listed companies to use the GRI framework without the obligation or need to engage external consultants. There is an entry-level template for first time reporters, which is designed to be accessible and easy to use.

5.4 Industry-Specific Reporting Frameworks

Some listed companies operate in industries that are extremely sensitive to environmental and social issues. Industries such as the oil and gas, mining and metal sectors have high environmental and social exposures and impacts that warrant specialised reporting frameworks for meaningful assessment of organisational risks and performance. These listed companies are encouraged to adopt industry-specific reporting frameworks, such as the framework promulgated by the International Council on Mining & Metals for the mining and metal industry, or the GRI Sector Supplements for selected industries.

5.5 External Assurance

5.5.1 Listed companies which have prepared sustainability reports may engage external assurance providers to conduct independent verification of the reports. Assurance on a sustainability report increases stakeholders' confidence in the accuracy and completeness of the information as well as adds credibility to the report. Assurance also acts as an important feedback mechanism to listed companies in improving the quality of their sustainability reports.

5.5.2 When selecting an assurance provider, the company should understand the nature of the assurance service that is being provided, the provider's skill and experience in providing such services, the rigour of the proposed assurance processes and the adherence to recognized standards. It is imperative that the assurance provider is independent of the report writer.

6. Clarity of Reported Information

6.1 A sustainability report is a made-to-measure account of the company's consideration and performance of environmental, social and governance issues. As such, the scope of sustainability reports can vary due to the company's unique characteristics, industry-specific concerns, and risks.

6.2 The DSE encourages listed companies to consider and provide disclosure on the following matters, where material to their business operations:

6.2.1 General

(i) Sustainability policy and goals, including milestones, plans for achieving goals, and long-term aspirations;

(ii) Corporate accountability and seniority of decision-making on sustainability issues;

(iii) Corporate stance on bribery and corruption;

(iv) Assessment of sustainability impacts, risks, or opportunities;

(v) Risk management policies and processes arising from environmental and social concerns;

(vi) Relevant laws, regulations, international agreements, or voluntary agreements with strategic significance to the organisation and its stakeholders, including fines, sanctions, prosecution, and accidents for non-compliance with environmental laws and regulation;

(vii) Issues and future challenges for the specific industry sector that the company operates in as observed by peers and competitors; and

(viii) Performance assessment against stated goals, peers, and industry benchmarks.

6.2.2 Environmental

(i) Climate change disclosures e.g. business or legal developments related to climate change mitigation or adaptation that may have an impact on the organisation;

(ii) Biodiversity management; and

(iii) Environmental management systems.

6.2.3 Social

(i) Labour practices and relations i.e., number of female staff in senior positions;

(ii) Diversity and inclusion of minority shareholders and women on the Board of Directors;

(iii) Programs and practices that assess and manage the impacts of operations on communities; and

(iv) Product responsibility policy and practices.

6.3 The governance aspect of sustainability reporting is well covered under the Guidelines of Corporate Governance and listed companies are required to adopt a comply-or-explain approach towards corporate governance disclosure in their annual reports. In the context of sustainability, governance also addresses the systems and procedures that an organisation has in order to manage economic, environmental and social performance.

6.4 The list above is not exhaustive, listed companies should refer to the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines for more comprehensive disclosure guidance.

6.5 Sustainability reporting is also relevant for listed companies who are preparing or intending to embark on sustainability. Listed companies are encouraged to disclose their assessment of business operations, state of preparations and plans in order to gear up for sustainability reporting.

7. Frequency of Reporting

7.1 Disclosure at Initial Listing

At the initial listing, reporting on sustainability issues gives a better understanding of the company. Together with the disclosure on governance, financial performance, risks as well as future prospects, sustainability reporting provides investors with a holistic presentation of the company's performance.

7.2 Disclosure as part of Continuous Listing Obligation

Risks arising from environmental or social concerns may form part of the uncertainties faced by the company. The company should make a comprehensive assessment of risks, including environment and social, in order to fulfill its risk disclosure obligation. For example, the company should disclose the risks arising from uncertainties where the application of environmental law is unclear. In addition, where environmental laws are widely crafted, the company should consider disclosing how it adheres to legal requirements, and how it intends to comply with the law on a continuous basis for investors. Any infringement, past and present, must also be disclosed, including how the company has dealt with the infringement and measures to ensure that such incident does not recur.

7.3 Disclosure on a Continuing Listing Basis

7.3.1 Under Rule 74 a listed company is required to disclose information which is necessary to avoid the establishment of a false market in its securities, or that would be likely have a material effect on the price or value of securities of that information. Disclosure of sustainability issues fall within the ambit of Rule 74.

7.3.2 If the company assesses that a particular piece of information is currently not material under Rule 74 but may have wider and long-term implications on organisational performance, the company should consider making disclosure in the context of describing the business environment in which it operates. If there is no sustainability impact, a negative statement would be informative.

7.4 Medium of Sustainability Reporting

DSElistedcompaniesareprovidedwiththeflexibilitytoadoptthemediumforsustainability reporting that is best suited and appropriate for their stakeholders and industry. When choosing the reporting medium, the company should consider factors such as the literacy rates of primary stakeholders, access to internet, and the environmental impact of printing documents.

7.5 Sustainability Reporting in Annual Reports

Instead of regarding environmental and social matters as separate issues, companies should present such disclosures in the Annual Report. To the extent that sustainability is deeply embedded within the corporate consciousness, a holistic presentation combining financial andnon-financialdisclosureswithintheannualreportisanaturalreflectionofthecompany's corporate practices.

7.6 Standalone Sustainability Reports

Companies may also opt for a dedicated comprehensive disclosure of environmental and social issues in standalone Sustainability Reports.

FOURTH SCHEDULE
MEMORANDUM AND ARTICLES OF ASSOCIATION

[Made under Rules 69 (O) and the Third Schedule]

GENERAL

The Regulations of all companies seeking Admission on Main Investment Market of the Exchange must contain the various provisions as set out in this Part. In addition to complying with the provisions of this Part, Applicant companies must comply with the provisions of the Companies Act, 2002.

These requirements for Memorandum and Articles of Association shall be applicable for companies to be listed under the Enterprise Growth Market segment.

CAPITAL

18. The Issuer shall not issue shares to transfer a controlling interest without prior approval of shareholders in general meeting.

19. A director may participate in an issue of shares to employees only if he holds office in an executive capacity and shareholders in general meeting have approved of the specific allotment to be made to such director.

20. The total proceeds from the issue of preference shares shall not exceed the total proceeds from the issue of ordinary shares at any time.

21. The rights attaching to shares of a class other than ordinary shares shall be expressed.

22. Whether the Issuer has power to issue further preference capital ranking equally with, or in priority to preference shares already issued, shall be indicated.

23. Preference shareholders shall have the same rights as ordinary shareholders as regards receiving notices, reports and balance sheets, and attending general meetings of the Issuer.

24. Preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital, or winding up, or sanctioning a sale of undertaking, or where the proposition to be submitted to the meeting directly affects their rights and privileges, or when the dividend on the preference shares is in arrears for more than six months.

25. Capital paid on shares in advance of calls shall not whilst carrying interest, confer a right to participate in dividends.

26. Offers of new shares to other than existing shareholders must be approved by an ordinary resolution of the Issuer in accordance with the Companies Act, 2002.

27. New shares shall be offered to the existing shareholders of the Issuer in proportion, as nearly as the circumstances admit to the amount of the existing shares to which they are entitled. The offer shall be made by notice specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to have been declined. After expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the directors may dispose of those shares in such manner as they think more beneficial to the Issuer. The directors may likewise so dispose of any new shares which (by reasons of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the directors, be conveniently offered under this sub-paragraph.

28. Subject to the provisions of the Companies Act, 2002, if any share certificate shall be defaced, worn out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the shareholder or by an LDM of the Exchange acting on behalf of their client, as the directors of the Issuer shall require, and (in case of defacement or wearing out) on delivery up of the old certificate and in any case on payment of such sum not exceeding Shs.500/= as the directors may from time to time require. In the case of destruction, loss or theft a shareholder or person entitled to whom such renewed certificate is given shall also bear the cost of the loss and pay to the Issuer all expenses incidental to the investigations by the Issuer of the evidence of such destruction, loss or theft.

FORFEITURE AND LIEN

The Company's lien on shares and dividends from time to time declared in respect of such shares, shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such monies are due and unpaid, and to such amounts as the Issuer may be called upon by law to pay in respect of the shares of the member of deceased member.

TRANSFER AND TRANSMISSION

1. The Issuer shall accept for registration transfers in the form approved by the Board including the electronic transfer of shares in the CSD.

2. Any fee charged by the Issuer for the subdivision, consolidation, exchange or registration of securities shall not exceed such rates as are from time to time specified by the Board.

3. There shall be no restriction on the transfer of fully paid securities which are admitted on the List or are to be Admitted on the List in the case of a limited liability company, except where required by law.

4. Any Regulations which entitle an Issuer to refuse to register more than three persons as joint holders of a share must be expressed to exclude the case of executors or trustees of a deceased shareholder.

5. The Issuer shall promptly notify the Exchange of any attachment or prohibitory orders restraining the Issuer from transferring securities out of the names of the registered holders thereof.

6. Transfers of fully–paid shares shall not be required to be executed by or on behalf of the transferee.

BORROWING POWERS

The scope of, or restriction on, the borrowing powers of the Board of Directors shall be expressed.

DIRECTORS

6. In addition to the provision of the Companies Act, 2002 dealing with the contents of the Regulations in respect of Directors, the following provisions must be complied with.

7. Where provision is made for the directors to appoint a person as a director either to fill a casual vacancy, or as an addition to the Board, any directors so appointed shall hold office only until the next following ordinary general meeting of the Issuer, and shall then be eligible for re-election.

8. Fees payable to non-executive directors shall be by fixed sum, and not by a commission on or percentage of profits or turnover.

9. Fees payable to non-executive directors shall not be increased except pursuant to a Resolution passed at a general meeting, where notice of the proposed increase has been given in the notice convening the meeting.

10. A director shall not vote in regard to any contract or proposed contract or arrangement in which he has directly or indirectly a personal material interest.

11. The Company's regulations must embody these Rules relating to the retirement and appointment of directors of a public company which are contained in the Companies Act, 2002.

12. A Managing Director shall be subject to the control of the Board.

13. The continuing directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the minimum number fixed by or pursuant to the regulations of the Issuer, the continuing directors may, except in an emergency, act only for the purpose of increasing the number of directors to such minimum number, or to summon a general meeting of the Issuer.

14. Where two directors form a quorum, the Chairman of a meeting at which only such a quorum is present, or at which only two directors are competent to vote in the question at issue, shall not have a casting vote.

15. The Company in general meeting shall have power by ordinary resolution to remove any director (including a managing or other Executive director, but without prejudice to any claim for damages under any contract) before the expiration of his period of office.

16. The Issuer may not make a loan to any director or to a close relative of director and may not give any guarantee or provide any security for any such loan made by any other person.

ACCOUNTS

The interval between the close of financial year of the Issuer and issue of the audited accounts relating to the said year shall not exceed three months.

WINDING UP

1. The basis on which shareholders would participate in a distribution of assets on a winding up shall be expressed.

2. On the voluntary liquidation of the Issuer, no commission or fee shall be paid to a liquidator unless it shall have been ratified by shareholders. The amount of such payment shall be notified to all shareholders at least seven days prior to the meeting at which it is to be considered.

3. WhereanyMiningCompanyiswoundupwithintwelvemonthsofitssharesbeingfirstAdmitted on the List on the Exchange, on a distribution of assets to shareholders share capital issued for cash shall rank in priority to share capital issued to vendors or promoters for consideration other than cash to the extent of the cash contribution.

ALTERATIONS OF REGULATIONS

Companies admitted on the List shall not delete, amend or add to any of their existing Regulations which have previously been approved by the Exchange, unless prior written approval has been sought and obtained from the Exchange for such deletion, amendment, or addition.

FIFTH SCHEDULE
SAMPLE BANK GUARANTEE

[Made under Rules 25 (2)]

(On Relevant Guarantor Bank's Letterhead)

(Date)

The Chief Executive
Dar Es Salaam Stock Exchange Limited
Floor 3, Kambarage House,
Ufukoni Street,
Dar Es Salaam
Tanzania

Dear Sir/Madam

BANK GUARANTEE in terms of Dar Es Salaam Stock Exchange Rule 25 (3)

Whereas …… [insert here the name of the Applicant to Dar Es Salaam Stock Exchange Membership], hereinafter the "DSE Applicant Member", having its registered office at ……[insert here the DSE Applicant Member's Registered Office address in Tanzania] has been approved in principle by the Board of Dar Es Salaam (hereinafter the "DSE") as a DSE Licensed Dealing Member / CSD Member [delete as appropriate] to effect trades and clear and settle transactions on DSE or on the DSE's Central Securities Depository or to provide custodial services and otherwise operate on the DSE CSD in its aforesaid capacity of a DSE Member.

Whereas the DSE has agreed to admit the DSE Applicant Member subject to furnishing the DSE with a TZS ….Million Bank Guarantee (depending on the type of the member);

And whereas the DSE Applicant Member has applied to this _____ Bank [insert here the name of the Guarantor Bank providing the Guarantee], hereinafter referred to as the "Guarantor Bank"

NOW THEREFORE

The Guarantor Bank issues this irrevocable guarantee in favour of DSE on terms and conditions indicated below and in compliance with the DSE Rules.

3. This financial guarantee shall have validity and effect for a period of one year with effect from the date of issue .

4. This financial guarantee shall be renewable on annual basis.

5. This financial guarantee shall cover defalcation, loss to clients whose accounts are held through the DSE Applicant Member as a Custodian, or non-compliance with the financial obligations owed by the DSE Applicant Member under the DSE Rules.

6. The Guarantor Bank shall be liable not only for the DSE Applicant Member's financial obligations towards its clients, but also for any other financial obligation that may subsequently arise under the DSE Rules from this Guarantee.

7. The Guarantor Bank irrevocably guarantees and undertakes to pay immediately on first demand by DSE, waiving all rights of objection and defence, without examination of the underlying transaction/s, any amount up to a maximum of TZS …… million (Tanzania Shillings …… only) (depending on the type of the member); without any reservation, protest, demur and recourse. Any such demand made by the DSE shall be conclusive and binding on the Guarantor Bank irrespective of any dispute or difference raised.

8. This Guarantee is exclusive to the DSE, is not assignable and is governed and construed by Tanzanian law

In witness whereof the Guarantor Bank, through its authorized officer/s has set its hand and stamp on this ……day of…..……. 20…… at Dar Es Salaam, Tanzania

Name: …….

Signature:……..……..

Designation…….…….

Bank's Common Seal

WITNESS

Name: …….

Signature:……..……..

Designation…….…….

Applicant Member Common Seal

SIXTH SCHEDULE
FORM OF CERTIFICATE BYTHE SPONSORING MEMBER

[Made under Rule 67 (2)]

We……being an LDM of the DSE confirm that we have perused all the documents accompanying this Application and have counter checked all stated facts and items ofInformationandaresatisfiedthatonthebasisofalldisclosedinformation,thesecuritiesaresuitable for Admission.

Signed (by Member)

.....

Director

.....

Signed - Director/Secretary

.....

Date

.....

SEVENTH SCHEDULE
AGREEMENT FOR PROVISION OFADVISORY SERVICES

[Made under Rule 79 (1)]

This Contract is mad this…… day of ……. 20……..

BETWEEN

…… …. of P.O Box ……, …… (hereinafter referred to as "the Issuer") of the one part

AND

…….. of P.O Box ……, …… (hereinafter referred to as "the Nominated Advisor") of the other part.

WHEREAS the Issuer is desirous of applying for Admission on the List of its securities at the Dar Es Salaam Stock Exchange under the Enterprise Growth Market Segment (EGM);

AND WHEREAS the Issuer shall be bound by the DSE Rules which requires the Issuer to appoint a Nominated Advisor.

AND WHEREAS the Nominated Advisor having assured the Issuer of its possession of a license issued by the Capital Markets and Securities Authority (CMSA) to practice as such;

AND WHEREAS the Issuer is willing to engage the services of the Nominated Advisor.

NOW THEREFORE, in consideration of payment of the necessary service fees the parties named herein, hereby covenant and agree as follows:

8. That the Issuer agrees and undertake to pay to the Nominated Advisor service fees mentioned in the schedule attached herewith and forming part to this agreement.

9. That the Nominated Advisor shall ascertain the readiness of the Issuer for the EGM and appraise the CMSA and DSE of the fact.

10. That the Nominated Advisor shall, either by himself or in consultation with other experts, appraise the project for the purpose of seeking Admission on the List of the Company in the EGM.

11. That the Nominated Advisor shall certify/confirm to the CMSA and DSE that the Issuer is a viable investment and that the pricing of its shares was objectively determined.

12. That the Nominated Advisor shall remain and continue advising the Issuer as long as it is Admitted on the List in the EGM.

13. That the Nominated Advisor shall all the time have in place staff that are trained and qualified to act in a corporate finance advisory role to Issuer.

14. Nominated Advisor shall be accountable to CMSA under the terms of its licenses and to DSE under its Rules.

15. That the parties undertake that in the event of any disputes arising out of or in connection with this Agreement they shall always ensure that such disputes are resolved amicably.

16. That in the event the dispute fails to the settled amicably the parties to this Agreement shall resort to the same arbitration procedures prescribed under the DSE Rules for disputes between LDMs (Rule 0 - Resolution of disputes between Members). These procedures shall be applicable to any disputes between the Nominated Advisor and the Issuer.

17. That the parties to this Agreement further agree that all claims, differences and disputes arising out of or in relation to this Agreement if cannot be resolved amicably and having exhausted the above arbitration procedures of the DSE shall be subject to the exclusive jurisdiction of the High Court of Tanzania.

IN WITNESS WHEREOF the parties have caused these presents to be executed as of the day and year first above written.

SIGNED and DELIVERED by the said Issuer.....

Issuer's Representative

On this.....day of..... 20.....

Name: ……..

Postal Address.....

……..…

Qualification: .....

In the presence of (Witness):

Name:……

Signature: .....

Postal Address: .....

……

Qualification: .....

SIGNED and DELIVERED by the said Nominated Advisor.....

Nominated Advisor's Representative

On this.....day of.....20.....

Name: ……

Postal Address: .....

……

Qualification: ....

In the presence of (Witness):

Name: ……

Signature: .....

Postal Address: .....

……

Qualification: .....

EIGHTH SCHEDULE
NOMINATED ADVISOR UNDERTAKING

[Made under Rules 81 (2) and the Second Schedule]

Date: ……..……..

The Chief Executive Officer
Dar Es Salaam Stock Exchange
P.O Box 70081
Dar Es Salaam

RE: [NAME OF APPLICANT]

We are qualified to act as a Nominated Advisor. We have been appointed and have agreed to act as Nominated Advisor to the above Applicant which is seeking admission to the Enterprise Growth market ("EGM").

