



International Securities Market

Quality. Substance. Trust.

Debt Securities

Definitive Guide

LISTING REQUIREMENTS

Introduction – 4801

- The ISM lists any type of debt securities that meet its requirements, including:
 1. Corporate debt
 2. Term notes
 3. Eurobonds
 4. Convertible bonds
- The ISM lists debt securities subject to restricted marketing that only qualified investors may invest in and trade.
- **Please Note:** If applying for listing of a type of debt security not addressed by this Part, the applicant must consult with the Exchange on the listing requirements.

Basic Requirements - 4810

- The Issuer must be:
 1. A corporate issuer with equity securities listed on the ISM
 2. A corporate issuer with equity securities listed on a recognised securities exchange for purposes of this section
 3. A corporate issuer that has net tangible assets of at least US\$5,000,00 and that is listing at least US\$2,000,000 of a security, or
 4. A corporate issuer that restricts investment and trading in the securities to be listed to qualified investors.
- A corporate issuer not already listed on the ISM, must be:
 1. Incorporated or organised under the laws of a jurisdiction acceptable to the Exchange
 2. Carrying on an active, revenue-generating business for at least its last two financial years, unless exempted by the Exchange under rule 4830.2, and
 3. Suitable for listing, in the opinion of the exchange.
- An applicant must apply to list all of the securities of a class that are issued or to be issued units (except securities already listed).
- The securities must be freely tradable and transferable, except as permitted by the listing rules or the Exchange. If a restricted marketing security, only qualified investors are eligible to trade.

Listing Document - 4820

- The listing document to be filed with the Exchange must contain the information prescribed by the Exchange for a debt listing¹.

Financial Statements – New Applicant - 4820

- A corporate issuer not already listed on the ISM must have current audited financial statements that:
 1. Cover at least 2 years of operations
 2. Have been prepared in accordance with international accounting standards or US, UK or Canadian generally accepted accounting principles (GAAP), or other standards acceptable to the Exchange, and
 3. Have been independently audited in accordance with auditing standards acceptable to the exchange
- The Exchange may accept an application from an issuer with statements covering less than 2 years of operations if in the Exchange's opinion it would not be contrary to the interests of investors and the public.
- If any audit report on the applicant's financial statements has been qualified the Exchange must be satisfied that the qualification has been suitably resolved.

Appointments - 4840

- The Issuer must appoint a registrar and transfer agent acceptable to the Exchange.
- The Issuer must appoint a paying agent acceptable to the Exchange.

Convertible Securities - 4850

- An applicant for listing of a convertible debt security must satisfy the Exchange that security holders will be able to obtain the information necessary to assess the value of the securities to be obtained on conversion. This will usually require a listing or public market for the securities.

¹ The prescribed form is in **Appendix 4D**
See Rule 4420 for cases where a listing document is not required.

CONTINUED LISTING REQUIREMENTS

Please note that in addition to **Part 5000** (*Continued Listing Requirements – General*), a listed Issuer of debt securities must comply with this Part on an ongoing basis, except for a secondary listing².

Additional Disclosure - 5310

- A listed issuer must ensure that holders of convertible or exchangeable listed debt securities have access to sufficient information about the issuer of the securities to be obtained on conversion or exchange, including disclosure of its annual and interim financial statements, its annual report and other public disclosures.

Financial Statements and Reporting - 5320

- In addition to the requirements in Part 5000, a listed Issuer must prepare an annual report to accompany its annual financial statements that includes the information set out in rule 5110.1.

Additional Notice Requirements - 5330

- In addition to the requirements of Part 5000, a listed issuer must notify the Exchange and its debt security holders forthwith if:
 1. It suspends, delays or fails to pay an interest payment on its listed debt securities,
 2. It otherwise commits an act of default under the terms of the debt instrument, or
 3. It, or any member of the group, makes any purchase, redemption or cancellation of any of its listed debt securities, including the amount of securities offered.
- A listed Issuer must notify the Exchange and its debt security holders immediately after approval by or on behalf of its Board of Directors of:
 1. Any decision not to make an interest payment on any of the group's debt securities
 2. Any proposed new issue of debt securities by the Issuer and any guarantee or security on them
 3. Any proposed change in the capital structure of the issuer or the group
 4. Any change in the rights of any listed debt securities and any other class of listed securities, including for convertible securities, any change in the rights of the securities they are convertible into
 5. Any decision to change the nature of the business of the issuer or the group.
- A listed Issuer must consult with the Exchange as far in advance as practicable about any change listed in rules 5330.1 or 5330.2.

