

FAQ: Listing Sponsor

WHAT QUALIFICATIONS WOULD ONE REQUIRE?

Accountants, attorneys, members of the local brokerage community and other service providers are ideally suited to act as “Listing Sponsors” on the International Securities Market (**ISM**). This opportunity is further extended to current and prospective international offshore banks, international business entities, and international securities dealers.

A Listing Sponsor’s primary role is to conduct *due diligence* to ensure a company is fit for listing. Specifically, this will include:

- I. Providing the Issuer with fair and impartial advice on the interpretation and application of the General Listing Requirements ([Rule 4400](#)).
- II. Ensuring the directors and management understand the nature of the listing and accompanying responsibilities, and
- III. Ensuring that all relevant documents are filed with the Barbados Stock Exchange (**BSE**), thereby providing a detailed level of information on the activities and financial position of the Issuer.

The Listing Sponsor is responsible thereafter for the issuer’s continued compliance throughout the duration of the listing. Listing Sponsors are the liaison entities between the Issuer and the BSE.

HOW WOULD ONE GO ABOUT BEING INTRODUCED AND ENGAGING WITH BUSINESSES AS A LISTING SPONSOR? IS THIS SOMETHING YOU OR OTHERS MIGHT FACILITATE?

Listing Sponsors are responsible for attracting and procuring listings for the ISM – they stand to benefit inordinately from the advisory role they play in preparing a company/business for a listing.

WHAT REGULATION AND STANDARDS DO LISTING SPONSORS ADHERE TO IN THEIR ROLE WITH BUSINESSES?

All Listing Sponsors are regulated by the ISM’s Listing Rules ([Rule 6000](#)). Further, while the ISM is a trading platform established by the BSE, it is structured however to operate as a separate market of the BSE with a separate set of rules applied to membership, trading, clearing and settlement, and listing of international securities.



The Financial Services Commission (**FSC**) has supervisory and regulatory oversight for the BSE. To be approved by the Exchange as a listing sponsor, an applicant must:

- be a fit and proper person to be a listing sponsor;
- have an adequate financial position, in the opinion of the Exchange;
- have adequate directors and officers insurance;
- have adequate errors and omissions insurance;
- have an independent auditor to audit its financial accounts annually;
- possess sufficient knowledge, skill and experience in public offerings of securities products or listing on securities exchanges; and
- employ or contract for professional staff who are suitably qualified to perform the functions performed by a listing sponsor.

DEFINE A “FIT AND PROPER” PERSON

In assessing whether an applicant, including its directors, officers and substantial shareholders holding more than 10% of the equity, is a fit and proper person, the Exchange shall consider whether the applicant:

- is of sound reputation and character;
- is a member in good standing of any professional association, securities exchange, self-regulatory organization or similar body that the applicant is or was a member of;
- has ever been found in violation of any law, rule, regulation or code of conduct that it is or has been subject to; and
- has the ability to effectively perform the responsibilities of a listing sponsor under the ISM rules.