After carrying out due and careful enquiry, we confirm to the DSE that theApplicant:

x. is suitable for Admission on the EGM and in particular that the Applicant will not endanger the reputation or integrity of the EGM;

xi. has established procedures which provide a reasonable basis for its directors to make proper judgements as to its financial position and prospects; and

xii. has directors who understand the nature of the responsibilities they will be undertaking in respect of an Issuer which is admitted on the EGM.

In making the above assessments, we confirm that we have considered and documented the matters set out in the attachment to this undertaking.

Furthermore, we agree as Nominated Advisor to:

i. liaise with the DSE about any matters arising in connection with the Applicant and to submit all necessary documents to the DSE;

ii. continue to advise the Issuer for as long as any it remains as the Nominated Advisor during the Application process and at all times thereafter following an Issuer's Admission on the EGM provided it is satisfied that the Issuer is not a danger to the reputation or integrity of the market;

iii. List; and

Inform the Exchange in writing immediately upon its resignation or dismissal as a Nominated Advisor to an Issuer.

Allow the DSE to examine any documentation pertaining to Attachment 1 below.

The above undertaking has been signed by us this …… day of ……. 20.…

Name: ……..……...

Authorised Signatory: ……..…

Position: ……..……

ATTACHMENT TO THE EIGHTH SCHEDULE

(to be part of the Undertaking)

In making the assessments in the Nominated Advisors undertaking, the Nominated Advisor must confirm that it has considered and documented the matters set out below:

17. The legality of the Applicant's incorporation. Any foreign company operating in Tanzania is duly registered for such purposes.

18. Whether the Applicant is currently in breach of any relevant legal or regulatory requirements, including any other stock exchange upon which the Applicant is quoted. Where an Applicant is regulated by an industry regulator it shall obtain comfort letters from institutions regulating their operations.

19. The suitability and transparency of the Applicant's capital structure.

20. All required authorisations with respect to submission for approval by the Exchange and publication of any prospectus and to the changes in the Issuer's structure.

21. Any underwriting arrangements

22. The ability, suitability and integrity of the Applicant's directors and their willingness to adhere to these Rules of a public market.

23. The suitability and integrity of the shareholders at the time of Admission on the EGM and in particular that there are no conflicts of interest between the substantial shareholders, the company and shareholders in general, including Connected Persons.

24. The integrity, payments (including in kind payments), disclosures, conflicts of interests of any promoters and that no shadow directors exist.

25. The suitability of theApplicant's corporate governance regime.

26. The viability of the Applicant's business plans and appropriate stress testing of such plans has been undertaken for at least the next three years.

27. The sufficiency of the Applicant's working capital taking into account the stress testing of the business plan for at least the next 12 months.

28. The commercial market in which the Applicant operates.

29. Any profit forecast is based on a proper assessment of the business prospects of the Applicant. Suchprofitforecastneedstoincludebeentheaccountingpolicies,assumptionsandcalculations, and examined and reported upon by the reporting accountants,

30. The Applicant has all appropriate rights, patents and intellectual property rights to discharge its business.

31. The Memorandum and Articles of Association of the Applicant are suitable for a publicly listed company and allow the free transferability of the securities to be Admitted on the EGM.

32. TheApplicanthasappointedsuitablyqualifiedindependentauditorsapprovedbyanappropriate domestic or international professional body and produces its accounts in accordance with the International Financial Reporting Standards. In particular, appropriate "Chinese walls" must exist between the auditor and any reporting accountants.

33. The Applicant has appointed suitably qualified independent reporting accountants, lawyers, registrars.

34. Where the Applicant's business requires (for example but not limited to mining, high tech, pharmaceutical), specialist independent technical advice has been retained to confirm its suitability.

35. The independence of the Nominated Advisor.

36. The Applicant's financial controls, internal reporting mechanisms and ability to comply with its on-going obligations.

37. All appropriate risks are properly disclosed to the market.

38. Whether there are any other matters in respect of the Applicant which could prove prejudicial to the interests of investors and/or endanger the reputation and integrity of the EGM.

NINTH SCHEDULE

TICK SIZES

(Made under Rules 179 (2) and 205 (2) (e))

Stock Price (TZS)	**Tick Sizes (TZS)**
Less than 1,000	5.00
1,000 and above	**10.00**

TENTH SCHEDULE TRADING PHASES

(Made under Rules173 (3) and 197)

Phase	Timing
Phase 1: Pre-Opening:	As defined in circulars issued by the DSE
Phase 2: Open-Auction	For 30 minutes after the pre-open
Phase 3: Continuous trading	For six and a half hours after the Open-Auction
Phase 4: Close	Five hours after the Open-Auction

The Timing Applicable in the Tenth Schedule

Phase	Timing
Pre-Opening	9:00 a.m. – 9:29 a.m.
Opening Auction	9:30 a.m.
Continuous	9:31 a.m. – 4:00 p.m.
Close	4:00 p.m.

ELEVENTH SCHEDULE

LETTER OF UNDERTAKING TO COMPLYWITH DSE AND CSD RULES

[Made under Rules 56 (6) and 68]

The Chief Executive Officer

Dar es Salaam Stock Exchange PLC,

P.O. Box 70081

DAR ES SALAAM

……...

(Name of Company)

In consideration of the Dar es Salaam Stock Exchange PLC ("the Exchange") allowing the Company's to list its securities described in the Company's form of Application HEREBY UNDERTAKE AND AGREE to comply with the continuing obligations of having the securities listed and deposited in the CSD of the Exchange set out in the Annex to this Undertaking, as amended or supplemented from time to time by the DSE and CSDR Rules.

The above Undertaking has been signed by us;

As Director - [insert name]:	
Secretary [Name]	
Pursuant to authority granted to us by Resolution of the Board of Directors of the Company on	
Date	
Signature	
	Director
Signature	
	Director

TWELFTH SCHEDULE

APPLICATION FOR A DECLARATION OF DEFAULT

[Made under Rule 259 (2) (b)]

Default Number	
Name of the Applicant	
Registered Address	
Investment Held: Number of Shares/Bonds held and Name of Security	
Default being declared	
Defaulting LDM	

I/We ..... apply for the declaration of default to the DSE following the failure

by ..... LDM to honour my/our claim(s).

Signed (by Member)	
	Director
Signed - Director/Secretary	
Date	

THIRTEENTH SCHEDULE

APPLICATION FOR COMPENSATION

[Made under Rule 262 (2)]

Name of the Applicant .....

Registered Address

.....

Details of Compensation .....

Investment Held: Number of Shares / Bonds held and Name of Security .....

Total claim .....

Default being declared .....

Defaulting LDM .....

I/We .....

apply for the compensation of TZS. ..... arising from the failure by the DDM

..... to honour my/our claim(s). The application is based on the Declaration of

Default Number. ..... dated.....

Authorisation by the DSE:

Chief Executive Officer / Board Chairman .....

Date .....

FOURTEENTH SCHEDULE

GUIDELINES FOR ISSUANCE OF SUSTAINABLE BONDS

(Made under Rules 2, 101(1) and 102 (2) (e))

1. Introduction

Globally, the growth of the Green, Social and Sustainability (GSS) Bond market has been exponential over the past 10 years. USD700bn worth of GSS instruments was issued in 2020, almost double the prior year which stood at USD358bn. At the end of 2020, the year of the Covid-19 pandemic, the sustainable debt market had reached USD1.7tn, and almost 10,000 instruments had been issued under GSS labels since 2006[1].

Green, Social, Gender, Sustainability, Sustainability-Linked and other sustainability-themed bonds (collectively referred to by DSE as 'Sustainable Bonds') are a tool that can offer the Tanzanian capital market an opportunity to leverage private capital at scale towards building a more climate resilient and sustainable economy.

Green and other Sustainable Bonds bring several benefits both to issuers and investors. For issuers, Sustainable Bonds may increase investor diversification and bring reputational benefits. It may also offer better pricing given the demand for Sustainable Bonds and some corporate issuers claimed to have achieved a lower cost of capital. This trend has so far been possible to demonstrate for bonds denominated in Euros and Dollars as the Sustainable Bond demand to date has been stronger from international investors[2].

Investors on the other hand recognise the enhanced risk management and improved long term financial returns that are possible when investing in Sustainable Bonds. It also helps them meet commitments made on sustainable investment.

2. Additional steps associated with Sustainable Bond issuance

TheseSustainableBondGuidelinesshallbereadinconjunctionwiththefixedincomerequirements in Division IV (Listing Rules for Debt Securities) of these Rules. All standard requirements related to fixed income instruments applies, with the addition of the content indicated in any paragraph making specific reference to Sustainable Bonds.

Once structured, Sustainable Bonds may be issued like regular bonds, either by making an offer to the public or by way of a preferential offer.

2.1Submission of listing application

The additional requirements related to the Sustainable Bonds can be described in general terms as per below:

(i) The issuer must meet the fixed income rules/guideline requirements for listing on the exchange and prepare the admission documents accordingly, for submission to the exchange as part of its listing application.

(ii) The admission documents must provide detailed information on the intended Green/Social/ Sustainability nature of the bond and the allocation of the proceeds, typically this is captured in the issuer's Green/Social/Sustainability Bond Framework and verified by the External Reviewer.

1 Climate Bonds Initiative (2021): Sustainable Debt Global State of the Market 2020

2 Climate Bonds Initiative (2019, 2020): Green Bond Pricing in the Primary Market 2020, 2021.

(iii) A copy of the External Reviewer's report referred to as the pre-issuance verification report, completed by a qualified External Reviewer, should also be submitted to the Exchange at the time of application. The Climate Bonds Initiative maintains a library of Green Bond Frameworks, External Reviewers' Reports and Green Bond Annual Reports which can be helpful for new issuers to take a look at: https://www.climatebonds.net/bond-library

(iv) In the case of a public offer, the Issuer will also need to submit a Prospectus in line with the Rules and Regulations and the Prospectus would include information pertaining to the green/ social/sustainability aspects of the bond in line with the issuer's Bond Framework.

2.2 Post-listing requirements

(i) Following the listing of the Sustainable Bond on the exchange, the issuer would follow the standard ongoing obligations in terms of general obligations, submission of financial statements and reports and notifications as per these Rules.

(ii) In addition to the post-listing requirements as per the Rules, Sustainable Bond issuers shall provide information about the intended and actual use of proceeds at least once per year for the duration of the bond (the Annual Sustainable Bond Report). As per international best-practice, he first annual report should be supplied within 12 months following the listing of the bond.

(iii)It is at the issuer's discretion to choose its preferred reporting format, however the reporting content is guided by the required content areas of the issuer's Green / Social / Sustainability Framework. The Climate Bonds Initiative maintains a library of Green Bond Frameworks, External Reviewers' Reports and Green Bond Annual Reports which can be helpful for new issuers to take a look at: https://www.climatebonds.net/bond-library

Figure 1: Below is an illustration of the general pre-issuance, issuance and post-issuance process for a Sustainable Bond. The yellow boxes indicate key steps that are additional as compared to the regular bond issuance process.

1. PRE-ISSUANCE: Identify qualifying green and social projects and assets to be financed (establishing the use of proceeds)	**2. ISSUANCE: Preparing and making the Offer**	**3. POST-ISSUANCE: Monitoring and Reporting**
a) Develop the issuer's Sustainable Bond Framework - Setting out the policies and procedures governing the Bond, including:	a) Preparing the relevant documentation, depending on the type of offer	a) Management of the proceeds in line with the Issuer's Green / Social / Sustainability Bond framework
b) Establishing the process for project evaluation and selection	b) Obtaining regulatory approval for the offer	b) Annual reporting to bondholders, regulator on the allocation of resources to the Green / Social / Sustainability projects
c) Establishing how the proceeds will be managed	c) Investor deal road show	c) The issuer may also report on selected KPIs to provide an update of the status of the Green / Social / Sustainability projects
d) Undertake the External Review (done by an Independent Verifier, contracted by the issuer).	d) Opening the offer followed by offer distribution and allocation	

3. International Guidelines and Additional Resources

The two main international guidelines and standards related to Sustainable Bond issuance are the Green Bond Principles and the Climate Bonds Standard.

The Green Bond Principles (GBP) or the Social or Sustainable Bond Principles are a set of underlying global principles for green bond issuance and disclosure process. They are an industry-led initiative convened by the International Capital Market Association (ICMA), promoting the Use of Proceeds for green and social projects. The Green Bond Principles were launched in 2014 and gets revised on a yearly basis.

The ICMA's (Green/Social/Sustainability) Principles focus on the process for labelling the Bonds and provide potential issuers with guidance around four core principles:
1. Use of Proceeds
2. Process for Project Evaluation and Selection
3. Management of Proceeds
4. Reporting.

https://www.icmagroup.org/sustainable-finance/resource-centre/

Additionally, the GBP provides high level (green) project categories. These categories can be complemented by taxonomies such as those provided by the Climate Bond Initiative, Multilateral Development Banks and Regional and National taxonomies, such as the EU and the South African Green Taxonomy.

The GBPs are **based on the four pillars outlined below** and has become the de facto minimum expected standard for Sustainable Bond issuances globally. The four pillars guide the content of:
-- the issuers Sustainable Bond Framework;
-- the focus areas of the External Review, and; -
- the issuer's Annual Sustainable Bond Report.

Pillar 1: Use of Proceeds Identify the set of 'green' and/or 'social' projects and assets to be financed by the proceeds from the bond issuance	**Pillar 2: Process for project evaluation and selection** The process for selecting and evaluating eligible green and social projects
Pillar 3: Management of Proceeds Define the process for tracking, allocating and spending the proceeds of the bond	**Pillar 4: Reporting** Determines 'what' and 'how often' issuers have to disclose information to investors. This includes Key Performance Indicators (KPIs) as well as associated methodologies for calculating the KPIs.

The Climate Bonds Initiative (CBI)

The International Climate Bonds Standard is a standard for Green Bonds that is consistent with the Green Bond Principles with a set of sector-based criteria that lay out clear definitions (thresholds and requirements) which are used in the certification of green assets and projects. Certification under the Climate Bond Standard confirms that the bond, loan or debt instrument used to finance a project that is:

• fully aligned with the Green Bond and/or Green Loan Principles;
• uses best practices for internal controls, tracking, reporting and verification and;
• financed assets are consistent with achieving the goals of the Paris ClimateAgreement.

CBI maintains a library of Green Bond Frameworks, External Reviewers' Reports and Green Bond Annual Reports which can be helpful for new issuers to refer to: https://www.climatebonds.net/ bond-library

CSDR
Settlement & Custody

THE CENTRAL SECURITIES DEPOSITORY RULES, 2022

Prepared by the Dar es salaam Stock Exchange PLC

Approved by the Capital Markets and Securities Authority on the 3rd day of **December 2021**

(BOOK TWO)

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PART I
PRELIMINARY PROVISIONS

Citation and Applicability

1. (1) These Rules may be cited as the **Central Securities Depository (CSD) Rules, 2022**.

(2) These rules govern the procedures to be applied in performing the functions relating to CSD and shall be binding on all parties transacting with the CSDR. Any amendments to these rules shall be binding on all parties.

Interpretations

2. In these Rules unless the context require otherwise-

"Accrued Interest" means the amount of interest which has accumulated in respect of an interest-bearing security from the last payment up to settlement day;

Cap. 79

"Act" means the Capital Markets and Securities Act;

"Admission/Admitted on the List" means a security which is being / has been admitted to a quotation on either the Main Investment Market segment or the Enterprise Growth Market segment of the Dar es Salaam Stock Exchange PLC (whether or not trading actually takes place on the DSE);

"Annual Accounts" means the financial statements for the year in question including the balance sheet, the profit and loss account, cash flow statements, directors' report and the notes to the accounts;

"Applicant" means a new Applicant/existing Issuer applying for securities to be deposited on the CSD or a new Applicant for Membership, as the context may permit;

"Authorised Central Depository System Operator" means a licensed dealing member of the CSD or any other institution approved by the Board of the CSDR to open and operate Central Depository System accounts upon instructions of investors or to operate its own account;

Cap.79

"Authorised Dealers' Representative (ADR)" means a natural person licensed in accordance with CMS Act, and permitted by the Authority to carry on the business of agency trading or dealing in securities using the facilities of the DSE and CSDR on behalf of the LDM;

Cap. 79

"Authority" means the Capital Markets and Securities Authority ("CMSA") established under the Capital Markets and Securities Act;

"Best Market Price" means the current highest bid and the lowest offer in a specific security;

"Bid" means an order submitted by an LDM to the DSE to buy securities at a certain price referring to a price which a buyer is willing to accept for his securities;

"Block Certificate" means a single certificate issued by a Registrar of an Issuer representing a large number of securities for holders grouped together (in a fungible form).

