



International Securities Market

Quality. Substance. Trust.

Equity Securities

Definitive Guide

LISTING REQUIREMENTS

Basic Requirements – 4610

- To qualify for listing on the ISM, an Issuer and its business must be:
 1. Incorporated or organised under the laws of a jurisdiction acceptable to the Exchange, and
 2. Suitable for listing, in the opinion of the exchange.
- A new applicant must be carrying on an active, revenue-generating business for at least its last 3 financial years unless exempted by the Exchange under Rule 4630.
- The total market value of the securities must be at least US\$3,000,000 or equivalent (unless the securities are already listed on the ISM).
- At least 25% of the class of securities to be listed must be placed with public investors, except if the Exchange grants an exemption based on the total number of shares held by public investors.

Listing Document - 4620

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

Financial Statements – 4630

- An applicant that is not already listed must have current audited financial statements that:
 1. Cover at least three years of operations
 2. Consolidate the operations of its subsidiaries
 3. Have been prepared in accordance with International Accounting Standards and International Financial Reporting Standards, and
 4. Have been independently audited in accordance with International Standards on Auditing.
- The Exchange may accept an application from an issuer with statements covering less than three 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.

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

Directors and Officers - 4640

- The Issuer’s directors and officers must, in the opinion of the Exchange, have sufficient experience in the operation of a public company and management of the type of business the issuer carries on.
- If an applicant has a controlling shareholder and, in the opinion of the Exchange, does not have an adequate number of independent directors to protect the interests of minority shareholders, the Exchange may require the applicant to appoint additional independent directors who are satisfactory to the Exchange.

Additional Considerations - 4650

- In addition to the specific requirements for listing on the ISM, the Exchange may consider a number of factors in deciding on whether to approve an equity listing, including:
 1. The Issuer’s track record of operations, profitability and revenue generation
 2. The quality, experience and track record of the Issuer’s directors, officers and controlling shareholders
 3. The distribution of the securities to be listed, including the number of holders, the public float and the number of securities issued
 4. The number and value of securities issued to non-arm’s length persons prior to listing.

Appointments - 4660

- A listed Issuer must appoint an independent auditor that is acceptable to the Exchange to audit its financial statements in accordance with International standards on Auditing.
- The Issuer must appoint a registrar and transfer agent acceptable to the Exchange.

Preferred Shares - 4670

- A preferred security to be listed must provide security holders with voting rights if dividends on the shares are unpaid for more than six months and if the issuer proposes to wind-up.

Convertible Securities - 4680

- An applicant for listing of a convertible 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.

Warrants, rights and options - 4690

- An application for a rights issue must be for rights to purchase of securities listed on the ISM.
- An application for listing of warrants, rights or options to subscribe must meet the same requirements that apply to a listing of equity securities, except as provided in the listing rules or to the extent the Exchange agrees otherwise.
- An issue of warrants, rights or options to subscribe for securities must not require issuing more than 20% of the share capital of the Issuer at the time of exercise.

Mining Companies - 4680

- An applicant that is, in the opinion of the Exchange, a mining company must file a current technical report in support of its application. The report must be prepared by an independent qualified person or mining engineering firm acceptable to the Exchange, and prepared in accordance with a recognised international mineral-reporting standard. The contents of the report must be satisfactory to the Exchange.
- The Exchange must be satisfied that an applicant that it considers to be a mining company has the financial resources, technical expertise, track record, and management skills and experience to successfully develop and operate its mining properties and resources.
- The Exchange may impose any additional listing requirements on an applicant that is a mining company that the Exchange considers appropriate in the circumstances.

CONTINUED LISTING REQUIREMENTS

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

Financial Statements and Reporting - 5110

- In addition to the requirements in Part 5000, a listed Issuer must prepare an annual report to accompany its annual financial statements that, inter alia:
 1. Represents a fair review of the company's business
 2. Includes an explanation of the basis on which the company generates or preserves value over the longer term (business model) and the strategy for delivering the objectives of the company
 3. Sets out the main trends and factors likely to affect the future development, performance and position of the company's business
 4. Includes analysis using financial key performance indicators
 5. Includes analysis using other key performance indicators including information relating to environmental matters and employees' matters' (where appropriate)
 6. Includes a statement on the development and performance of the company's business during the financial year
 7. Includes a statement on the position of the company's business at the end of that year, consistent with the size and complexity of the business
 8. Includes information about persons with whom the company has contractual or other arrangements which are essential to the business of the company
 9. Includes a description of the principal risks and uncertainties facing the company
 10. Provides a clear summary of the company's corporate governance framework and the company's performance against that benchmark.

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.

² The requirements for secondary listings are in Part 4500

- 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:
 - **Equity Securities:** Within seven (7) business days of receiving an invoice from the Exchange.

LISTING FEES

Financial Product	Initial Fee	Annual Fee
Equities: Primary Listing		
▪ Up to \$10M	\$3,500	\$3,500
▪ Up to \$50M	\$7,000	\$5,250
▪ Up to \$100M	\$10,500	\$8,750
▪ Up to \$200M	\$17,500	\$10,500
▪ Up to \$500M	\$21,000	\$11,550
▪ Up to \$1B	\$24,500	\$14,000
▪ Up to \$10B	\$28,000	\$17,500
▪ Up to \$100B	\$28,000	\$17,500
▪ Over \$100B	\$28,000	\$17,500
Equities: Secondary Listing		
▪ Up to \$10M	\$1,750	\$1,750
▪ Up to \$50M	\$3,500	\$2,625
▪ Up to \$100M	\$5,250	\$4,375
▪ Up to \$200M	\$8,750	\$5,250
▪ Up to \$500M	\$10,500	\$5,750
▪ Up to \$1B	\$12,250	\$7,000
▪ Up to \$10B	\$14,000	\$8,750
▪ Up to \$100B	\$14,000	\$8,750
▪ Over \$100B	\$14,000	\$8,750

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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