² The requirements for secondary listings are in **Part 4500**

Paying Agent - 5340

- A Listed Issuer must maintain a paying agent for holders of its listed debt securities.

FEE NOTES

- An initial, non-refundable fee for the listing of new securities shall be payable at the same time as the issuer submits its formal letter of application.
- The annual fee in respect of the first year shall be payable in full on the admission of the securities to listing. Thereafter, the annual fee for subsequent years shall be payable in full at the start of each calendar year throughout the life of the listing.
- If an equity/debt security has a primary listing on another stock exchange which is recognized for this purpose by the BSE, the initial fee shall be fifty percent (50%) of the standard rate.
- A subsequent issue fee, charged at the same rate as the initial fee, shall be payable by the issuer on making an application for listing for a further issue of a class of securities which is already listed on the Exchange.
- The timeline for payment of subsequent issue fees is as follows:
 - Debt Securities: In advance, at the same time as the issuer submits its formal letter of application or term sheet (as appropriate).

LISTING FEES

Financial Product	Initial Fee	Annual Fee
Debt Securities: Primary Listing		
▪ Debt Security	\$1,750	\$350
▪ Debt Programme	\$350	\$175
Debt Securities: Secondary Listing		
▪ Debt Security	\$875	\$350
▪ Debt Programme	\$175	\$175

Please be advised that all fees quoted are in US Dollars

Application Fees

- Complex listing applications will be subject to an initial review fee of \$1,500. Following initial review a tailored fee quote will be raised based on the anticipated level of review time and technical content of the application.
- In the absence of sufficient due diligence by the Listing Sponsor, a suitability enquiry fee of \$1,000 will be levied for considering complex enquiries regarding issuer suitability.
- The Exchange reserves the right to charge a non-refundable fee of \$500 for consideration of an application that is not proceeded forthwith by a listing of securities.

Further Issue Fees

- Where a listed issuer makes a subsequent issue of securities, a subsequent issue fee shall be charged at the same rate as the initial fee.
- This charge does not apply to the issue of securities on the exercise of options, warrants or conversion rights under convertible securities, the grant or issue of which has been approved by the BSE, or to a capitalisation issue including the issue of securities under a scrip dividend scheme.
- The charge does not apply to the further issue of a class of specialist or corporate debt securities already listed on the exchange where the issue was pre-empted in a previously approved listing application.
- An issuer shall pay any subsequent issue fees within seven (7) business days of receiving an invoice from the Exchange.

Payment

- Initial listing fees must be paid at the same time as the issuer submits its formal letter of application.
- The initial fee must be paid prior to the release of the initial comments letter.
- The annual fee in respect of the first year shall be payable in full on the admission of the securities to listing. Thereafter, the annual fee for subsequent years shall be payable in full at the start of each calendar year throughout the life of the listing.

- The annual fee for new applicants must be paid prior to approval and admission of the securities to the Official List of the Exchange. Non-payment of the annual fee in respect of existing listed securities could lead to the suspension and subsequent cancellation of listing of the securities.
- All fees raised post listing must be settled within seven (7) days of receiving an invoice from the Exchange unless stated otherwise.
- All fees raised post listing are non-refundable and payable in full irrespective of any subsequent delisting. Under no circumstances are refunds of fees previously paid granted by the exchange.
- The Exchange reserves the right to charge a discretionary fee for anything not covered in the above Fee Outline e.g. *re-listing fees*.

COST EFFECTIVE

GLOBAL STANDARDS

BARBADOS ADVANTAGE

The Barbados Stock Exchange

The **Barbados Stock Exchange**, commonly known as the BSE and formerly the Securities Exchange of Barbados, was re-incorporated on August 2, 2001 in accordance with the Securities Act 2001-13, which also enabled the establishment of the Barbados Securities Commission which on April 1st, 2011 was subsumed by the Financial Services Commission (FSC). The FSC is responsible for regulation of the Insurance sub-sector, Co-operative and Non-Banking Financial sectors and the entire Barbados Capital Market, including Self-Regulatory Organizations and public companies whether listed or not.

The Barbados Stock Exchange and its wholly owned subsidiary, the Barbados Central Securities Depository (BCSDI) are designated as Self Regulatory Organizations (SROs) under the Securities Act and are regulated by the Financial Services Commission.

The Barbados Stock Exchange Inc. is an Affiliate Member of the



To inquire about listing on the **International Securities Market**, kindly contact a member of our Business Development team:

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