"Block Trade" means a single lot of any security Admitted on the List with a value exceeding TZS 1 billion which is sufficiently large to exceed the capacity of the market;

"Board" means the governing organ of the CSDR;

"Bond Registrar" means the holder of the register for a bond who shall also be the Transfer Agent;

"Book-entry" means the entries made on computer database, within the Central Depository System, to record the final legal ownership or change of ownership of securities;

"Borrower" means a holder who has mortgaged securities held or to be held in the Central Depository System as collateral against a loan;

"Business Day" means any day in the week that is not a Saturday or Sunday, or gazetted holiday, or announced by the Exchange in a general notice;

"Capital" mean share capital including preference shares;

"Central Securities Depository (CSD)" or "The Depository" or "CSDR" means the CSD & Registry Company Limited, a subsidiary company of the DSE which holds the definitive and authentic record of securities in immobilised or dematerialised form, to enable book-entry transfer of securities;

"Central Depository System or CDS" means the book-entry ledger system used by the CSD;

"Constituent" means components of the indices;

"CSD Members" means a member who is authorised by the Board to access the CDS for purposes of clearing, settlement, depository and registry operations;

"Chairman" means the Chairman of the Board of the CSDR;

"Managing Director" means the Managing Director of the CSDR;

"Clearing/Settlement Bank" means a commercial bank designated by the DSE/CSDR to settle transactions on behalf of LDMs and CSD Members;

"Contract Note" means a note containing the details of a transaction concluded at the DSE as required by the DSE Rules and settles in the CSD;

"Client Depository Account" means a record in ledger form describing the details of securities investments held by a client in the CSD;

"Client Reference Number" means an identification number designated for a client by an Authorised Central Depository System Operator;

"Close" means the time at which the market is no longer available for continuous trading;

Cap.79

"CMS Act" means Capital Markets and Securities Act;

"Committee" means a Committee set up by the Board dealing with the matters included in its terms of reference as the context requires;

"Connected Persons" means-

(a) in the case of Members, the directors, shareholders, ADRs and first generation of family relatives of these parties;

(b) in the case of Listed Issuers, the directors and first generation of family relatives of these parties;

"CSD Receipt" means a non-negotiable document issued by the CSD at the request of a CSD account holder representing-

(a) the deposit or purchase of securities;
(b) a debit advice (covering sales or transfers) of securities;
(c) as recorded in a CSD account on a given date;

"Custodian" means a legal person that acts as a custodian of securities, regulated by the CMSA, admitted as a CSD Member of the Depository;

"DATS" means the DSE Automated Trading System;

"DATS Trader" means a natural person permitted by the Exchange to exclusively trade on behalf of an LDM;

"Date of Default" means the date when the LDM or CSD Member has been declared to be in default pursuant to these Rules;

"Default Notice" means such notice as may be issued by the Depository announcing the declaration of default;

"Delivery versus Payment" means the settlement process defined in Part VIII of these Rules;

"Deposit" means the delivery and transfer of securities by a client to CSD custody, through a CSD Member;

"Depository" or "CSD" means the CSD & Registry Company Limited, a subsidiary company of the DSE which holds the definitive and authentic record of securities in immobilised or dematerialised form, to enable book-entry transfer of securities;

"DSE" means the Dar es Salaam Stock Exchange Public Limited Company, authorized by the Authority;

"Discretionary Account" means an account in which the client gives an LDM a discretion which may be general or specific as to the purchase or sale of securities including selection, timing and price to be paid or received;

"EAC" means the East African Community;

"Electronic Securities Service Provider" means any person approved by the Authority to offer securities services through an electronic platform;

"Enterprise Growth Market segment (EGMs)" means a market segment within DSE for securities-such as those of starter up, small and medium sized enterprises;

"Exchange" means the DSE;

Cap.212

"Financial Year" means the period covered by the Company's financial statements prepared for the purposes of the Companies Act;

"Foreign Investor" has the same meaning as under the Capital Markets and Securities (Foreign Investors) Regulations 2003;

"Fund" means a REIT or other collective investment scheme Admitted on the List;

"Fungible" means all securities deposited at the CSD of the DSE that are freely interchangeable with another in satisfying an obligation;

"Government" means the Government of the United Republic of Tanzania;

"Group" means an Issuer and its subsidiaries;

Cap.212

"Holding Company" has the same meaning given under section 126 of the Companies Act;

"Institutional Investor" means a legal person conducting investment business;

"Initial Public Offer (IPO)" means the initial issuance of securities to the public on the primary market with potential for listing and trading at the DSE;

"Issuer" means a public company or other legal entity whose securities are listed at the DSE and deposited at the CSD or are the subject of an application for listing and deposit of its shares at the CSD or any entity with a potential for listing or depositing shares;

"Lender" means a party who accepts securities held in the CDS as collateral in respect of a loan, under the procedures laid down in the CSD Rules;

"Licensed Dealing Member (LDM)" means persons licensed by the Authority to deal in securities and admitted to CSD membership by the Board;

"List" means all the securities traded on the DSE and deposited in the CSD;

"Listed" means Admitted on the List of the DSE and deposited in the CSD (except where the context requires otherwise); "listing" being construed accordingly;

"Listed Company" means a company, any part of the shares of which has been listed and deposited in the CSD;

"Listed Securities" means all the securities of that class that are listed and deposited in the CSD;

"Debt Securities" means interest bearing securities which do not have a share in the equity of the company;

"Market Imbalance" means a situation in the Pre-open Market when the best bid is higher than the best offer;

"Market Index" means a statistical measurement of the performance of a particular group of securities, using a clearly defined set of Rules of the DSE;

"Market Order" means an order which does not have a specified price when it is posted for execution. This type of order will be executed automatically at the best price obtainable and will have priority over limit order at the same price levels and assumes an initial price limit value normally based on the price most advantageous in the market. A Market Order trades through a range of prices starting at the best price in the market;

"Market Official" means the Exchange official who manages the operations of the DSE in accordance with the DSE Rules;

"Main Investment Market segment (MIMs)" means the main market segment of DSE which is designed for larger and more established companies;

"Member" means an authorised LDM, CSD Member, Registrar, Nominated Advisor who is approved by the Board;

"Mobile Phones Network Operators (MNO)" means a company that provides services of wireless communications to end users. Also, known as wireless service provider;

"Mortgage of Securities" means the use of securities held at the CSD to guarantee performance by a borrower of a contract between borrower and lender;

"Net Capital" shall be the greater of the amounts prescribed by the CMS (Accounting and Financial Requirements) Regulations,1997asmaybemodifiedbytheAuthority from time to time;

"Net Turnover" means the amount derived from the sale of products and the provision of services falling within an undertaking's ordinary activities after deduction of sales rebates and any taxes directly linked to turnover;

"Netting" means a process by which gross, or trade-by-trade obligations between counterparties in a transaction are settled by a single transfer of the net amount of funds;

Cap.79

"Nominated Advisor" shall have the same meaning given under the Capital Markets and Securities Act;

"Non-Compliant Board" means a board for securities that do not meet the DSE Rules;

"Non-Dealing Member" means a Registrar, Nominated Advisor or CSD Member;

"Normal Lot" means a standard number of shares for a specific security which can be traded on the market as may be determined by the Exchange;

"Odd Lot" means any number of shares that is less than a Board Lot for a specific security;

"Offer" means an order submitted to the DSE by an LDM to sell securities at a certain price, referring to a price which a seller will accept for his securities;

"On Exchange" means a transaction in security Admitted on the List of the DSE concluded on DATS;

"Opening Algorithm" means a calculation as set out in these Rules used at the time of opening the trading session to calculate an Opening Price for each security;

"Opening Auction" means the process in DATS, by which the Opening Price is calculated;

"Opening Price" means the reference price for each security at the start of continuous trading;

"Order" means a bid or an offer submitted to DATS by an LDM to buy or sell securities;

"Platform Host" means an electronic securities service provider authorized by DSE to offer securities services through MNOs;

"Pre-Arranged Trades" means Block Trades where the buyers and sellers have been identified prior to execution on DATS;

"Pre-Opening" means a state during the trading session, for equities only, where DATS Traders can enter limit price orders and view order quantity imbalances but during which no orders are executed;

	"Prescribed Territory" shall have the same meaning as under the Capital Markets and Securities (Foreign Investors) Regulations 2003; "Price" means the unit price of a security; "Private Transfer" means a transfer of securities which does not involve monetary consideration as set out in these Rules; "Protection Price" means a fixed percentage on the Touchline Price, re-calculated every time a new market order is submitted to the order book; "Recognised Stock Exchange" means a stock exchange other than the DSE recognised by the Authority; "REITS" shall have the same meaning as under the Capital Markets and Securities (Collective Investment Schemes) (Real Estate Investment Trusts) Rules, 2011; "Registrar" means an entity entrusted by the Issuer to keep records of securities holdings; "Rules" means these Rules of the CSD and Registry Company Limited (as amended from time to time); "SADC" means the Southern Africa Development Community;
Cap.79	"Securities" includes securities as defined under the Capital Markets and SecuritiesAct; "Settlement Day" means the day designated for delivery versus payment settlement for a trade or other transfer as defined in these Rules; "Settlement Initiation" means the process to start the delivery of securities upon receipt of payment confirmation from settlement banks. "Settlement Time" means- (a) for payments, no later than 9.00 a.m.; (b) for securities within five minutes of the CSDR receiving confirmation of cleared payments from the Clearing Bank on each Business Day; "Short Sale" means a sale of a security when the seller does not own the security, or have an exercisable right of sale;
Cap.212	"Subsidiary Company" means a subsidiary company as defined by the Companies Act; "Symbol" shall mean the acronym that identifies the security being traded. "T+" means transaction date (T) plus the configurable number of specified Business Days for settlement; "Touchline Price" means the highest bid or lowest offer price in the order book at a specific point in time. If bids or offer are unavailable for the day, the touchline is defined as the previous closing price. For the first day of trading following an Admission on the List the Touchline Price is defined as the issue price; "Trade" means a bid and an offer which have been either wholly or partially executed or reported to conclude a contract under CSD Rules; "Trade Range" means the price range established by the Exchange from time to time within which a trade can take place on the market;

	"Trader" means a DATS Trader; "Trading Session" means the designated period during which orders can be executed, amended, cancelled and traded as set out in the Third Schedule;
Cap.79	"Trust Account" means a bank account opened and maintained by a Licensed Dealing Member of the DSE into which all clients money is deposited as required under the Capital Markets and Securities Act; "Verification" means the process of confirming the facts regarding a client's claim to a security on the CSD and the status of the holdings; "VWAP" means the total value traded divided by the total volume traded for each security.

PART II

LEGAL AND CONTRACTUAL FRAMEWORK

Establishment of the CSDR

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3. Section 75 of the Companies Act requires the DSE to have Rules for appropriate custody of securities deposited into the CSD and further, such Rules are to be approved by the Authority.

Custodian of Securities

4. (1) The CSDR shall be the custodian of securities for companies listed on the DSE and shall in that regard-

(a) provide securities accounts and may operates a Securities Settlement System;

(b) provide central safekeeping and asset services, which may include the administration of corporate actions and redemptions;

(c) help to ensure the integrity of securities deposited in its central securities system;

(d) be the official securities registrar and maintain the definitive record of legal ownership for securities of the issuers of securities and public companies.

(2) The CSDR shall do all such things as are necessary to ensure scrip less book entry securities system that effects the settlement of securities accounts for its members.

(3) The CSDR shall maintain both direct holding system in which each beneficial or direct owner of the security shall be known to the CSDR or the issuer and an indirect holding system that employs a multi-tiered arrangement for the custody and transfer of ownership of securities or the transfer of interests therein in which investors are identified only at the level of their custodian intermediary.

(4) The CSDR shall notwithstanding Sub-Rule (3) above, maintain records that would facilitate the identification of the ultimate beneficial owners of securities held in the central securities depository system.

(5) The CSDR shall ensure the integrity of securities and that the securities it holds on behalf of its participants are appropriately accounted for on its books and protected from risks associated with the safekeeping and transfer of securities and the risk associated with other services that the CSDR may provide.

(6) The CSDR shall:

(a) employ appropriate rules, procedures, and controls to safeguard the rights of securities issuers and holders, prevent the unauthorized creation or deletion of securities, and conduct periodic and at least daily reconciliation of the securities issues that it maintains;

(b) maintain robust accounting practices and perform end-to-end auditing to verify that its records are accurate and provide a complete accounting of its securities issues;

(c) where it records the issuance of securities alone or in conjunction with other entities, verify and account for the initial issuance of securities and ensure that newly issued securities are delivered in a timely manner;

(d) conduct periodic and at least daily reconciliation of the totals of securities issues in the CSD for each issuer or its issuing agent, and ensure that the total number of securities recorded in the CSD for a particular issue is equal to the number of securities of that issuer held on the CSD's books

(e) identify, measure, monitor and manage its risks from the activities it performs including legal risk liquidity risk, general business risk, custody risk, investment risk and operational risk.

(7) The securities held in the Central Securities Depository on behalf of beneficial owners shall, be protected against the claims of the CSDR's creditors or the claims of the creditors of a participant in the event of their insolvency.

Evidence of Title

5. (1) An account statement issued by the CSDR shall be prima facie evidence of title to securities.

(2) The ownership of securities deposited with the CSDR, shall be in accordance with transfer made pursuant to the rules and procedures of the CSDR and shall be deemed to be true record of ownership.

(3) Notwithstanding any other enactment or law in force relating to the evidence of ownership of securities and in the event of a conflict between the records of ownership of any securities held by the CSDR and any other records or documents concerning the ownership and transfer of securities, the records held by the CSDR shall prevail.

Voluntary Deposit

6. (1) The deposit of securities into the CSD is voluntary, except for Issuers applying for an Admission on the List of the DSE in which case it shall be obliged to deposit all issued and paid up securities.

(2) Issuers applying for Admission on the List or applying for deposit and/or dematerialisation of securities issued by them shall also request the issuance of an International Securities Identification Number ("ISIN") from the CSD.

(3) By depositing securities into the CSD, the delivery of the securities in settlement of DSE trades shall be achieved using electronic book entries in the CSD.

(4) The securities deposited into the CSD may be withdrawn, inter-depository transferred, credited into or debited out of CSD securities accounts or pledged by the account holders.

Compulsory Dematerialization

7. (1) It shall be compulsory for shareholders to open accounts in the CSD and dematerialise their shareholding through the process of depositing their shares in the CSD. Hence, shareholdings of listed companies shall only be in dematerialized form.

(2) The share register of the listed company would consist only of shares held in dematerialised form in the CSD. Any shareholder wishing to purchase or sell shares on the DSE shall be compelled to open an account in the CSD. Shares transacted on the DSE shall be credited or debited to the accounts maintained by the investor.

Confidentiality Rules

8. (1) TheholdingofsecuritiesintheCSDaccountshallbesubjecttotheConfidentiality Rules of the CSD. CSD Members shall not disclose any information on their clients' accounts to third parties without written consent of the clients.

(2) The CSD Members, Issuers of securities and clients of CSD Members shall enter into agreements in relation to CSD services in such forms provided under Ninth Schedule.

Definitive Register

9. (1) The CSD shall maintain and continuously update a register of existing securities holders and balance of their holdings in the CSD. The register of holdings of securities kept within CSD shall constitute the authentic and definitive record of the holdings in such securities and shall represent final legal title of ownership. Where any discrepancies exist between an external register of holdings outside the CSD and the CSD Register, the CSD Register shall be definitive.

(2) Securities deposited into the CSD shall be held in custody by the CSD in trust for the beneficial holders in the name of "CSD AND REGISTRY COMPANY LIMITED AS CUSTODIAN".

(3) A transfer of securities into the CSD by a holder shall not convey any transferor's beneficiary interests over the securities deposited. The beneficial owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of his securities held by a depository.

Updated Registers

10. (1) The CSD shall send electronically updated registers of securities holders to Issuers or their Registrar(s) on monthly basis and on request.

(2) To inspect the Registers of Members, interested parties shall contact the Issuer's Registrar and the Register shall be available for public inspection at the Issuers premises or any other premises designated by the Issuer during normal business hours.

Supplementary criteria applying to CSD Members

11. (1) In addition to satisfying the requirements Part IV of these Rules a CSD Member shall at all times satisfy the following requirements:

(a) Complete the technical connectivity requirements of the CSD;
(b) Enter into a standard Tripartite Agreement with the Clearing Bank and the CSD to facilitate settlement in a format issued by the CSD from time to time (sample CSD AGREEMENTS is set out Fourth Schedule;
(c) Submit an undertaking to comply with the CSD Rules in accordance with Fifth Schedule;
(d) Pay such entry and annual fees as may be laid down under Part XV of these Rules or as may be set out by the Board from time to time.

(2) All CSD Members shall enter into Agreement(s) with the CSD in respect of their own as well as their clients' securities deposited in the CSD.

(3) No CSD Member shall be admitted to the CSD without obtaining a written approval of the Board.

Services Offered by CSDR

12. The main services of CSDR include:

(a) Recording transactions in securities in scripless form to facilitate their trading on the DSE.
(b) Clearing of securities on account of trades carried out through DSE.
(c) Co-ordinating the settlement of funds between CSD Member through the settlement banks.
(d) Facilitating the opening and maintenance of securities accounts for investors, the deposit of securities in such accounts, the withdrawal of securities and the transfer of securities between securities accounts in the CSD.
(e) Facilitating the transfer of securities in CSD resulting from take-overs of listed companies and de-listing of listed securities.
(f) The provision of entitlement schedules and other reports in respect of CSD account holders to listed companies in respect of securities listed at the DSE.
(g) The provision of CSD account statements to account holders on a periodic basis.

Matters not covered in the Rules

13. (1) Any matter not addressed under these rules shall be dealt with by the CSDR Board taking into account the principles embodied in these Rules and the prevailing circumstances pertaining to such matter.

(2) The determination of the CSDR shall be conclusive and be binding on all parties.

(3) CSDR Board may, at its sole discretion, in the interest of the efficient operation of CSDR and/or in the interest of a CSD Member, waive the application of any rule and/or rules.

Precedence of CSD Rules over other Rules

14. In matters pertaining to clearing and settlement of securities transactions executed on the DSE, the CSD Rules shall prevail over any other rules regarding clearing and settlement of securities.

PART III

THE GOVERNANCE OFTHE CSD & REGISTRY COMPANY LIMITED

General Meeting

15.-(1) "The CSDR shall in each year hold its annual general meeting in addition to any other meeting in that year".

(2) The proceedings and power of the general meeting shall be those spelt out in the Memorandum and Articles of Association.

The Board

16.-(1) The CSDR is the subsidiary company of the DSE with its own Board, which issues company policies, guidelines, directions and makes Rules in accordance with the provisions of the Memorandum and Articles of Association establishing the CSDR.

(2) The Board is the policy making body of the Depository consisting of not less than two (2) and not more than five (5) directors.

(3) The powers and functions of the Board are as provided under the Memorandum and Articles of Association of the CSDR.

The Managing Director and Managers

17.-(1) The Managing Director is appointed by the Board and is responsible for planning and formulating strategies and new development policies for approval by the Board and for ensuring the implementation of these strategies and policies.

(2) The Managing Director is in charge of the day-to-day operations of the Depository.

(3) In discharging his functions, the Managing Director is assisted by managers and other supporting staff who support the managers.

(4) The Managing Director of the CSDR shall be engaged for a renewable period of Five years subject to other terms and conditions as may be prescribed by the Board.

(5) The CSDR may at any time terminate the appointment of the Managing Director if-

(a) he neglects or refuses, or from any cause, other than ill health not caused by own misconduct, becomes unable to perform any of his duties or to comply with any orders of the Board;

(b) in any manner misconducts himself; or

(c) he shall abrogate from his duties under the contract.

(6) Before the termination of the Managing Director, the CSDR shall afford him an opportunity to be heard and defend himself.

(7) (a) The managers shall be appointed by the Board and shall be accountable to the Managing Director.

(b) In performing of their functions under these Rules, the managers shall report to the Managing Director.

PART IV

DIVISION I

MEMBERSHIP OF THE CSD & REGISTRY COMPANY LIMITED

Admission to Depository

18.-(1) The Board may admit to the CSD the following categories of Members:

(a) Licensed Dealing Members (LDMs);

(b) Issuers;
(c) Custodians;
(d) Settlement Banks

(e) Registrars;
(f) Nominated Advisor; and
(g) Institutional Investors

(2) There shall be no limit on the maximum number of Members to be admitted to the CSD.

Eligibility of Members

19.-(1) A person who intends to be admitted as a member of the CSD shall-

(a) possess the relevant licences

(b) be of good financial standing and is not adjudged bankrupt;

(c) be willing to pay admission as well as annual fees in accordance with the fee tariff of the CSD as shown in these Rules and as may be modified by the CSD from time to time;

(d) have not defaulted in DSE transactions or on another marketplace recognised by the Authority;

(e) be willing to integrate with the CSD's systems infrastructure as may be modified and upgraded from time to time; and

(f) submit recommendation letters from two reputable referees acceptable to the CSD.

(2) All applicants applying for CSD Membership must be duly established under Tanzanian laws or other jurisdiction in EAC, SADC or other country that is recognised by the Authority and continue to so exist.

CSD Members

20. The following legal persons must obtain approval from the Board before being admitted as CSD Members-

(a) LDMs;

(b) Custodians;
(c) Nominated Advisor;

(d) Registrars;
(e) Settlement bank; and

(f) Institutional Investors.

