# APPENDIX 1 A - APPLICATION FOR MEMBERSHIP OF THE ISM

**APPLICATION FORM FOR APPROVAL AS A TRADING PARTICIPANT OF THE ISM**



**BARBADOS STOCK EXCHANGE**

**INTERNATIONAL SECURITIES MARKET**

**APPLICATION FOR MEMBERSHIP OF THE ISM**

**Instructions**

1. An applicant for approval as a trading participant on the ISM under the ISM Membership Rules must file this completed form and all supporting information and documents with the ISM Department of the Exchange at:

INTERNATIONAL SECURITIES MARKET

BARBADOS STOCK EXCHANGE

8th Avenue Belleville

St. Michael

BB11114

Barbados

Email:

1. An applicant must file all the information and documents listed in the exhibits to this application form, as prescribed below.
2. All forms, information and reports may be submitted in soft copy by email, except for documents that require a signature, which must be filed in hard copy original form.
3. The Exchange may require an interview with senior executives of the applicant, and may require the applicant to file additional information or documents.
4. Incomplete applications will be returned and cannot be processed until completed.
5. An applicant that files misleading information, or that attempts to mislead the Exchange by filing incomplete, false or inaccurate information, will be denied approval.
6. In making application for approval as an ISM trading participant, an applicant agrees to comply with the rules of the ISM if its application is approved.

**APPLICATION FOR TRADING PARTICIPANT STATUS ON THE ISM**

**Name of Applicant:**

Date:

**APPLICANT’S DECLARATION**

1. We apply to be a trading participant on the Exchange’s International Securities Market (ISM).
2. We have read and understand the rules of the ISM.
3. We undertake that, if this application is approved, we, our employees and our agents will abide by all of the provisions of the rules of the ISM and all decisions and directions of the Exchange relating to our role as an ISM trading participant.
4. We hereby confirm that:
   1. The information disclosed in this application is complete and accurate, to the best of our knowledge and belief.
   2. We meet and are in compliance with all of the requirements for approval as an ISM trading participant, to the best of our knowledge and belief.
   3. There are no additional facts or matters that are material to the Exchange’s consideration of our application to become an ISM trading participant that we have not disclosed to the Exchange.

EXECUTED ON BEHALF OF THE APPLICANT

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[Name of applicant]

Date:

By \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title:

[Chief Executive Officer or equivalent]

Contact information for signatory to this declaration:

**DOCUMENTS FILED WITH THIS APPLICATION**

**1. Applicant’s Information**

**2. Applicant’s Ownership and Governance**

**3. Trading Participant’s Qualifications and Plan**

**4. Personal Information Form for Directors and Senior Officers**

**EXHIBIT 1**

**APPLICANT’S INFORMATION**

1. Name of applicant.
2. Principal business or businesses of the applicant.
3. Location and address of head office and principal offices.
4. Name and contact information for the main contact person for this application.
5. Name and location of all subsidiary or affiliated entities.
6. Proposed location and address of offices of trading participant functions.
7. Addresses of all websites.
8. Name, address and contact information for external auditors.
9. Name, address and contact information for the applicant’s principal bank.
10. Membership in any securities exchange, professional body or self-regulatory organisation (SRO), including details of membership.
11. Registration, licensing or other form of authorisation by any securities regulatory authority or other statutory authority.
12. Has the applicant ever been refused membership in any securities exchange, SRO or professional body for which it has applied? (If yes provide details).
13. Has the applicant’s membership in any securities exchange, SRO or professional body ever been suspended or terminated? (If yes provide details).
14. Audited annual financial statements for the last financial year, and the financial statements for the recent fiscal period.
15. Most recent annual report issued by the applicant to its shareholders or partners.

**EXHIBIT 2**

**APPLICANT’S OWNERSHIP AND GOVERNANCE**

1. Ownership:
   * 1. Details of issued share capital or partnership.
     2. Transferability of ownership interests, including details of public trading of any securities of the applicant.
     3. If the applicant is part of a corporate group, a diagram illustrating the ownership structure for the group and the applicant.
     4. Name, address and full particulars for each person or entity that holds 10% or more of the voting shares of the applicant, directly or indirectly. Include the percentage ownership position for each person or entity, in terms of both equity ownership and voting.
2. Governance: corporate governance structure, including details of board of directors or structure of partnership, board committees, and the means of electing or appointing the directors or partners.
3. Each director or partner and each officer or managing partner must file a personal information form as set out in Exhibit 4.

**EXHIBIT 3**

**TRADING PARTICIPANT QUALIFICATIONS AND PLAN**

1. The applicant must file a business plan that sets out:

* Nature and scale of the business to be undertaken;
* Trading capacity or capacities in which the applicant proposes to act;
* Arrangement proposed for the operation of such business;
* Aims and objectives of the business;
* Sources and nature of expected business;
* Systems and procedures proposed for the proper financial accounting, management and administration of the affairs of the applicant and those of its clients;
* Information on risk management systems and controls;
* Internal controls, including security arrangements;
* Separation or segregation of assets of clients from those of the applicant;
* Capital structure and financing arrangements;
* Insurance arrangements;
* Intentions to outsource any activities to third parties; and
* Requirements for premises and personnel.

2. Describe the arrangements made for custody and settlement of client’s securities and handling of client money, detailing names and addresses of custodian and any other third party providers to be used by the applicant for custodian and settlement activities.

3. Provide the names and addresses of those entities to be used as providers of investment advisory services to the applicant as a trading participant.

1. Does the applicant intend to engage the services of an agent or agents in relation to the performance of its functions as a trading participant? If so, the applicant must specify the name, address and contact details of the agent together with details of the services to be provided.
2. If the applicant does not intend to use the services of a clearing agent, the applicant must provide confirmation that its application as a BCSDI participant has been approved or is pending.
3. The applicant must state the dealing capacity(ies) in which it will deal or engage on or off Exchange i.e. Broker/Dealer/Market Maker.
4. The applicant must state the type and number of professional and private clients which the applicant will serve.

**EXHIBIT 4**

**PERSONAL INFORMATION FORM**

1. Each director, officer and substantial shareholder holding more than 10% of the equity of the applicant must complete and submit this form.
2. Full name
3. Address (home)
4. Address (office)
5. Date of birth
6. Place of birth
7. Citizenship
8. Country of residence
9. Position with applicant
10. Main responsibilities of position
11. Have you ever applied for, and been denied, a registration, licence or other authorisation to carry on business, or had any such registration, licence or authorization suspended, terminated or revoked?
12. Have you, or has any organisation with which you are or have been associated:
    * 1. ever been censured, penalized, or disciplined?
      2. ever been the subject of a court order or official investigation?
      3. ever failed to satisfy your/its debts?
      4. ever been the subject of bankruptcy/insolvency proceedings?
      5. ever been convicted of an offence involving embezzlement, fraud, theft or other dishonesty?
      6. ever been found in violation of any financial services statute or regulation, or of any professional standards or code of conduct?
13. Attach an up-to-date CV.

I certify that the information contained in this Personal Information Form is complete and accurate, and that the information contained in this application for approval as a trading participant is complete and accurate, to the best of my knowledge and belief.

SIGNED BY:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

[Name]

Date:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title:

[Position with the applicant]

Contact information for signatory to this Form: