



PROCEDURES FOR DEMATERIALISATION OF CROSS LISTED SECURITIES

All Securities shall be processed in a dematerialized environment where there will be no share certificates as directed by the CSD law. Article 23 prescribes the securities that are subject to materialization. It clearly states that all securities issued by a company incorporated under the laws of the Republic of Rwanda and listed on the Rwanda Stock Exchange (RSE) shall be issued in dematerialised format. The same applies for all companies that cross list their securities in Rwanda. Article 24 of the CSD law governing the holding and circulation of securities require that all dematerialized securities shall be issued through the CSD because it is the only institution legally authorized to do so.

The CSD law specifies that only CSD under the Central Bank of Rwanda provide the services Rwanda.

Article 25 of the CSD law provides for the CSD (Central Bank) to sub-deposit immobilized securities with other CSD abroad since most companies that cross list are listed on a regulated exchange of their primary listing or on multiple exchanges. The cross listing process is as detailed below.

REGISTRAR SERVICES

The cross listing company may seek registrar services on the ground in Rwanda. All shares of the company's float on the local market's register of shareholders of will be in electronic format and based in Rwanda. Where there are no bilateral agreements between the local Central Depository and the depository of origin, the company registrar must submit share certificates duly certified by the authorized signatories for dematerialization into the local Central Depository.

CENTRAL DEPOSITORY SERVICES

The CSD of BNR will provide depository services in the local market whereas those services would be provided by the primary market of origin of cross listing company. In the proposed design, the CSD will be acting as a mirror to the electronic register. However, it should be noted that corporate action activities and shareholder services like account balances and statements will be undertaken by the main Registrar of the company.

TRADING OPERATIONS

The Rwanda Stock Exchange (RSE) will conduct secondary trading operations. The members of the exchange will always verify ownership and holdings of securities before offering shares to the market. After trading, members will follow normal trading and settlement rules of the Exchange and Central Depository.