Application Procedures for Membership

21.-(1) An Applicant applying for admission as a Member shall submit to the CSD an application in writing, specifying the category of membership applied for, in the form as set out in the Schedule to these Rules and include with the application the following-

(a) in case of a Dealing or Non-dealing Member -

(i) certificate of incorporation or certificate of registration;

(ii) constitutional documents establishing the body corporate such as the relevant constitution, trustee deeds, memorandum or articles of association;

(iii) the profiles of the directors, a compliance officer and a principal officer; and in the case of LDMs, the ADRs, DATS traders, CSD members and Registrars and evidence of the requisite technical expertise;

(iv) business licence or any other legal or regulatory registrations from the Authority, the Bank of Tanzania or other recognised institution as may be appropriate;

(v) audited financial statements for the past three years or a shorter period as acceptable to the CSDR in the case of applicants which have had a shorter period of incorporation;

(vi) statutory declaration by the principal officer of the Applicant to the effect that the company is not adjudged insolvent and is of sufficient financial standing;

(vii) bank guarantees and other financial requirements in case of LDMs, Custodians and Registrars;

(viii)an undertaking that the Applicant shall comply with these Rules;

(b) in the case of a Custodian CSD member, confirmation that the applicant has appropriate safekeeping measures (such as vaults and other security measures) to store securities and other physical records where appropriate;

(c) in all cases, an application shall be accompanied by the non-refundable application fee and membership fee applicable from time to time.

(2) Upon the decision of the Board that the Applicant is qualified, fit and proper as a member, where required, the Applicant shall lodge the necessary financial guarantees, for the time being payable within the period stipulated by the Board, and the Board shall admit the Applicant to membership.

(3) The Applicant shall be registered as a Member and be entitled to all the associated benefits defined in these Rules from the date of satisfying the requisite financial guarantees.

(4) Where the applicant fails to make the payment within the prescribed period, the application shall automatically lapse, unless, consequent upon an appeal by the Applicant to the Board, the Board directs otherwise.

(5) Members shall pay the fees and relevant subscription charges as provided under the Fee Structure and as may be prescribed by the Board from time to time in accordance with these Rules.

(6) Members and applicants shall also complete any technology integration requirements with the CSD's systems within the timescales stipulated by the Depository.

(7) A Member shall give advance notice of commencement, temporary suspension, and cessation of business to the Board.

Bank Guarantees

22.-(1) As a pre-requisite of acceding to the benefits of membership, every LDM, Nominated Advisor, Custodian and Registrars shall furnish a bank guarantee to the CSD, drawn on a bank authorised by the Bank of Tanzania in favour of the DSE trading transactions that shall not be less than the amount prescribed under DSE Rules and approved by the Authority.

(2) The bank guarantee under sub-rule (1) shall be free of any charges of encumbrances and shall be in a manner set out in the Second Schedule to these Rules.

(3) The bank guarantee shall be:

(a) TZS 50 million in respect of settlement activities undertaken by Custodians; and

(b) TZS 25 million in respect of registration activities undertaken by non-custodian CSD members.

(4) These guarantees under this rule shall remain in place throughout the duration of membership.

(5) The bank guarantee shall be defined in accordance with a standard set of conditions defined by the CSD.

(6) In the event that a bank guarantee becomes invalid, or is used in whole or in part, a member shall not be entitled to operate until the guarantee is restored.

Memorandum and Articles of Association

23.-(1) Every CSD Member shall provide a copy of all changes to its Memorandum and Articles of Association in particular in relation to alteration of the name of the CSD Member.

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(2) The company name of the CSD Member registered with the Depository shall be the same as that registered by that Member under the Companies Act or equivalent under any relevant legislation.

(3) A Member may register with the Depository more than one business address held for the purpose of dealing in securities.

(4) Where a Member has registered more than one business address, that Member shall specify one address its principal business address.

(5) Business address under sub-rule (4) shall mean a place where the business of dealing in securities or other functions in relation to the CSD is frequently carried out by or on behalf of the member.

DIVISION II

CODE OF BUSINESS CONDUCT

Independence

24. A member shall not directly or indirectly hold a beneficial interest in the share capital of, or have any other working arrangements with, any other member, unless approved by the Board which may in its discretion, set any conditions for such approval as it deems fit.

Fiduciary Responsibility

25.-(1) Knowledge and information gathered from a client in the course of its business dealings is obtained in a fiduciary capacity.

(2) A member shall not use, directly or indirectly, the knowledge and information obtained under this rule for the advancement of the financial interest of the member or the member's associates.

Customer Complaints

26.-(1) Every CSD Member shall have in operation a published procedure for the handling of complaints from its customers.

(2) The procedure under sub-rule (1) shall include reference to a requirement that all customer complaints are duly entered in a register detailing action taken towards their resolution.

(3) The register under sub-rule (2) shall be made accessible to the CSDR upon request.

(4) All employees of an LDM who deal with customers shall be made aware of the procedures which provide for-

(a) the complaint to be investigated fully and appropriately by the compliance officer;

(b) the complaint to be reported to the CSD if not settled within seven days of receipt;

(c) the notification to the complainant of his right to utilise the CSD's published complaints procedure.

Liability of Directors and Officers of Members

27.-(1) A CSD member shall be responsible for all acts committed or omitted, directly or indirectly, by its directors, employees or agents in its securities business.

(2) Any director, manager or officer of a Member shall be jointly and severally held liable together with the CSD member under these Rules for any breach of or non-compliance with the Act, the Articles or these Rules.

(3) A Member not continuing to meet the requirements of membership shall thereupon be deemed to be in-capacitated in the event of:

(a) passing a resolution to wind up or a court order being made for the appointment of a liquidator, receiver or winding up;

(b) becoming insolvent; and

(c) failing to pay membership fee for 3 consecutive years.

(4) Without prejudice to sub-rule (3), a CSD member shall also be deemed to be incapacitated in the event of-

(a) ceasing to have a director, a compliance officer and/or a principal officer, or in the case of a casual vacancy, failing to replace the former director or officer within a reasonable time as may be allowed by the CSD; and

(b) failing to meet bank guarantee requirements defined in these Rules.

(5) Where a Member is incapacitated-

(a) all the rights and benefits of membership shall be immediately suspended;

(b) that Member, or the personal representative, trustee, receiver, or liquidator as the case may be, who is in charge and has power over the assets of the Member shall abide by these Rules and the decisions of the Board as if he were the Member, in particular executing any necessary transfers, or discharging payment obligations ensuing therefrom; and

(6) The CSD reserves the right to invoke the buy-in or sell out procedures defined in these Rules.

Acts of Misconduct

28.- (1) A Member shall not commit an act of misconduct.

(2) Acts of misconduct shall consist of any of the following:

(a) breach of any rule or established good practice;

(b) failure to comply with a decision of the CSD management, Committee or Board;

(c) any conduct detrimental to the interests of the CSD or is dishonourable, disgraceful, improper or unbecoming of a member;

(d) knowingly becoming involved in conduct, neglect or default which contributes to an act of misconduct by a Member or any of the partners, directors, shareholders, employees or agents thereof;

(e) failure on the part of a Member, who knew or ought to have known of any proposed or actual act of misconduct by a Member or any of the partners, directors, shareholders, employees, agents or clients thereof, to take reasonable steps to prevent it or bring to the attention of the appropriate person or otherwise to deal with it as may be appropriate;

(f) failure on the part of a director, compliance officer or principal officer of a Member to ensure that his company is adequately resourced and that its operations are conducted in accordance with the CSD best practices; or

(g) failure to pay any fine imposed within the time specified by the Board;

(h) failure to have funds in the settlement account prior to settlement day.

Disciplinary Procedures

29.-(1) Where the CSD management considers that a Member may be in breach of these Rules, it shall require a written explanation from that Member to be given within three business days from the time when the CSD requests the Member to provide such information.

(2) WheretheMember'sexplanationisdeemedbyCSDmanagementasinsufficient or where no written explanation is forthcoming, CSD management shall refer the matter to the Committee responsible for disciplinary matters.

(3) In determining whether a breach of these Rules has taken place, the Committee for disciplinary matters may, in its discretion, call for further submissions from the CSD management and the Member.

(4) Where the Committee determines that a breach of these Rules has taken place, it shall report the matter to the Board with any recommendation on appropriate sanctions and issue the Member with a copy of that report.

(5) The Board shall consider imposing any sanction pursuant to Rule 19.

(6) A Member who is aggrieved by the decision of the Board under this rule may, within three days from the date when that decision was communicated to him, appeal to the Authority.

(7) Unless the context otherwise requires, references to a "Member" under this rule shall include any former Member and a reference to "membership" shall be construed accordingly.

Disciplinary Measures

30.-(1) The sanction that may be imposed on any Member under the disciplinary procedure, may be one or more of the following:

(a) expulsion from membership;

(b) reprimand;

(c) fine which a Member shall pay by imposing it as a due debt to the CSD within the time limits specified by these Rules; and

(2) Disciplinary proceedings against a former Member shall not be instituted beyond one year from cessation, resignation or other termination of membership.

Business Conduct

31.-(1) Each Member shall at all times adhere to the principles of good business practices in the conduct of its business affairs.

(2) ACSD Member shall through a principal officer-

(a) use due diligence to learn the essential facts relative to every client, order, cash account accepted or operated by that Member and every person holding power of attorney over any such account;

(b) specifically approve the opening of an account prior to or promptly after the completion of any transaction for the account of or with a client.

(3) The designated principal officer approving the opening of the account under sub-rule 3 (c) shall, prior to giving his approval, be personally informed as to the essential facts relative to the client and to the nature of the proposed account and shall indicate his approval in writing on a document which shall become part of the permanent records of the said Member.

Nominee Accounts

32.-(1) Where an agency account is operated by a CSD Member, its files shall contain the name of the principal for whom the agent is acting and written evidence of the agent's authority to trade on its behalf.

(2) Where estate and trustee accounts are involved or where a husband is acting as agent for his wife, or vice versa, the said Member shall act on advice from legal counsel as to the documents that should be obtained before opening the account.

(3) All client accounts must be identified and designated by a full name of the client and no CSD Member shall operate a client account designated only by a number or symbol.

(4) All CSD Members shall inform the Depository promptly of particulars of delinquent accounts.

Particulars of Clients

33.-(1) All particulars relating to every client shall be recorded and maintained up to date at the office of the CSD Member.

(2) Particulars under sub-rule (1) shall include the identity card or passport number, nationality, residential address and telephone numbers, occupation and name, address of employer if applicable and all other information concerning the client that may be useful in identifying such client, in addition to the particulars prescribed by the Board.

(3) All accounts maintained by foreign investors must be separately designated as such in the CSD.

Contract Notes

34.-(1) Not later than the next business day following the relevant trade, an LDM shall dispatch to its client by ordinary post, electronic notification or hand delivery unless any other method of delivery has been agreed upon in writing, a contract note in respect of the purchase or sale of securities executed, including the following details-

(a) the name and style under which the LDM carries on business and the address of the principal place at which it so carries on business;

(b) a statement as to whether the LDM is acting as principal or agent;

(c) the name of the person to whom the LDM is required to issue the contract note;

(d) the date and time of the trade, and the date on which the contract note is made out;

(e) the quantity and description of the securities that are being sold or purchased;

(f) except in the case of Private Transfers, the price per unit of the securities;

(g) the amount of consideration payable under the contract or, in the case of an exchange, sufficient particulars of the securities exchanged to identify them;

(h) the rate of amount of commission payable in respect of the contract;

(i) the amount of stamp duty, if any, and registration charges, if any, payable in connection with the contract and, where applicable, in respect of the transfer;

(j) the fee payable to the CSDR by the client;

(k) the fee payable to the Authority by the client;

(l) the words: "SUBJECT TO THE RULES OF CSD AND REGISTRY COMPANY LIMITED";

(m) in the case of bonds, LDMs shall indicate accrued interest separately on the contract note.

(n) client signature and stamp/signature of the LDM.

(2) The accrued interest amount under sub-rule (1) (m) above shall be calculated by reference to the rate specified in the security and the number of days which have elapsed from the last payment date up to the settlement day.

Discretionary Accounts

35. No CSD Member shall exercise any discretionary authority in respect of a client account unless:

(a) The client has given prior written authorisation to the LDM and CSD Member to exercise discretion on the account;

(b) The LDM and CSD Member has accepted the discretionary account in accordance with these Rules;

(c) The authorisation given to the LDM and CSD Member shall specify the investment objectives of the client with respect to the particular discretionary account;

(d) Each authorisation or acceptance may be terminated by notice in writing by the LDM and CSD Member or the client, as the case may be;

(e) Statements of Account shall be sent to all clients having discretionary accounts on a monthly basis within three days of the month end. Statements shall set forth the opening money and securities balance (for individual currencies and securities), movements during the month and the money and securities balance carried forward as at the statement date; and

(f) Each statement of account sent to a client shall bear a legend - "AFINANCIAL STATEMENT OF THIS LICENSED DEALING MEMBER OR CSD MEMBER IS AVAILABLE FOR YOUR PERSONAL INSPECTION AT OUR OFFICES".

CSD Fees

36. Rules pertaining to all aspects of fees are covered in Fee Structure of these Rules.

Payments to Clients

37. The amounts due to a client in respect of a trade shall be paid to the client not later than the next business day following settlement, less any transaction fees payable to the LDM, Exchange, CSDR, Authority and Fidelity Fund by the client.

Accounting Records

38. (1) Every LDM and CSD Member shall maintain complete and accurate records and financial statements to show, where applicable, particulars of-

(a) all monies received or paid, including monies paid to, or disbursed from a Trust Account;

(b) its business of transactions in securities including those executed or trade reported on DATS, cleared, settled and deposited in the CSD including details of persons associated with the LDM.

(2) Each LDM and CSD Member shall ensure that records made in accordance with sub-rule (1)(b) above complies with the applicable law and such records together with the following information shall be made available for inspection at any time by the CSD.

(a) all income received from commissions, interest and other sources and all expenses, commissions and interest paid;

(b) all assets and liabilities including contingent liabilities;

(c) all principal securities that are the property of the CSD Member, showing by whom the securities, or the documents of title to the securities, are held and, where they are held by some other person, whether or not they are held as security against loans or advances;

(d) all agency securities that are not the property of the CSD Member and for which the CSD Member or any nominee controlled by it is accountable, showing by whom, and for whom, the securities or the documents of title to the securities are held and the extent to which they are either held for safe custody or deposited with a third party as security for loans or advances made to the CSD Member;

(e) all agency securities and monies must be segregated from any principal securities within the CSD Member records, and at the CSD and monies held with any bank; and

(f) backup records.

Trust Accounts

39. (1) Each LDM and CSD Member shall establish and keep in a bank or banks in Tanzania one or more trust accounts, designated or evidenced as such, into which it shall pay-

(a) all and only amounts (less any commission and other proper charges) that are received from or on account of any person (other than an CSD Member) for the purchase of securities; and

(b) all and only amounts (less any commission and other proper charges) that are received for or on account of any person (other than an CSD Member) from the sale of securities and that are not paid to that person or as that person directs not later than the next bank business day following the day on which they were received by the CSD Member.

(2) All amounts received by the CSD Member for or on account of any person and are required by sub-rule (1) of this Rule to be paid into a Trust Account shall be retained in the Trust Account until when-

(a) paid to the person entitled thereto or as such person directs in writing;

(b) withdrawn for the purpose of defraying commission and other proper charges;

(c) paid to the CSD Member monies, to which it is entitled, being monies that were paid into the Trust Account but were not required to be so paid; and

(d) paid as otherwise authorised by law.

(3) The Trust Accounts shall be designated "clients' accounts" and shall solely be used to receive monies deposited by clients for the purchase of securities, effect payments for securities transacted and receive monies from the sale of securities.

(4) The Trust Accounts shall not under any circumstances be co-mingled with any other bank accounts operated by the CSD Member.

(5) The Depository shall have power to inspect the operations and activities of all Trust Accounts maintained by the CSD Member at such intervals as may be determined by the Board.

Annual Accounts

40. Each CSD Member shall submit to the Exchange Annual Accounts audited by auditors registered by the National Board of Accountants and Auditors or equivalent organ recognised by the relevant authorities, within six months following the end of the CSD Member's financial year. The CSD shall determine the financial soundness of its members using the financial statements submitted to the Exchange.

Termination of membership

41. A CSD Member shall cease to be a member under the following circumstances-

(i) if the body corporate is unable to meet the financial standing requirements of the CSD or the Authority;

(ii) is wound up;

(iii) is under receivership;

(iv) is de-registered;

(v) is declared unfit to be a Member by a Court order;

(vi) is delicensed or deregistered by the Authority; or

(vii) ceases to exist for any other reason.

PART V

ELIGIBLE SECURITIES AND SECURITIES ACCOUNTS

DIVISION I
ELIGIBLE SECURITIES

Eligible securities

42. The following securities are eligible for custody in the CSD:

(a) Listed securities.

(b) Securities which are de-listed by the DSE pending the completion of formalities required in connection with such de-listing.

(c) Unlisted securities seeking registry services or for safe keeping purposes.

Instrument Code

43. (1) Each security processed through the CSD shall be allotted a unique 'Instrument Code' by CSDR, and such security shall be referred to in terms of such Instrument Code for CSDR purposes.

(2) The CSDR may also assign an abbreviated name to a security.

International Security Identification Number (ISIN)

44. The CSDR shall assign a unique Security Identification Number (ISIN) to each security. The ISIN will conform to international standards as stipulated by the International Standards Organisation.

Acceptance/discontinuance of Eligibility of Securities

45. The CSDR shall inform the CSD Member the date on which a security shall become or cease to be an eligible security.

DIVISION II
SECURITIES ACCOUNTS

CSD Accounts

46. CSD Members shall open CSD Accounts for any CSD eligible securities for themselves or their clients. CSD Accounts may contain:

(a) Securities Admitted on the List;

(b) Non-listed securities.

General Requirement

47. Every client wishing to open a CSD Account shall provide required details to the CSD Member by completing and signing a CSD account application form [CSD 1(a) for individuals and CSD 1(b) for legal persons] as shown in Sixth Schedule.

LDMs' and CSD Members' Accounts

48. Accounts of LDMs and CSD Members shall contain the following basic information:

(a) Name, address and code of the CSD Member;

(b) Nationality;

(c) CSD account number;

(d) Banker's address and account number;

(e) Name(s) of Securities deposited;

(f) Securities code(s) and ISIN;

(g) Quantities and description of securities held;

(h) Amount of securities frozen for any reason;

(i) Client's reference number;

Accounts for Individuals

49. (1) When opening securities accounts for individuals where the applicant is a citizen of Tanzania the following information shall be submitted to the CSD Member:

(i) a certified photocopy of the national identity card;

(ii) the applicant's contact details;

(iii) proof of address in the form of a utility bill or any other document acceptable to the CSDR which supports proof of residence of the applicant;

(iv) applicant's occupation or proof of source of income;

(v) nature and location of business activities, if any;

(vi) source of funds involved in the transaction; and

(vii) the duly completed account opening application form to enable CSDR to process and approve the account.

(2) If the national identity card is not available, certified copies of the relevant pages of the Passport indicating the particulars of the applicant, which includes the photograph appearing therein and the validity of the Passport, shall be submitted.

(3) If both the national identity card and the Passport are not available the CSD Member shall submit documentary evidence to prove the identity of the applicant to the satisfaction of CSDR.

(4) Where the applicant is a foreign resident, the following information shall be submitted to the CSD Member:

(i) certified photocopy of the relevant pages of the Passport indicating the particulars of the applicant, which includes the photograph and the validity of the Passport;

(ii) the applicant's contact details;

(iii) proof of residential address in the applicant's country of domicile and physical address in Tanzania in the form of a utility bill or any other document acceptable to the CSDR which supports proof of residence of the applicant;

(iv) applicant's occupation or proof of source of income;

(v) nature and location of business activities, if any;

(vi) source of funds involved in the transaction; and

(vii) the duly completed account opening application form to enable CSDR, to process and approve the account.

(5) If the applicant does not have the legal capacity to establish a business relationship or conclude a transaction without the assistance of another person, the CSD Member shall ascertain items (1) i, ii, iii and (4) i, ii, iii in relation to the person who providing such assistance.

(6) In case of electronic accounts opening through other regulated intermediaries responsible to ensure KYC compliance, the CSDR will accept the provided information.

Accounts for Corporate Bodies

50. When opening securities accounts for corporate bodies, the body corporate, shall submit to the CSD Member the following:

(a) the registered name and registration number of the company;

(b) if it is an foreign company, the name under which it conducts business in the country in which it is incorporated;

(c) if the foreign company conducts business in Tanzania using a name other than the name specified under paragraph (a) or (b), the name used in Tanzania;

(d) if it is an foreign company, the registered address from which it operates in the country where it is incorporated or if it operates from multiple addresses in that country, the address of its head office;

(e) if the company or close company operates within Tanzania, the address from which it operates in Tanzania, or if it operates from multiple addresses within Tanzania, the address of the office seeking to establish a business relationship or to conclude a transaction with the CSDR;

(f) the nature of its business;

(g) the tax identification numbers of the company or close company issued by Tanzania Revenue Authority, or if incorporated outside Tanzania, such numbers issued by a similar revenue office in the country in which it is incorporated if such numbers were issued; and

(h) the particulars referred to in Rule 49 (a) i, ii, iii or (d) i, ii, iii whichever is applicable concerning:

(i) the manager of the company, or in the case of a close company, each member, or

(ii) each natural person who purports to be authorised to establish a business relationship or conclude a transaction with the CSDR on behalf of the company or close company.

Accounts for other entities

51. When opening securities accounts for other entities, the CSD Member shall ascertain, in respect of any entity:

(a) the registered name and registration number of the entity, if registered;

(b) the office or place of business, if any, from which the entity operates;

(c) the entity's principal activities;

(d) the full name, residential address if available, and any one of the following details of the natural person purporting to be authorised to establish a business relationship or conclude a transaction with the specified party on behalf of the entity, the person's:

(i) identity card number where the natural person is a citizen of Tanzania, or

(ii) passport number where the natural person is not a citizen or resident of Tanzania.

Accounts for Trusts

52. Opening securities accounts for trusts

(a) The CSD Member shall ascertain in respect of a trust:

(i) its registered name and the registration number, if any;

(ii) the country where it was set up, if the trust was set up in a country other than Tanzania;

(iii) the management company of the trust, if any;

(iv) the full name of the trust if not registered;

(v) the residential address, contact details and particulars listed in the order of preference under paragraph (vi) of each natural person who purports to be authorised to establish a business relationship or to conclude a transaction with the CSDR on behalf of the trust; and

(vi) the full name of the trustee, beneficiary referred to by name in the trust deed or other founding instrument in terms of which a trust is created and the founder of the trust and any of the following details:

i. identity card number where the person is a citizen of Tanzania, or

ii. passport number where the person is not a citizen or resident of Tanzania.

(b) If the beneficiaries of the trust are not referred to by name in the trust deed or founding instrument in terms of which the trust is created, the CSD Member shall;

(i) as far as it is reasonably possible, take steps to ascertain or verify such identity; and

(ii) without delay give written notice to the Financial Intelligence Agency of such impossibility or impracticability indicating any alternative measures used to identify or verify the identity of the beneficiaries.

Multiple Securities Accounts

53. Account holders shall not open and operate separate securities accounts in CSD except for accounts operated by Custodian Banks.

Nominee accounts

54. (1) Nominee accounts of CSD Members shall be opened at beneficial owner level and shall indicate the following:

(a) Under "Name" – the CSD Member shall indicate the name of the beneficial owner as indicated in certificate of incorporation or in the registration certificate as issued by BRELA;

(b) Under "Contact details" – the name of the beneficiary;

(c) Under "Identification number"- the CSD Member shall input the company number as indicated in the certificate of incorporation or the number indicated in the registration certificate from BRELA; and

(d) Abbreviations shall not be used by CSD Members during the account opening process.

(2) The CSDR may, at its sole discretion, request a CSD Member to disclose the full particulars of the underlying clients of its account(s) and such other information as may be requested by CSDR.

Operation of Securities Accounts

55. (1) All instructions and communications relating to a securities accounts shall be given by the account holder to CSDR only through the CSD Member.

(2) CSDR is deemed to assume that such instructions are accurate, and that the CSD Member has a legal right to give such instructions. CSDR shall act upon such instructions without any further inquiries.

(3) CSDR shall have no obligation to act on any instruction or communication given by a CSD Member if such instruction or communication does not in the opinion of CSDR contain sufficient details for CSDR to act on. However, upon concluding so, CSDR shall, within a reasonable time, inform the CSD Member of the additional information that would be required to effect such instructions.

(4) Any request to change information on securities accounts by an account holder shall be directed to CSDR through the CSD Member in writing. CSD Members shall forward such requests to CSDR only upon being satisfied with regard to the validity and the authenticity of such requests.

(5) In the alternative the CSD Member may directly request CSDR, in writing, to change information of securities accounts. CSDR is deemed to assume that such instructions are accurate and that the CSD Member has the legal right to request to change information on securities accounts. CSDR shall act on such requests without making any further inquiries.

(6) The name of the account holder and the securities account number shall be indicated in the requests. The CSD Member shall be responsible and shall be held liable for communicating any incorrect or false information regarding changes to securities accounts information to CSDR.

(7) With regard to securities accounts having more than one name in the account title (other than joint accounts) CSDR would only recognise, for the purpose of receiving instructions by CSDR, the person whose name appears first (principal account holder).

(8) The CSDR reserves the right to rectify any erroneous or inaccurate entry made to a securities account at any point in time after the detection of such error/inaccuracy.

(9) In rendering services CSDR shall be under no obligation to recognise any right of interest, which any person other than a CSD Member may have, or claim to have in relation to any matter concerning the operation of a securities account.

(10) When documents are returned by CSDR to CSD Members without processing due to discrepancies, such documents will be returned under cover of a 'returned document advice' stating the reason/s for returning such document.

Suspending or Deletion of a Securities Account

56. (1) CSDR may suspend dealing on a securities account in the following situations or under any other situation which CSDR shall determine from time to time:

(a) If CSDR is of the opinion that there is an irregularity in the operation of a securities account.

(b) If instructed to do so by any of the following persons:

(i) The account holder, through the CSD Member.

(ii) The CSD Member through whom such securities account is registered in CSDR.

(iii) The DSE.

(iv) A court of law or regulatory body.

(c) On receipt of confirmation of the death of an account holder.

(d) To rectify an established error.

(2) The CSDR may delete a CSD account if it has no securities and / or has no transaction history and was not operated for a period of one (1) year.

Timetable of CSD Events

57. The CSD shall issue a timetable of activities to the market from time to time containing the following information:

(a) Confirmation of payments from the Clearing Bank to the Depository.

(b) Start of Day - all CSD activities available.

(c) END of Day.

Balance Report

58. -(1) On request by an LDM, the CSD shall produce and maintain a balance report on all depository client accounts. The Report shall be in the form of a depository statement which shall contain the following information:

(a) The name of the account holder;

(b) The name and quantity of the securities held and any movements over the period requested;

(c) Any holdings that may have been mortgaged, frozen or charged;

(d) The securities available for transfer or settlement.

(2) The ledger balance report shall be available to all account holders through the CSD Members on request.

(3) The CSD shall send electronic statements (ledger balance report) to all accounts holders by email at the end of every month.

PART VI

DEPOSIT OF SECURITIES INTO THE CSD DURING IPOS

Mandatory Immobilisation after the IPOS

59. (1) Where an Applicant is undertaking an Initial Public Offer (IPO) to be admitted on the List, all issued securities shall be immobilised from the launch of the IPO. The Issuer's Registrar shall deliver to the CSDR a complete register on the closure of the IPO in the electronic format specified by the Depository. Thereafter, transfers of securities admitted on the List shall be processed through the Depository's CDS.

(2) Investors who subscribe for securities during an IPO shall receive a CSD Receipt evidencing immobilised securities in the CSD**.**

IPOS and other Securities Corporate Actions

60. (1) An Issuer who intends to have securities Admitted on the List shall appoint a CSD Member as receiving agent.

(2) Allotment of securities pursuant to an IPO or a securities corporate action is the responsibility of the Issuer and its agent. All prospective allottees must have a CSD account prior to allotment by the Issuer being effected.

(3) CSD Members shall verify each client's account number to every application form submitted to the Issuers through them for the purpose of facilitating the opening of CSD accounts.

(4) After allotment, the CSD shall issue CSD Receipts (Depository Receipt) or statement of holding to all account holders successful in the allotment through their CSD Members.

Immobilisation of Securities

61. (1) The client shall deliver securities to the CSD Member together with a transfer form TD 1(a).

(2) The CSD Member shall provide the client with a receipt acknowledging that securities have been received for custody by the operator.

(3) The CSD Member shall verify the securities with the Registrar.

(4) The CSD Member shall lodge the securities together with the signed transfer form [TD 1(a) with the CSD (a)].

(5) The CSD Member shall complete a custody delivery confirmation slip [CSD 2(b)] in duplicate detailing all the documents delivered and present them to the CSD.

(6) The documents to be presented to the CSD with the custody delivery confirmation slip shall include:

(a) Depository account application form;

(b) Share Certificates for securities;

(c) CSD deposit request form [CSD 2(a)] (where certificates are being deposited); and

(d) Transfer form(s) [TD 1(a)] duly signed and verified.

(7) Upon the receipt of the custody delivery confirmation slip and the required documents, the CSD shall endorse a RECEIPT stamp on the custody delivery confirmation slip and the deposit request form where applicable.

(8) After the RECEIPT stamp has been endorsed by the CSD, the CSD Member shall retain a copy of the custody delivery confirmation slip and CSD deposit request form.

(9) The CSD shall issue a CSD Statement [CSD 2(c)] in the name of the client whose certificates have been deposited and deliver the CSD Receipt to the client through the CSD Member.

(10) The Issuer shall submit the allotment register to the CSDR for immobilisation and the CSDR shall hold the immobilised securities as a CUSTODIAN.

Effecting Transfer of Ownership of Securities

62. On Settlement Day, the CSD shall transfer the ownership of traded securities in the book entry form by debiting the selling clients' CSD account and crediting the buying clients' CSD account with the same volume of the securities traded.

(1) All transfers shall be undertaken internally through the CSD by electronic book entry transfer, without sending transfer forms to the Registrar.

(2) The Registrar or the Issuer shall be required to provide the CSD with all dates pertaining to corporate actions.

No change of Beneficial Ownership

63. A mortgage of Securities does not in itself change beneficial ownership and the existing owner shall be entitled to all benefits accruing thereon such as dividends, interests, bonus shares, rights and voting.

PART VII

MORTGAGING OF SECURITIES

Mortgaging of Securities

64. (1) The lender is responsible for the continuous assessment of the quality of collateral value to support a loan.

(2) Only immobilised securities which have been Admitted on the List, may be mortgaged as collateral to a lender by a borrower and shall be recorded through book entry in the CSD by a CSD Member. For the purposes of this Rule, lenders shall only be legal persons.

(3) Securities mortgaged as collateral at the CSD shall not be traded and CSD Members shall inform their clients that while they are so encumbered they shall not be tradable or transferable.

(4) Securities that form the object of any securities collateral, repurchase or lending agreement or any undertaking may be transferred by the CSD Member under the terms of applicable covenants that may be submitted.

Mortgaging Procedure

65. (1) A CSD account holder wishing to mortgage securities deposited in the CSD as collateral shall approach a CSD Member who shall provide a CSD Mortgage Request Form [Form MR 1] and the Mortgage Transfer of Shares Form [TD 1(c)] provided under the Sixth Schedule.

(2) The CSD account holder shall complete and sign the MR1 form in triplicate and sign the Mortgage Transfer of Shares Form [TD 1(c)] and deliver the forms to the lender and obtain the lender's signature.

(3) After obtaining the lender's signature, the borrower shall, through the CSD Member, deliver the forms to the CSD for STAMPING which shall be distributed to both the borrower and lender through the CSD Member.

(4) The CSD shall make entries to the borrower's CSD Account to record the mortgaging of the relevant securities, flagging them accordingly.

Access to Collateral by the Lender

66. (1) The lender may request the borrower to deposit more securities as collateral in the event that the value of securities pledged reduces.

(2) The lender may seize mortgaged securities deposited in the CSD by submitting a written request to the CSD.

(3) A lender shall, through a CSD Member, submit to the CSD a request to seize the securities mortgaged as collateral which shall consist of:

(a) A Mortgage of Shares Transfer Form [TD 1(c)] duly signed in blank by the borrower;

(b) A CSD Depository Account Application Form (if account does not exist); and

(c) A copy of the Mortgage Request Form.

(4) The CSD shall debit the borrower's CSD account and credit the lender's CSD account.

(5) The CSD Member shall inform the borrower on the seizure of the mortgaged securities.

Mortgage Release

67. (1) To release the collateral, the borrower shall complete and sign the CSDR Mortgage Release Form (Form MR 2) in triplicate and shall deliver the Mortgage Release Forms [MR 2] to the lender for signature before delivering them to the CSDR through the CSD Member.

(2) The CSD Member shall, deliver the Mortgage Release Forms to the CSD together with a copy of the Mortgage Request Form that registered the collateral at the CSD and shall make entries in the CSD to release any specified amount of securities mortgaged as collateral back to the borrower's account.

(3) After the entries have been made, the CSD shall deliver, through the CSD Member, duly stamped copies of the Mortgage Release Forms (MR 2) to the borrower and lender.

PART VIII

SETTLEMENT RULES

DIVISION I

SETTLEMENT OF TRADES

Settlement of Trades

68 (1) Trades executed at the DSE are settled on T+1 for all bonds and T+3 for equities. Each Trade is settled separately. The CSD System will debit the CSD account of the seller and credit the CSD account of the buyer.

(2) On T, the Depository shall provide the LDMs and CSD Members with the Trade Confirmation Report, showing payment obligations / receipt for each LDM / CSD Member. Each LDM and CSD Member shall carefully review the Trade Confirmation Report to ensure that the details of trades have been captured correctly. Any trading error shall be communicated to the DSE on T. Failure to do so imply acceptance and liability by the LDM and CSD Member.

(3) Each CSD Member shall ensure that sufficient cleared funds are available in their clearing account with the Clearing Bank on Settlement Day prior to Settlement Time. The CSD will provide final settlement obligations to the Clearing Banks, one day prior to the Settlement Day the net payment / receipts to be effected by the Clearing Bank on behalf of the LDMs and CSD Members. The Clearing Bank shall confirm to the CSDR that the payment instructions have been effected on settlement day.

(4) After receiving confirmation from the Clearing Bank that all payment instructions were successfully completed, within five minutes of receiving such information, on Settlement Day, the CSD shall transfer ownership of securities in its book-entry records by debiting the CSD accounts of the selling clients and crediting the CSD accounts of the buying clients.

(5) Upon trading and settlement, the CSDR shall notify the seller and the buyer of securities on their accounts balance status.

(6) The CSDR shall cancel a settlement process upon receipt of a notification of cancellation of a trade from the DSE.

Powers to Change Settlement Time

69. Management of the CSDR shall have powers to change the settlement time by issuance of a circular to that effect.

Settlement by Custodian Banks

70. Custodian Banks may settle foreign investors' and domestic institutional investors' trades without transferring the funds to LDMs

Penalty for Failure to Settle

71. (1) "If a CSD Member fails to effect payment for bought securities during Settlement Day, a fine of 10% of the earned commission in respect of the trade shall be imposed on the defaulting CSD Member".

(2). The defaulting CSD Member shall be suspended for trading and the securities bought shall be frozen until settlement is completed.

Finality of Settlement

72. (1) Settlement shall be final and unconditional at the moment the accounts of the buyers and sellers have been credited or debited with securities.

(2) There shall be no perceptible delay between the debit to the seller and the credit to the buyer in the CSD.

(3) The final settlement point referred to in Sub-Rule (1) shall be conclusive and shall not be subject to any challenge or review.

(4) The final settlement point in this Rule shall mean an irrevocable, permanent and unconditional transfer of securities in the CSD and the discharge of obligation by the CSDR or its participants.

DIVISION II

SETTLEMENT OBLIGATIONS OF SELLERS' CSD MEMBERS

Trade Recording

73 (1) All trades carried out by CSD Members on behalf of account holders on securities transacted through the DSE shall be recorded in CSDR.

(2) All trades recorded in the CSD shall be valid unless cancelled by the DSE or failed by CSDR as a result of a settlement failure.

(3) The CSDR shall not be responsible for any disputes arising between the account holder and the CSD Member in respect of trades carried out by the CSD Member for and on behalf of the account holder.

Confirmation of Trades

74 (1) At the end of each trading day, the CSD Members shall prepare and issue contract notes to the relevant account holders confirming the trade/s carried out by the CSD Member on behalf of the account holders through the DSE on that day, as confirmation of the trade/s.

(2) CSD Members shall dispatch the contract notes to the respective account holders prior to the commencement of the following trading day.

(3) Information in the note shall include the name of the account holder, CSD account number, address, security, quantity, price, applicable brokerage, DSE fees, CSDR fees, CMSA fees, Government tax/levy (if applicable), total value of the transaction, trade and settlement dates and the name and address of the broker.

Settlement Obligations for Sellers of Securities

75. (1) The CSD Member shall ensure that the seller has a credit balance in his securities account in respect of the relevant security prior to placing a sell order.

(2) Notwithstanding anything to the contrary, a short sale of ETFs will be allowed for ETF trades where the Market Maker is the seller, subject to the Market Maker accepting responsibility to settle the short sale as per the settlement cycle.

Clearing Securities Traded through DSE

76. (1) Securities traded by CSD Members on behalf of account holders through the DSE shall be cleared (transferred from the seller's account to the buyer's account) on a Delivery Versus Payment (DVP) basis.

(2) On Trade Day (T) the securities will be transferred to a "Pending Sell Account" within the seller's account and the corresponding "Pending Buy" will be credited in the buyer's account.

(3) On settlement date the pending sell and buy accounts will be cleared and the securities debited from the seller's account and credited to the buyer's account at 09:30hrs subject to the settlement bank confirming that settlement of funds has taken place and the CSDR confirming that clearing of securities can take place.

Settlement Obligations of the CSD Member to the Seller

77. (1) Subsequent to clearing the trades the CSD Member shall make payment to sellers on settlement day subject to deducting fees and other charges. If for any reason payment has not been made on the applicable settlement day, the seller may be entitled to interest effective from the date of settlement on the outstanding amount at the Bank of Tanzania discount rate

(2) The seller would not be entitled to interest if he had given written instructions to hold sales proceeds from transactions to meet the settlement of future purchases. In such event the CSD Member shall:

(i) adopt a first in first out basis when determining outstanding trades and amounts due to/from the investor.

(ii) send a statement of account at the end of each calendar month indicating the transactions for which settlement is outstanding either to/from the investor.

DIVISION III

SETTLEMENT OBLIGATIONS OF THE BUYER'S CSD MEMBER

Settlement Obligations of a Buyer

78. (1) The buying CSD Member shall not post a buy order to buy securities before they have received payment or payment confirmation from their buying clients.

(2) Failure to receive payment or payment confirmation from buying clients shall lead to a failure to settle payments for confirmed trades.

Instructions to Hold Sales Proceeds

79. A CSD Member will be permitted to set off a buyer's purchase proceeds against any sale proceeds due to that buyer if the buyer has given written instructions to hold any sales proceeds from previous transactions to meet the settlement of future purchases. In such event the CSD Member shall:

(i) Adopt a first in first out basis when determining trades and amounts due to/from the investor.

(ii) Send a statement of account at the end of each calendar month indicating the transactions for which settlement is outstanding either to/from the investor.

DIVISION IV

INTER-CSD MEMBERS SETTLEMENT

Settlement Bank

80. (1) In order to effect the Inter-CSD Member settlement of funds for trades carried out through DSE, CSDR shall work with a CSD Member's settlement bank for the purpose of facilitating the Inter-CSD Member settlement of funds.

(2) In respect of settlement of Government of Tanzania securities Admitted on the List, the Bank of Tanzania CSD shall effect a book entry by debiting the bonds account and crediting the buyers account with the exact volume of securities traded on the basis of instructions from the BOT's CSD at the CSD.

Inter-CSD Member Settlement Period

81. Subject to Rule 82, the Inter-CSD Member settlement of funds for trades on securities shall take place on T+3 or T+1 or as any other settlement cycle as may be determined by CSDR through the settlement bank as per instructions given by CSDR in the settlement schedule.

Settlement Schedule

82. CSDR shall produce, on each trading day, a settlement schedule, which will reflect the net amount payable to or payable by each CSD Member. In the event of any trade cancellations or failure, the settlement schedule for the relevant settlement day will be amended and the amended settlement schedule will be forwarded to the CSD Members and the settlement bank.

(a) The Inter-CSD Member settlement schedule shall be finalised on or before 15.00 hours on T+2.

(b) The CSDR shall complete the transfer of funds between inter-CSD Members on or before 09:30 hours on settlement day.

CSD Member in default

83. A fund settlement failure due to a buyer's CSD Member default or any other reason will be deemed to be a breach of these rules by the CSD Member concerned and consequentially the CSD Member will be held responsible and accountable to CSDR.

DIVISION V

RULES GOVERNING SETTLEMENT EXPOSURE OF CSD MEMBERS

CSD Member Exposure (ME)

84. ME in respect of each CSD Member will be computed by the CSDR daily on a post-trade rolling basis, taking into consideration the settlement risk on account of purchases and short sale contracts pending settlement on T+3 or T+1 or any other settlement time as determined by CSDR, entered into by such CSD Member/s.

Computation of ME

85. ME shall be computed by the CSDR in accordance with the methodology as detailed below:

(a) ME will be calculated daily on a rolling basis based on trades pending settlement. The transactions pending settlement will be marked to traded value at the end of each trading day for the purpose of computing ME.

(b) Each CSD Member will be subject to a trading limit (exposure limit) based on the liquidity deposit provided by such CSD Member. The liquidity deposit can take the form of a bank guarantee or bank deposit as detailed in Rule 88 of these rules.

(c) The exposure on the transaction value will be covered by DVP. The ME will be limited to the market risk (risk due to a change in the price of the security pending settlement) and compensation payable to the aggrieved party in the event of failed transaction.

(d) ME will equal the exposure on potential settlement failure on account of buy transactions pending settlement and damages to the aggrieved party and any fees, commissions, charges and dues payable to CSDR, DSE, government or any regulatory body. The ME will be communicated to CSD Members.

Liquidity Deposit

86. (1) Each CSD Member shall maintain a liquidity deposit, which shall be at least equal to his exposure and subject to a minimum value to be determined by CSDR from time to time.

(2) The liquidity deposit of a CSD Member shall be held in the following forms:

(i) Funds in the trust accounts; or

(ii) Bank guarantee issued by a bank (third party bank for Custodian Banks) issued for and on behalf of the CSD Member, in favour of DSE/CSDR provided that the bank guarantee is irrevocable and the bank undertakes to make payment to CSDR on demand, within 24 hours of the CSDR making a claim on such bank guarantee.

(iii) Term Deposit Certificate which is free from any encumbrances.

(3) The Liquidity deposit may be utilised by CSDR to defray:

(i) Any sum or sums of money due and payable by the CSD Member in default including compensation payable to any client of such CSD Member.

(ii) Any sum or sums of money including compensation due and payable by such CSD Member to any other CSD Member of CSDR.

(iii) Any fees, commissions, charges and dues payable by the CSD Member in default to CSDR, DSE, government or any regulatory body.

Procedure to monitor ME

87. (1) CSDR shall prepare a schedule computing the trading/exposure limit of each CSD Member on a daily basis taking into consideration the provisions contained in these rules.

(2) The exposure in respect of each CSD Member shall be notified by CSDR to the respective CSD Member on a daily basis.

(3) If the value of the liquidity deposit falls below the ME and/or the minimum requirement as determined by CSDR the CSD Member shall take immediate steps to comply with the requirements as set out in these rules latest by 16:00 hrs on the trading day.

(4) If the CSD Member does not comply with these requirements it shall constitute a violation of these rules.

Non-compliance with these Rules

88 (1) In the event a CSD Member does not meet the liquidity deposit requirements as specified in these rules, CSDR shall promptly inform the DSE regarding the inability of the Broker / CSD Member to comply with the provisions of these rules.

(2) Upon receipt of such notification from CSDR the DSE shall suspend such Broker CSD Member from trading until the Broker/ CSD Member meets the liquidity deposit requirements.

(3) If the CSD Member in breach of the liquidity requirement is a custodian bank the DSE upon being informed of such breach by CSDR shall direct members of the DSE not to execute any purchase orders or short sales on behalf of such custodian bank until such time the custodian bank complies with the rules.

PART IX

SECURITIES TRANSFERS

General Requirements

89. The title to securities whose registers are maintained by the CSD may also be transferred directly within the CSD accounts in the circumstances shown below. In all cases, the CSD shall need the following details, in addition to the specific details shown in each case:

(a) The details of the securities (i.e., the financial instrument transferred and the financial instrument identification number);

(b) The CSD Member and whether the necessary Verification process has been undertaken in the CSD;

(c) The type of transaction;

(d) The volume;

(e) The Settlement Day if applicable.

(f) Client details including name, CSD account number, identity card number or passport number and address;

(g) Such other particulars as may be required by the central securities depository.

Transfer of Securities between CSD Members

90. (1) A client who holds a CSD Account opened through an authorised CSD Member may transfer securities to another authorised CSD Member during business hours. Such transfers will only attract CSD transfer fees in accordance with these Rules.

(2) The transfer procedure shall be as follows:

(a) A client shall, in writing inform the current CSD Member of the intention to move securities to another CSD Member;

(b) Where a CSD Member is instructed by a client to transfer securities held in the said CSD Member's account, in favour of another CSD Member without bringing about a change of beneficial ownership, the CSD Member shall process such transfer in the CSD systems without delay, but in any case not later than the close of the business day following the date of the client's instruction, provided that the client's instructions are not in defiance of any provisions of the Agreement between the CSD Member and the client

(c) Where the CSD Member refuses or neglects to authorise the transfer of securities as instructed by the client, the client shall, through the CSD Member, after the expiry of three trading days, through a new CSD Member, submit a copy of the change of LDM Form which was duly served to the existing LDM.

Private Transfers

91. (1) Private transfers may be requested by Client Depository Account holders subject to payment in advance of the relevant fees under these Rules. Private transfers shall include the following:

(a) gifts to parties authorised by law to receive such gifts such as charities and philanthropic legal persons;

(b) gifts to close relatives which shall include spouses, children, parents, siblings and grandparents as duly recognised by law;

(c) transfers happening by operation of law;

(d) transfers on account of administration of deceased's estates;

(e) corporate action transfers, in event of restructuring where there is no transfer of beneficial interests.

(2) All Private Transfers, shall be approved by the Depository upon receiving an application from the CSD Member.

(3) Non-members of the CSD shall be required to submit such transactions to the CSD Member in the capacity as a client of the CSD Member.

(4) The transfer of financial instruments by title of donation or gift need not be put through the market provided that the following conditions are fulfilled:

(a) The relationship between the donor and donee both in the indirect and collateral line should not extend beyond the first degree or it is to parties authorised by law to receive such gifts such as charities and philanthropic legal persons;

(b) The donation is finalised by a public deed or private writing;

(c) An authenticated copy of the said instrument drawn up in terms of law is forwarded to the CSD for registration;

(d) In the case where the transfer document is not subject to stamp duty, the transferee will have to justify the reason for not paying the stamp duty.

Transfer in the event of Death of an Account Holder

92. In the event of a death of an account holder, securities held by such account holder in CSDR may be transferred to his/her legal heir. For this purpose a request to transfer such securities shall be made to CSDR in the prescribed transfer form through the respective CSD Member(s).

Corporate Action Transfers

93. Subject to the provisions of these rules, an account holder may, by completing the prescribed form, request the relevant CSD Member to transfer securities in connection with a corporate action which does not constitute the change of beneficial interest to a new account holder.

Inter-depository Transfers

94. In case of securities that are dual or cross-listed an account holder may request for inter-depository transfer of any securities held in his securities account, either in whole or in part.

Rejection of Transfer Requests

95. CSDR may, at its absolute discretion, reject a transfer request made by a CSD Member, if such request does not conform to these rules.

PART X

CONSOLIDATION AND SPLIT OF SECURITIES HOLDINGS

Consolidation of Holdings between Spouses

96. Where a holder of securities and his/her spouse wishes to merge holdings which have been registered individually in separate accounts, the transfer into a joint account shall be effected upon the written instructions of both parties and upon the production of the relevant authenticated documents.

Split of Holdings between Joint Holders

97. Where joint holders securities in a joint account wish to divide such holdings into separate accounts, the transfers into the individual accounts can be effected upon the written instructions of both parties.

PART XI

CORPORATE ACTIONS

Corporate Actions Processing

98. The CSD shall provide a number of corporate services to Issuers for as long as a register of securities is maintained by CSD.

Dividend/Interest Payments

99.-(1) When dividend or interest payments are due, the CSD will either provide the register of securities holders to the Issuer's Registrar or will carry out the necessary processing including:

(a) Identification of holders to whom dividend/interest payment is due on the record date;

(b) Calculate payments due; and

(c) Printing of cheques and/or direct credit processing.

(2) The CSD shall forward the printed instrument or direct credit details to the Issuer in bulk. The Issuer shall be responsible for reconciling dividend warrants and interest payments and for signing off and dispatching the warrants and/or instructions.

(3) As part of the dividend/interest payment procedures, the CSD shall also provide the following reports:

(a) "Payments Withheld" due to Garnishee Orders or other grounds, and

(b) "Payment Details" in electronic format to facilitate the reconciliation process.

(4) Direct credit facilities may cater for interest or dividend payments to be credited into the designated securities account holders' money accounts held with banks, credit or other financial institutions. Such facilities may be made available on all registered securities holdings maintained by the CSD. Direct credit facilities are issued in conformity with electronic file formats as agreed to with such banks or institutions.

Redemptions

100. Upon maturity of a fixed term security, the CSD shall identify the relevant holders of the security, process and prepare the redemption cheques as agreed to with the Issuer, saving any outstanding unresolved estate or continuing blocked accounts. The Issuer shall be responsible for the reconciliation and mailing of the relevant redemption funds as well as for the final resolution of unresolved estates and blocked accounts.

Rights and Bonus Issues

101. (1) As agreed with the Issuer, the CSD may undertake all processes on behalf of the Issuer in connection with rights and bonus issues.

(2) Upon allotment of the rights issue or bonus shares, the Registrar, irrespective of, whether the CSD or any other person is appointed by the Issuer to provide this service, shall supply the CSD with all the relevant information to enable the latter to amend the relevant register of holders on behalf of the Issuer to reflect the new allotment of securities.

PART XII

DEPOSIT OF NON-LISTED SECURITIES IN THE CSD

Application to deposit Non-Listed Securities

102. (1) An application to deposit non-listed securities in the CSD shall be made to the Depository in the form shown in the Seventh Schedule.

(2) The Depository shall place before the Board an Application to deposit non-listed securities in the CSD as well as CSD's management internal recommendations in respect thereof, for the decision of the Board.

(3) The Board shall endeavour to determine whether to accept or reject an Application from the date of delivery of a complete Application.

Documents to be submitted with an application to Deposit Non-Listed Securities

103. The following documents should be submitted to the Depository together with an application to deposit non-listed securities:

(a) A letter from the Issuer's Counsel confirming that the applicant is duly constituted;

(b) A letter from the Issuer's Company Secretary or other Issuer's legal representative, as duly authorised by the Company's Board of Directors or the Issuer's policy or decision-taking body or authority, declaring that the register of holders of securities forming subject of the Application, delivered in the format acceptable to the CSD in support of the Application, is complete in all respects in terms of law as at the date of the Application.

(c) A letter from the CSD Member confirming that the applicant shall comply with the CSD Rules and conditions that the Board shall deem appropriate in a form set out under the Fifth Schedule and Eighth Schedule;

(d) Ten copies of the applicant's memorandum and articles of association (and of any alterations which are proposed to be made to them prior to public issue);

(e) A copy of an approval from the Authority allowing the Issuer to issue shares to the public, if appropriate;

(f) A CD/USB key or other electronic media with a copy of all of the above documents in electronic form; and

(g) The application fee.

Basic Conditions to be fulfilled by an Applicant

104. (1) An applicant for depositing non-listed securities in the CSD must comply with the following requirements:

(a) Issuer to be duly constituted - the Issuer must be duly incorporated as a public company under the laws of Tanzania;

(b) Status of the Non-Listed Securities; and

(c) The securities for which an Application to deposit in the CSD is sought must be issued in conformity with the laws of Tanzania.

(2) An applicant depositing non-listed securities at the CSD shall pay the application and annual CSD fees as shown under First Schedule or as may be prescribed by the Board from time to time.

PART XIII

STATEMENT OF HOLDING

Periodic Account Statements

105. (1) CSDR shall send the account holders an account statement showing the description and the quantity of securities debited and/or credited to his securities account. Such statement may be forwarded to the account holder directly by electronic mail.

(2) The frequency of issuing such statements shall be determined by CSDR from time to time.

Copies of Account Statements

106. If an account holder wishes to obtain a copy of his account statement, he may contact his/her CSD Member who shall obtain such statement from CSDR at a fee.

PART XIV

FEES

Purpose of Fees

107. (1) All Members must pay all fees and costs.

(2) The Depository may waive all or part of fees and costs, provided it continues to treat all Members equally.

(3) Unregulated services provided by the Depository are not covered by these Rules and may attract fees and costs as agreed between the Depository and its clients from time to time.

CSD Fees

108. These Rules shall govern the fees provided under the First Schedule to these Rules.

Invoicing Method

109. (1) All invoices from the CSD shall be issued to customers in paper form to a specific point of contact agreed between the CSD and each customer, unless as otherwise prescribed by the CSD from time to time.

(2) The CSD shall issue all invoices as required or within 10 days of the month end when the invoice falls due.

Invoicing Date

110. CSD fees are invoiced on the following dates:

(a) Application Fees - on application.

(b) Initial membership/depository fees - on joining.

(c) Annual membership/listing fees - annually on 1st January.

(d) Transaction fees - at the end of each month.

(e) Other services - at the end of each month, quarter or as incurred, as specified for the particular service.

CSD Standard Terms and Conditions

111. (1) All fees are non-refundable.

(2) Without prejudice to what is provided under sub-rule (1), CSD shall forfeit fees paid in advance the purpose of which has not materialised twelve (12) months from the date of payment.

(3) All fees are payable electronically directly in the currency specified, to the CSD's bank account as contained on its invoices from time to time. Invoices within Tanzania shall be paid via the Tanzania Inter Bank Settlement System (TISS). International invoices shall be paid via SWIFT.

(4) Payments by CSD customers from abroad shall include all international bank charges.

(5) Payment terms are:

(a) Cleared funds in advance for all Application Fees; or

(b) 30 days in arrears.

(6) The CSD shall be entitled to charge a late payment fee for all invoices which are outstanding in cleared funds at the required payment date, at a monthly interest of 2% above the Bank of Tanzania discount rate, charged for the whole period up until the period when full payment of such sums are received, irrespective of whether invoices are paid late for part or whole period.

(7) Without prejudice to sub-rule 6 above, the CSDR may revoke CSD Member's access right to the CSDR's system(s).

CSD Member Fees

112. (1) CSD Member must advise their clients as to all the commission rates and other charges to be applied to transactions carried out on the client's behalf before the business is accepted.

(2) All fees payable by a CSD Member in respect of transactions in marketable securities shall be charged by the CSD and paid by the CSD Member, not passed on to the client. The amount deductible from payment to the client under this Rule due to the Depository and the Authority shall be remitted directly to the Depository and Authority by the CSD Member at the end of each month.

(3) CSD Member shall advise their clients as to the indicative rate of commission which has been approved by the Authority.

(4) All charges and commissions levied shall be as shown on the Contract Note.

(5) All bank charges or expenses incurred on behalf of clients shall be borne by the clients concerned.

(6) Where an Issuer is effecting a public issue through a new issue, rights, offer for sale, placing of tender, and CSD Member is appointed a sponsoring Member, such Member shall be paid a fee, not being brokerage, as may be negotiated between the parties concerned.

(7) Every Member shall pay the fees due under these Rules.

PART XV
GENERAL PROVISIONS

Intellectual Property	**113.** (1) All data entered on the CSD, including Trades and any other transaction (i.e., including but not limited to indices), shall belong at all times to the CSD as its intellectual property. (2) Consequently, any use thereof outside the CSD shall at all times require the prior written approval and consent of CSD, subject to such fees, terms and conditions that the CSD may in its discretion impose.
Amendment or Suspension of the Rules Book	**114**. These Rules may be suspended or amended where the DSE Board so agree and provided that notice of such suspension or amendment is contained in the notice calling the relevant Board meeting. Provided that any such suspension or amendment shall not take effect prior to the Authority's endorsement.
Liability	**115.** The CSD shall not be liable directly or indirectly for omissions or acts done in good faith in the administration or implementation of these Rules.
Effective Date	**116**. These Rules shall come into operation on the date of approval by the Capital Markets and Securities Authority.

FIRST SCHEDULE
THE CSD FEE STRUCTURE AS APPROVED BYTHE AUTHORITY
[Made under Rules 104 (2) and 108]

1. Membership Application Fee

1.1	Licensed Dealing Members (LDMs), Custodian Banks, Clearing Bank, Registrar and Others	1,000,000
1.2	Nominated Advisors (NOMAD)	1,000,000

2. Annual Membership Fee

1.1	Licensed Dealing Members (LDMs), Custodian Banks, Clearing Bank, Registrar and Others	2,000,000
1.2	Nominated Advisors (NOMAD)	500,000

3. Annual Service Fee for maintenance of Companies Registers

3.1 Main Investment Market Segment (MIMS)

SN	Average Market Capitalization	Annual Maintenance TZS	Additional Listing TZS
3.1.1	Not exceeding TZS 6.5 bln	4,000,000	2,000,000
3.1.2	More than TZS 6.5 bln but not exceeding TZS 16 bln	6,000,000	3,000,000
3.1.3	More than TZS 16 bln but not exceeding TZS 26 bln	7,000,000	3,500,000
3.1.4	More than TZS 26 bln but not exceeding TZS 65 bln	8,000,000	4,000,000
3.1.5	More than TZS 65 bln but not exceeding TZS 200 bln	9,000,000	4,500,000
3.1.6	More than TZS 200 bln but not exceeding TZS 500 bln	11,000,000	5,500,000
3.1.7	More than TZS 500 bln	15,000,000	7,500,000

3.2 Enterprise Growth Market Segment (EGMS)

SN	Average Market Capitalization	Annual Maintenance TZS	Additional Listing TZS
3.2.1	Not exceeding TZS 3.5 bln	1,000,000	800,000
3.2.2	More than TZS 3.5 bln but not exceeding TZS 6.5 bln	2,000,000	1,000,000
3.2.3	More than TZS 6.5 bln but not exceeding TZS 16 bln	3,000,000	1,300,000
3.2.4	More than TZS 16 bln but not exceeding TZS 26 bln	3,500,000	1,600,000
3.2.5	More than TZS 26 bln but not exceeding TZS 65 bln	4,000,000	1,900,000
3.2.6	More than TZS 65 bln but not exceeding TZS 200 bln	4,500,000	2,200,000
3.2.7	More than TZS 200 bln	6,000,000	2,800,000

3.3 Bonds

SN	Face Value of the Bond	Annual Maintenance
3.3.1	Any Amount (Face Value) of the Bond	0.0015% of the Face Value Min 500,000/= Max 5 mln

4. Transactions Fee

SN	Category	MIMS / EGMS
4.1	Secondary Market Transaction Fee – EQUITY (value based on each side)	0.06%
4.2	Secondary Market Transaction Fee – BONDS (face value on each side)	0.010%
4.3	Custody Fee	1,000
4.4	Consolidation of CSD Accounts and Depository Receipts	1,000
4.5	Amendments	1,000
4.6	Private Transfers	2,000
4.7	Replacement of Depository Receipts (Re-issue)	2,000
4.8	Change of LDM by CSD Account Holder	2,000
4.9	Mortgage and Release of Mortgage	10,000

5. IPO Processing Fee

SN	Category	MIMS	EGM
5.1	Verification, Validation and Uploading of Shareholders Register to the CSD	0.5% of Market Capitalization subject to: Minimum TZS 2,000,000 Maximum TZS 10,000,000	0.25% of Market Capitalization subject to: Minimum TZS 1,000,000 Maximum TZS 5,000,000
5.2	Printing Depository Receipts	TZS 1,000 per Dep. Receipt	TZS 1,000 per Depository Receipt

6. ISIN Fees

6.1	Publicly issued securities (one-time fee)	TZS 300,000
6.2	Different securities for companies that already have ISINs	TZS 300,000
6.3	Unlisted securities (one-time fee)	TZS 600,000

7. Other Transactions Fees

7.1	Statements	5,000
7.2	Third PartyAudit Confirmation Statement (ExternalAuditor)	100,000
7.3	SMS alert services	200
7.4	Custodian Banks Transactions (paid once per annum to cover transactions fees)	1,000,000

8. Penalties

8	Late Trade Commitment (on Settlement Date)	0.01% of the Transaction Value

SECOND SCHEDULE
SAMPLE BANK GUARANTEE

[Made under Rules 22 (2)]

(On Relevant Guarantor Bank's Letterhead)

(Date)

The Chief Executive
Dar Es Salaam Stock Exchange Limited
Floor 3, Kambarage House,
Ufukoni Street,
Dar Es Salaam
Tanzania

Dear Sir/Madam

BANK GUARANTEE in terms of Dar Es Salaam Stock Exchange Rule 25 (3)

Whereas …… [insert here the name of the Applicant to Dar Es Salaam Stock Exchange Membership], hereinafter the "DSE Applicant Member", having its registered office at ……[insert here the DSE Applicant Member's Registered Office address in Tanzania] has been approved in principle by the Board of Dar Es Salaam (hereinafter the "DSE") as a DSE Licensed Dealing Member / CSD Member [delete as appropriate] to effect trades and clear and settle transactions on DSE or on the DSE's Central Securities Depository or to provide custodial services and otherwise operate on the DSE CSD in its aforesaid capacity of a DSE Member.

Whereas the DSE has agreed to admit the DSE Applicant Member subject to furnishing the DSE with a TZS …. Million Bank Guarantee (depending on the type of the member);

And whereas the DSE Applicant Member has applied to this _____ Bank [insert here the name of the Guarantor Bank providing the Guarantee], hereinafter referred to as the "Guarantor Bank"

NOW THEREFORE

The Guarantor Bank issues this irrevocable guarantee in favour of DSE on terms and conditions indicated below and in compliance with the DSE Rules.

1. This financial guarantee shall have validity and effect for a period of one year with effect from the date of issue .
2. This financial guarantee shall be renewable on annual basis.
3. This financial guarantee shall cover defalcation, loss to clients whose accounts are held through the DSE Applicant Member as a Custodian, or non-compliance with the financial obligations owed by the DSE Applicant Member under the DSE Rules.
4. The Guarantor Bank shall be liable not only for the DSE Applicant Member's financial obligations towards its clients, but also for any other financial obligation that may subsequently arise under the DSE Rules from this Guarantee.

5. The Guarantor Bank irrevocably guarantees and undertakes to pay immediately on first demand by DSE, waiving all rights of objection and defence, without examination of the underlying transaction/s, any amount up to a maximum of TZS …… million (Tanzania Shillings …… only) (depending on the type of the member); without any reservation, protest, demur and recourse. Any such demand made by the DSE shall be conclusive and binding on the Guarantor Bank irrespective of any dispute or difference raised.

6. This Guarantee is exclusive to the DSE, is not assignable and is governed and construed by Tanzanian law

In witness whereof the Guarantor Bank, through its authorized officer/s has set its hand and stamp on this ……day of…..……. 20…… at Dar Es Salaam, Tanzania

Name: …….

Signature:……..……..

Designation…….…….

Bank's Common Seal

WITNESS

Name: …….

Signature:……..……..

Designation…….…….

Applicant Member Common Seal

THIRD SCHEDULE
TRADING SESSIONS

(Made under Rule 2)

Phase	Timing
Phase 1: Pre-Opening:	As defined in circulars issued by the DSE
Phase 2: Open-Auction	For 30 minutes after the pre-open
Phase 3: Continuous trading	For six and a half hours after the Open-Auction
Phase 4: Close	Five hours after the Open-Auction

The Timing Applicable in the Third Schedule

Phase	Timing
Pre-Opening	9:00 a.m. – 9:29 a.m.
Opening Auction	9:30 a.m.
Continuous	9:31 a.m. – 4:00 p.m.
Close	4:00 p.m.

FOURTH SCHEDULE
A FOUR PARTIES AGREEMENT BETWEEN DSE, CSDR, LDM AND A CLEARING BANK

[Made under Rule 11 (1) (b)]

This Agreement is made this …… day of ……..... 20……..

Between

The Dar es Salaam Stock Exchange PLC of P.O. Box 70081, Dar es Salaam (hereinafter referred to as "the DSE") of the first part,

The Central Securities Depository & Registry Company Limited of P.O. Box 70081, Dar es Salaam (hereinafter referred to as "the CSDR") of the second part,

And

[INSERT LDM NAME] (hereinafter referred to as "the Licensed Dealing Member") of the third part

and

[Clearing Bank Name] PLC of P.O BOX [ ], DAR ES SALAAM (hereinafter referred to as "the Clearing Bank) of the fourth part.

WHEREAS the DSE provides facilities at which securities are traded by Licensed Dealing Members on behalf of their clients;

WHEREAS the CSD & Registry Company Limited facilitates clearing and settlement of all securities traded by Licenced Dealing Members at the DSE;

WHEREAS the Licensed Dealing Member is guided and regulated by Clearing, Settlement and Depository Rules of the CSDR;

WHEREAS the Rules of the DSE strictly require the buying Licensed Dealing Member not to execute any trade on the Trading System of the DSE before making sure that the money paid by a buying client has been cleared in the Licensed Dealing Member's Trust Account;

WHEREAS the Licensed Dealing Member has engaged the Clearing Bank for assisting in the process of clearing and settlement of trades executed at the DSE;

AND WHEREAS the Clearing Bank is willing to undertake the job of settlement of trades executed at the DSE on behalf of the Licensed Dealing Member as envisaged on the terms and conditions mutually agreed upon and the parties hereto are desirous of entering into an agreement to record the terms and conditions so agreed upon.

NOW THEREFORE in consideration of the DSE, the CSDR, the Licensed Dealing Member and the Clearing Bank having agreed to provide mutually agreed services, all the parties to this Agreement hereby covenant and agree as follows:

1. THAT the Clearing Bank undertakes to facilitate settlement of cash for the securities transactions executed by the Licensed Dealing Member on the Trading System of the DSE.

2. THAT the Clearing Bank agrees to comply with the Clearing and Settlement Rules of the CSDR which provide that settlement of trades involves delivery of securities against receipt of payment.

3. THAT the Clearing Bank further undertakes to ensure that equity trades executed at the DSE are settled in a (T+3) settlement cycle where "T" is the transaction date.

4. THAT the Clearing Bank undertakes to use its account maintained at the Bank of Tanzania in settling all securities transactions executed at the DSE or to use the Licensed Dealing Member's Trust Account maintained by the clearing bank in settling securities transactions executed at the DSE.

5. THAT after closure of every trading session at the DSE, the DSE shall prepare and transmit a Trade Confirmation Report to the Licensed Dealing Member the very day for necessary corrections.

6. THAT the Licensed Dealing Member shall ensure that before posting a client's buy order, the client has deposited funds into the Trust Account maintained by the Clearing Bank and that the funds have cleared.

7. THAT the Licensed Dealing Member shall ensure that its Trust Account maintained with the Clearing Bank has sufficient amount of funds to meet its settlement obligations and authorize the CSDR to have access on the details of transactions and balance of the account.

8. THAT the CSDR shall on T+3, generate and send a Payment Request (Net Settlement Request) SWIFT message to TISS (for transactions involving more than one Clearing Bank) and to a respective Clearing Bank (for transactions involving only one Clearing Bank).

9. THATTISSshallconfirmthevalidity/accuracyoftheSWIFTmessageandcheckforavailability of funds in the clearing and settlement account of the Clearing Bank with a debit obligation. If the message is valid/ accurate and the funds are available, TISS shall settle on T+3.

10. THAT the Clearing Bank shall confirm the validity/accuracy of the message and check for availability of funds in the Trust account of the Licensed Dealing Member with a debit obligation. If the message is valid/ accurate and the funds are available, the Clearing Bank shall settle on T+3.

11. THAT TISS / Clearing Bank shall send Payment Confirmation (Net Settlement Response) SWIFT message to CSDR/DSE or a negative confirmation where applicable.

12. THAT after receiving a positive payment confirmation from TISS / Clearing Bank, CSDR shall transfer ownership of securities in the CSD.

13. THAT the Clearing Bank shall receive payments on behalf of the Licensed Dealing Member for transfers effected by TISS.

14. THAT in discharging its obligations under this Agreement, the Clearing Bank shall neither be deemed to be an agent of the DSE nor of the CSDR and neither the DSE nor the CSDR shall be responsible for any act or omission save for the obligations provided under this Agreement.

15. THAT neither of the parties to this Agreement shall attempt to enforce by law any claim against the other part, arising out of this Agreement or in connection with CSD operations without having exhausted an amicable dispute settlement process of the DSE and the CSDR.

16. THAT in case the amicable dispute settlement process referred to under clause 15 above fails, an aggrieved party may take the matter to the court of law having jurisdiction to entertain the matter.

17. THAT either part hereto may terminate this Agreement by giving notice in writing to other parties in not less than 30 days in any of the following events:

    (a) if the Licensed Dealing Member shall cease to maintain a Trust Account with the Clearing Bank; and

    (b) if the Licensed Dealing Member's operations at the DSE shall be suspended.

IN WITNESS WHEREOF the parties herein have caused this agreement to be executed as of the day and year first above written.

SIGNED and DELIVERED

for and on behalf of the said _____

DAR ES SALAAM STOCK EXCHANGE PLC

This …….. day of ……., 20

NAME:

ADDRESS:

DESIGNATION: CHIEF EXECUTIVE OFFICER

In the Presence of (WITNESS)

NAME:

SIGNATURE:_____

ADDRESS:

DESIGNATION: COMPANY SECRETARY / ADVOCATE

SIGNED and DELIVERED

for and on behalf of the said _____

CSD & REGISTRY COMPANY LIMITED

This …….. day of ……., 20

NAME:

ADDRESS:

DESIGNATION: MANAGING DIRECTOR

In the Presence of (WITNESS)

NAME:

SIGNATURE:_____

ADDRESS:

DESIGNATION: COMPANY SECRETARY / ADVOCATE

SIGNED and DELIVERED

for and on behalf of the said _____

LDM NAME

This …….. day of ……., 20

NAME: ……..……..

ADDRESS: P.O. BOX

DESIGNATION: ……..……

In the Presence of (WITNESS)

NAME: ……..……..

SIGNATURE:_____

ADDRESS: P.O. BOX

DESIGNATION: …….

SIGNED and DELIVERED

for and on behalf of the said _____

Clearing Bank Name PLC

This …….. day of ……., 20

NAME: ……...

ADDRESS: P.O. BOX [ ]

DAR ES SALAAM

DESIGNATION: ……..……In the Presence of (WITNESS)

NAME: ……..……..

SIGNATURE:_____

ADDRESS: P.O. BOX [ ]

DAR ES SALAAM

DESIGNATION: …….

FIFTH SCHEDULE
LETTER OF UNDERTAKING TO COMPLYWITH CSD RULES

[Made under Rules 11 (1) (c) and 105 (c)]

The Managing Director

CSD & Registry Co. Ltd,

P.O. Box 70081

DAR ES SALAAM

……..……...

(Name of Company)

In consideration of the CSD & REGISTRY COMPANY LIMITED ("the CSD") allowing the Company's to deposit non-listed securities described in the Company's form of Application HEREBY UNDERTAKE AND AGREE to comply with the continuing obligations of having the securities in the CSD set out in the Annex to this Undertaking, as amended or supplemented from time to time by the CSD Rules of the CSDR.

The above Undertaking has been signed by us;

As Director - [insert name]:	
Secretary [Name]	
Pursuant to authority granted to us by Resolution of the Board of Directors of the Company on	
Date	
Signature	
	Director
Signature	
	Director

SIXTH SCHEDULE
CENTRAL SECURITIES DEPOSITORY FORMS

[Made under Rules 47, 65 (10 (b) and 67]

CNP

CSD MEMBER OFTHE CSD AND REGISTRY COMPANY LIMITED

CONTRACT NOTE

CNS

MEMBER OFTHE CSD AND REGISTRY COMPANY LIMITED

CONTRACT NOTE

SALE

DSE 2 (A)

MEMBER OFTHE CSD AND REGISTRY COMPANY LIMITED

CDS DEPOSIT REQUEST FORM

Please use Capital Letters

Name of Client.	**Client Reference**	**Security**		**Certificate No.**	**Purpose of Deposit**
Stamp and Authorised Signatory of the authorised CSD operator					
					Stamp & Signature of the CSDR
Original: CSDR					
Copy: LDM					

DSE 2 (c)

MEMBER OFTHE CSD AND REGISTRY COMPANY LIMITED

CSD WITHDRAWAL REQUEST FORM

Please use **CAPITALLETTERS**

Name of Client:.	
Client's Ref:	

Security	**Quantity**
TOTAL	

Stamp and Authorised Signatory of the authorised CSD operator		**Stamp & Signature of the CSDR**

FOR CSDR USE ONLY:	
CLIENT'S CDS A/C NO	
SIGNATURE AND STAMP OF CSDR OFFICIAL:	
DATE	
Original: CSDR Copy: Authorised CSDR operator	

TD 1 (E)

CSD AND REGISTRY COMPANY LIMITED

INTER-DEPOSITORY TRANSFER FORM

MR 1 - MORTGAGE REQUEST FORM

PLEASE USE CAPITAL LETTERS

Borrower's Authorised CDS Member ID [insert name / number]:	
CDS CLIENTACCOUNT NUMBER	
LENDER	
Date	
Security Name / Short Name / Quantity	
Security Name / Short Name / Quantity	
Security Name / Short Name / Quantity	
Security Name / Short Name / Quantity	
Borrower's Signature	
	Director
Stamp and Authorised Signature of Lender	
	Director
Distribution: Original - CSDR 1 Copy - Borrower 1 Copy - Lender Subject to these Rules of the CSDR	

MR 2 - MORTGAGE RELEASE FORM

PLEASE USE CAPITAL LETTERS

Borrower's Authorised CDS Member ID [insert name / number]: .....

CDS CLIENTACCOUNT NUMBER .....

LENDER .....

Date .....

Security Name / Short Name / Quantity .....

Security Name / Short Name / Quantity .....

Security Name / Short Name / Quantity .....

Security Name / Short Name / Quantity .....

Borrower's Signature .....

Director .....

Stamp and Authorised Signature of Lender .....

Director .....

.....

Distribution:

Original - CSDR

1 Copy - Borrower

1 Copy - Lender

Subject to these Rules of the CSDR .....

TD 1 (c) - MORTGAGE OF SHARES TRANSFER FORM

PLEASE USE CAPITAL LETTERS

	FULL name of security 47		
	Depository Receipt No.		
	Number and full description of securities and denomination of units	FIGURES	WORDS
	TRANSFER FROM Transferor(s) Name (s) and Address (es) in full		
	TRANSFER FROM Transferor(s) Name (s) and Address (es) in full		
	CONSIDERATION.....		

SIGNED SELAED AND DELIVERED by the parties to this …….. day of …….. 20……..

In the presence of

Witness Name

Witness Signature .....

Address of Witness .....

Description .....

Witness Name

Witness Signature .....

Address of Witness .....

Description .....

TD 1(f)

CSD & REGISTRY COMPANY LIMITED

PRIVATE TRANSFER OF SHARES FORM

Please use CAPITAL LETTERS

FOR THE CONSIDERATION stated below the "Transferor(s)" named herein do hereby transfer to the "Transferee(s)" named herein the shares specified below subject to several conditions on which the shares are now being held.		
Full name of company or undertaking:		
Number and full description of shares and denomination of units	FIGURES	WORDS
TRANSFER FROM TRANSFEROR(S) Name(s) and address(es) in full (PREFERABLY TYPEWRITTEN OR IN BLOCK CAPITALS)		
TRANSFER TO TRANSFEREE (S) Name(s) and address(es) in full (PREFERABLY TYPEWRITTEN OR IN BLOCK CAPITALS)		
CONSIDERATION		

SIGNED, SEALED and DELIVERED by the parties to this transfer this …… day of …… 20……..

SIGNATURE
OF WITNESS …….
Address ……. …….
……. (Signature)
Description ……...

in the presence of
SIGNATURE
OF WITNESS …….
Address ……. …….
……. (Signature)
Description ……

Subject to the Rules and Practices of the CSDR

SEVENTH SCHEDULE
APPLICATION TO DEPOSIT NON-LISTED SECURITIES

[Made under Rule 104 (1)]

Name of Company:

.....

Hereby applies to deposit the following securities at the Central Securities Depository (hereinafter called "the CSD");

.....

The Company was established in (country)

.....

Under (Law)

.....

On date:

.....

Issued with incorporation certificate number (if any)

.....

Address of the registered office

.....

Address of each office at which a Shareholders' Register is kept

.....

AUTHORISED CAPITAL

(show separately the number and denomination of each class of shares)

.....

ISSUED CAPITAL

(show separately any different classes of shares, the amount paid up on each class, and the dividend and voting rights attaching to each class)

.....

Full list of shareholders and their holdings as at the date of application.

.....

BUSINESS

(State the main business, the main products produced or service performed)

SUBSIDIARIES AND ASSOCIATES

(Give a list of all subsidiaries stating in each case, the name, nature of business and percentage holding. Similar details should be provided for every other company in which the Issuer holds more than ten percent of the ordinary share capital).

OFFICES

(List Directors and the Secretary)

ACCOMPANYING DOCUMENTS

52. Evidence of approval by the Capital Markets and Securities Authority to issue securities to the public.

53. Memorandum and Articles of Association and Certificate of incorporation.

54. Letter of Undertaking.

55. Application Fees and Annual CSD Fees.

56. Business License

The Common Seal of the Company is hereunto affixed in the presence of:

Director

Director/Secretary

Date

EIGHTH SCHEDULE
CONTINUING OBLIGATIONS FOR NON-LISTED SECURITIES

[Referred to under Rule 105 (c)]

1. The Company shall advise the CSD by written statement delivered by hand or Fax transmission in accordance with the CSD procedures immediately a decision has been taken on any of the following matters:

   (i) Particulars of any of new capital whether to be issued as capitalization or by way of rights to shareholders.

   (ii) Any changes in the Directors, the Secretary, Auditors and Legal Advisors.

2. The Company shall forward to the CSD as soon as issued 3 copies of all Resolutions increasing the capital, changes to articles of association and all notices relating to further issues of capital.

3. The Company shall pay application fee prior to approval being granted in respect of every application to deposit in the CSD shares issued as a result of a bonus, rights or other issues by the Company.

4. The Company agrees to pay an annual CSD fee as shall be laid down by the Board on 1st July, of every calendar year.

5. The Company agrees to recognise and register only those transfers of the securities held in the custody of the CSD where the transactions have gone through one of the CSD Members of the CSDR.

6. The Company agrees in relation to its issued securities held in the custody of the CSD: -

   (i) To maintain its register of shareholders in the CSD in accordance with the CSDR Rules as maybe amended from time to time by the Board;

   (ii) To provide the rights and benefits of shareholders in the Company, as set out in the Memorandum and Articles of the Company to all those who are recorded in the Central Depository System as the beneficial owners of shares in the Company.

NINTH SCHEDULE
CSD AGREEMENTS

[Made under Rule 8 (2)]

AGREEMENT BETWEEN A CSD MEMBER (CUSTODIAN BANK) AND THE CSD AND REGISRY COMPANY LIMITED (CSDR) RELATING TO DEPOSITORY OPERATIONS

CSD Agreement made this …… day of ……, 20……..

between

…….. of P. O. Box ……, Dar es Salaam
(hereinafter called "the CSD Member") of the one part

and

The CSD & REGISTRY CO. LTD of P.O. Box 70081, Dar es
Salaam (hereinafter called "the CSDR") of the other part.

WHEREAS the CSDR has a CSD in which securities are to be deposited by clients through CSD Member.

AND WHEREAS …….. has furnished, to the CSDR an application for being admitted as a CSD Member.

AND WHEREAS the CSDR has admitted [INSERT NAME] as a CSD Member.

NOW THEREFORE in consideration of the CSDR having agreed to admit the CSD Member into its CSD as a non-LDM, the parties to this Agreement do hereby covenant and agree as follows:

1. THAT the CSD Member shall abide by these Rules and Procedures of the CSDR and the Capital Markets and Securities Act, 1994 and Regulations made thereunder, wherever applicable and comply with any Orders, Directions, or Notices which may be issued or prescribed by the CSDR Board from time to time in respect of its services and facilities of the CSD whether of a temporary or permanent nature.

2. THAT the CSD Member shall continue to be bound by these Rules of the CSDR, notwithstanding that it may have ceased to be a CSD Member, as to all matters and transactions occurring while it was a CSD Member.

3. THAT these Rules and Procedures of the CSDR shall be a part of the terms and conditions of every agreement, contract or transaction which the CDS Member may make or have with the CSDR.

4. THAT the CDS Member shall furnish a list of authorised officials and their signatures thereof who shall represent and interact on its behalf with the CSDR within 14 days of the execution of this Agreement and any changes including additions/deletions thereof shall be communicated to the CSDR within 14 days of such change(s) or as soon as it is practicable.

5. THAT the CSD Member shall be bound by any amendment to these Rules and procedures of the CSDR with respect to any transaction occurring subsequent to the time of such amendment. Such amendment shall take effect as if it were originally part of these Rules and Procedures of the CSDR, provided however, that no such amendment shall affect the CSD Member's rights to cease to be a CSD Member.

6. THAT the Agreement and all contracts and transactions effected by the CSD Member with any other party, or to which the CSD Member is a party under these Rules and Procedures of the CSDR or through the facilities of the CSDR shall be governed by and construed in accordance with the provisions of the relevant laws as well as the Regulations of the regulatory bodies having jurisdiction over the CSD Member applicable from time to time.

7. THAT the CSD Member shall pay such fees and charges that may be payable to the CSDR in accordance with Rules and Procedures of the CSDR as may be amended from time to time.

8. THAT the CSD Member shall not co-mingle its own holdings held in CDS with those held on behalf of the clients. The CSD Member shall effect transfer of holdings in accordance with the CSDR Rules and Procedures and only if the same is supported by a valid instruction and adequate audit trail of the same is maintained. The CSD Member shall be responsible for every action taken on the basis of any order, instruction, direction or mandate given by the account holder.

9. THAT the CSD Member shall comply with the time schedule to be specified from time to time by the CSDR for data transfer.

10. THAT the CSD Member shall comply with the procures, for deposit and withdrawal of securities to and from any of its accounts maintained with the CSD as laid down under the CSDR Rules and Procedures.

11. THAT the CSD Member shall keep records in such manner as may be prescribed by the CSDR Rules and Procedures in respect of its use of any of the services and facilities of the CSDR and allow any person duly authorised by the CSDR to enter its premise, within the regular business hours on any business day where such records are kept and inspect and take copies of such records. The CSD Member shall provide, on demand, any information to the CSDR relating to the contracts and transactions that the CSD Member may have under the CSD.

12. THAT the CSD Member shall reconcile its own records with those of the CSDR on a daily and weekly basis and in such manner as may be specified in the CSDR Rules and Procedures.

13. THAT the CSD Member shall comply with such accounting, audit, financial requirements including requirements for submission of periodic returns on its activities in relation to the CSD, in such form and in such manner and within such period as may be specified in the CSDR Rules and Procedures.

14. THAT the CSD Member shall pay the CSDR such amount as may be specified by the CSDR Board in this regard to compensate for any loss incurred by the client due to an act omission, commission, negligence, misfeasance, fraud, wilful misconduct, errors or default on its part as an CSD Member or any of its employees in relation to the operations of the CSD.

15. THAT the CSD Member shall indemnify the CSDR, in respect of securities credited in its own account towards:

(i) losses, liabilities and expenses arising from claims of third parties and from taxes and other governmental charges; and

(ii) any other related expenses in respect of such securities as determined by the CSDR.

16. THAT the CSD Member shall provide such information relating to account holders as may be required by the CSDR from time to time.

17. THAT the CSDR shall upon a request, provide at any time to the Issuer, the details of any credit to the CSD Member's own accounts as well as the account of clients in the CSD, including its name, and the number of securities and is also authorised to provide similar information to any appropriate Government authority in this regard as required under any law.

18. THAT the CSD Member shall notify the CSDR within one business day of any change on the particulars set out in the Application Form submitted to the CSDR at the time of admission or furnished to the CSDR from time to time.

19. THAT the CSD Member shall notify the CSDR forthwith:

(i) When it is being wound up;

(ii) Upon its becoming aware of the presentation of any petition for its bankruptcy, liquidation or attachment of its property;

(iii) Upon its becoming aware of any bankruptcy order against it or in the event of any distress, execution or other process being levied or served upon or against its property;

(iv) In case of any change in its financial position which may lead to its bankruptcy or if it suffers a composition with its creditors.

(v) On the convening of any meeting to consider a resolution for the appointment or purported appointment of a receiver or administration in respect of any of its property, or any other change in circumstances material to its participation to the CSD.

20. THAT the CSD Member and the CSDR shall abide by the arbitration procedures prescribed by the CSDR Board and that such procedures shall be applicable to any disputes between the two parties.

21. THAT neither of the parties to this Agreement shall attempt to enforce by law a claim against the other part arising out of or in connection with CSD operations without having exhausted the arbitration process of the Exchange.

22. THAT the CSD Member and the CSDR further agree that all claims, differences and disputes, arising out of or in relation to dealings on the CSD including any agreements, contracts and transactions made subject to the CSDR Rules or with reference to anything incidental thereto or in pursuance thereof or relating to their validity, rights, obligations and liabilities of the parities thereto and including any questions of whether such dealings, transactions agreements and contracts have been entered into or not, shall be subject to the exclusive jurisdiction of the High Court of Tanzania.

IN WITNESS WHEREOF the CSD Member and the CSD and Registry Company Limited have caused these presents to be executed as of the day and year first above written.

SIGNED, SEALED and DELIVERED for and on

behalf of the CSD and Registry Company Limited .....

Director .....

Signed - Director/Secretary .....

Date (this …… day of .....……..... 20…….) .....

CSDR SEAL .....

In our presence

Name .....

Signature .....

Postal address .....

Qualification .....

Name .....

Signature .....

Postal address .....

Qualification .....

SIGNED, SEALED and DELIVERED for and on

behalf of the CSD MEMBER's SEAL .....

Director .....

Signed - Director/Secretary .....

.....

Date (this …… day of .....……..... 20…….)

.....

CSDR SEAL

.....

In our presence

Name

.....

Signature

.....

Postal address

.....

Qualification

.....

Name

.....

Signature

.....

Postal address

.....

Qualification

.....

AGREEMENT BETWEEN AN ISSUER AND THE CSD & REGISTRY CO. LTD RELATING TO DEPOSITORY OPERATIONS

AGREEMENT MADE this ..... day of .....20……

BETWEEN

……a public company of, P.O. Box ……., (hereinafter called "the Issuer") of the first part

AND

The CSD & REGISTRY CO. LTD, of P.O. Box 70081, Dar es

Salaam (hereinafter called "the CSDR") of the other part.

WHEREAS the CSDR has installed a Central Securities Depository (CSD) in which securities issued by cross - listed companies are to be deposited.

AND WHEREAS the Issuer has applied for depositing of its securities at the CSDR and the Board of the CSDR has approved the depositing of those securities.

NOW THEREFORE in consideration for the CSDR having agreed to admit the securities of the Issuer for cross - listing, the parties to this Agreement hereby covenant and agree as follows:

1. THAT the Issuer agrees and undertakes to comply with the CSD Rules of the CSDR.

2. THAT the Issuer shall be bound by any amendment to the CSD Rules with respect to any transaction occurring subsequent to the time of such amendment. Such amendment shall take effect as if it were originally a part of these Rules, provided that the Issuer shall be consulted by the CSDR whenever amendments to these Rules are proposed to seek its views for eventual determination by the Board.

3. THAT the agreement and all contracts and transactions effected by the Issuer under these Rules or through the facilities of the CSDR shall be governed by and be construed in accordance with the provisions of the relevant laws as well as the Regulations of the regulatory bodies having jurisdiction in respect of the same from time to time.

4. THAT the Issuer shall furnish a list of authorised officials who shall represent and interact on behalf of the Issuer with the CSDR within 14 days of the execution of this Agreement and any changes including additions/deletions, thereof shall be communicated to the CSDR within 7 days of such change(s).

5. THAT the CSDR shall allocate a unique identity code to the Issuer.

6. THAT the Issuer shall establish a continuous channel of communication with the CSDR and the CSDR shall provide necessary procedural guidelines to the Issuer as is necessary for effective and prompt conduct of the business of the CSD. The Issuer shall maintain such systems, procedures; means of communication, adequate infrastructure, hardware, software security devices and backup facilities as are necessary for the discharge of its obligations under this Agreement as shall be agreed between the Issuer and CSDR.

7. THAT the Issuer shall maintain a backup system of its database. A copy of the latest backup of database and subsequent incremental backup shall be maintained at a designated remote site.

8. THAT the Issuer shall allow access to their systems by the CSDR for periodic assessment of compliance with required systems and procedures.

9. THAT the Issuer shall furnish to the CSDR information on any further issues such rights, bonus, public offerings with details namely; opening and closing dates, issue size, issue price, record date, book closure, proportion, along with a copy of the offer document.

10. THAT the Issuer shall furnish to the CSDR information about book closure, record dates, dates for the payment of interest or dividend, dates for annual general meetings and other meetings, dates for redemption of debentures, dates for conversion of debentures and warrants, call money dates, amalgamation, merger, reduction of capital, reconstruction scheme of arrangement, sub-division, consolidation and conversion of debentures/debts and such other information relating to any corporate action, provided that the issuer shall have the right to outsource corporate actions as per its memorandum and Articles of Association.

11. THAT the Issuer will continue to be responsible for corporate actions. The CSDR undertakes to provide the list of beneficial owners of securities with suitable details to the record date. This list shall be provided by the CSDR within 14 days after such request has been received by the CSDR.

12. THAT the Issuer shall indemnify the CSDR in respect of any loss or liability incurred, or any claim arising in respect of any incorrect information furnished by the Issuer in respect of the CSD.

13. THAT the CSDR shall indemnify and hold the Issuer harmless from any and all claims, liabilities and causes of action attributable to incorrect information supplied by CSDR.

14. THAT where securities have been deposited in the accounts of the clients at the CSDR under intimation from the Issuer in the manner laid down under these Rules, any claims, disputes or liabilities or cause of action from a third party arising in respect of such securities shall be settled between the Issuer and such third party.

15. THAT the CSDR may authorise persons who, shall have the right to enter during the regular business hours, on any working day, the premises of such Issuer where the records relating to the depository operations are being maintained and inspect and take copies thereof.

16. THAT the CSDR shall provide to the Issuer updates of Beneficial Owners on a monthly basis

17. THAT the CSDR shall in its discretion provide any other details that may be required by the Issuer from time to time on payment of such charge as may be prescribed by the Board.

18. THAT the Issuer shall inform the CSDR of any proposed changes in the address of the Registered offices, Corporate Office, not less than thirty days before the date of such change.

19. THAT the Issuer may appoint a Registrar who may perform the functions of the Issuer under this Agreement.

20. THAT the Issuer shall not change, discontinue or substitute its Registrar unless the alternative arrangement has been agreed to by the CSDR.

21. THAT the Issuer shall not assign to any other person/entity its functions and obligations, relating to transactions with the Depository, without the approval of the CSDR.

22. THAT the parties undertake that in the event of any disputes arising out of this Agreement they shall always ensure that such disputes are resolved amicably.

23. THAT in the event the disputes fails to be settled amicably the parties to this Agreement shall resort to the Arbitration procedures prescribed under the CSDR Rules and that such procedure shall be applicable to any disputes between the CSDR and the Issuer.

24. THAT neither of the parties to this Agreement shall attempt to enforce by law any claim, against the other part, arising out or in connection with the Agreement without first having tried to resolve the dispute amicably and secondly having exhausted the Arbitration process of the Exchange.

25. THAT the parties to this Agreement further agree that all claims, differences and disputes, arising out of or in relation to dealings on the depository including any agreements, contracts, and transactions made subject to these Rules of the CSDR or with reference to anything incidental theretoorinpursuancethereoforrelatingtotheirvalidity,construction,interpretation,fulfilment or the rights, obligations and liabilities of the parties thereto and including any question of whether such dealings, transactions, agreements and contracts have been entered or not, which cannot be resolved amicably or by Arbitration process of the Exchange shall be referred to the High Court of Tanzania.

IN WITNESS WHEREOF the parties to this Agreement have caused these presents to be executed as of the day and the year first above written.

SIGNED, SEALED and DELIVERED for and on

behalf of: .....

Director .....

Signed - Director/Secretary .....

Date (this …… day of .....……..... 20…….) .....

ISSUER's SEAL

.....

In our presence

Name .....

Signature .....

Postal address .....

Qualification .....

Name

Signature .....

.....

Postal address .....

Qualification .....

Name .....

Signature .....

Postal address .....

Qualification .....

SIGNED, SEALED and DELIVERED for and on behalf of the CSD and Registry Company Limited .....

Director .....

Signed - Director/Secretary .....

Date (this …… day of .....……..... 20…….) .....

CSDR SEAL

.....

In our presence

Name .....

Signature .....

Postal address .....

Qualification .....

Name .....

Signature .....

Postal address .....

Qualification .....

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