



**BARBADOS STOCK EXCHANGE INC.**

**RULES OF THE INTERNATIONAL  
SECURITIES MARKET OF THE  
BARBADOS STOCK EXCHANGE**

*Version 7 – 2025-07-14*

## INTRODUCTION

These rules govern the admission and ongoing activities of trading participants, sponsors and issuers of securities on the International Securities Market (ISM) of the Barbados Stock Exchange (“Exchange”).

The ISM is a separate market of the Barbados Stock Exchange with a separate structure in terms of membership, trading, clearing and settlement and listing. The General Rules of the Barbados Stock Exchange governing membership, trading, clearing and settlement and listing on the domestic market do not apply to the ISM other than using the same disciplinary/hearing process as outlined in Part II and Article 4 Section 4.02.1 of the General Rules of the Barbados Stock Exchange. In Part II of the General Rules, “Trading Member” is to be interpreted as including a trading participant on the ISM for the purposes of application to the ISM.

The BSE shall request and obtain any information required for the purposes of review and investigation of breaches of any of the ISM rules.

The rules are set out in the following series:

Series 1000 – Membership Rules

Series 2000 – Trading Rules

Series 3000 – Clearing and Settlement Rules

Series 4000 – Listing Rules

Series 5000 – Continuing Listing Rules

Series 6000 – Listing Sponsor Rules

Day to day decisions on matters relating to the interpretation and application of the rules are made by the ISM executive management committee subject to supervision by the board.

These rules shall be made public and published and available for download from the Exchange’s website free of charge.

These rules may be amended from time to time by the Exchange in consultation with the Financial Services Commission. The Exchange welcomes comments and suggestions for improvement to these rules from interested parties. Comments should be addressed to the General Manager at the address shown below:

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BARBADOS STOCK EXCHANGE  
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## DEFINITIONS

“Act” means the Securities Act Cap 318A of the Laws of Barbados, any regulations made thereunder and any amendments thereto.

“account holder” means the person named on the BCSDI records.

“applicant” means a person submitting an application to the exchange, ISM or BCSDI.

"associate", where used to indicate a relationship with any person, means:

(a) an issuer of securities which the person beneficially owns or controls, directly or indirectly voting securities entitling the person to more than 10 per cent of the voting rights attached to voting securities of the issuer for the time being outstanding:

(i) under all circumstances; or

(ii) by reason of the occurrence of an event that is continuing;

(b) a partner of the person acting on behalf of the partnership of which they are partners;

(c) a trust or estate in which the person has a substantial beneficial interest or in respect of which he serves as a trustee or in a similar capacity;

(d) a spouse or child of the person; and

(e) any other relative of the person or of his spouse if that relative has the same residence as the person.

“auditor” means a professional, licensed accountant who has accounting qualifications, which are acceptable to the exchange, to perform audits, or a firm employing such accountants.

“BCSDI” means the Barbados Central Securities Depository Inc.

“BCSDI Participant” means a person whose participation application to use the depository service or settlement service has been accepted, signed and delivered by the BCSDI, and who continues, is reinstated or remains a participant, and where a participant is associated to a service, a participant using that service.

“BCSDI participation application” means the form adopted by the BCSDI and modified in accordance with BCSDI rule 3 with respect to the use of any of the services.

“BCSDI rules” means the rules adopted by BCSDI and modified in accordance with BCSDI rule 3 to govern the use and the provision of the services and includes their numbered divisions.

“block trade” means a trade with a quantity greater than that prescribed by the Exchange from time to time.

“board” means the board of directors of the Barbados Stock Exchange.

“broker” means a person engaged in the business of effecting transactions in securities for the account of others.

“business day” means any day, during normal business hours, on which the Exchange is open for business.

“CBB” means the Central Bank of Barbados.

“clearing agent” means a BCSDI participant which acts on behalf of an ISM trading participant in interfacing with the BCSDI.

“closed-ended fund” means an investment fund that has a fixed number of issued shares, and is not redeemable at the holder’s option.

“Commission” means the Financial Services Commission (FSC) of Barbados.

“company” means a body corporate, wherever incorporated.

“constitution” means the by-laws, articles of incorporation and any similar documents and all other documents that govern the objects and conduct of a company or other legal entity.

“control” means:

- a) Ownership, directly or indirectly, of more than 50% of the voting securities or voting powers of an entity, or
- b) The right to control, directly or indirectly, the board of directors or similar governing body of an entity.

“dealer” means a person engaged in the business of buying and selling securities for his own account.

“director” means:

- a) For a company, a member of the board of directors,
- b) For a limited partnership, the general partner,
- c) For a unit trust, a trustee and a director of the investment manager or sponsor of the investment fund.

“day” means a calendar day.

“delisting” means the termination of a security’s listing on the ISM.

“eligible securities” means securities which are eligible for trading through the trading system and for settlement through the BCSDI.

“Exchange” means the Barbados Stock Exchange, and where exercising any power, authority or task includes the committee or person to whom the power, authority or task has been delegated by the board or the ISM executive management committee.

“feeder fund” means an investment fund that invests at least 40% of its assets in another investment fund.

“FSC” means the Financial Services Commission.

“fund of funds” means an investment fund that invests at least 20% of its assets in two or more other investment funds, but not more than 40% of its assets in any one fund.

“group” if referring to a company or an issuer means:

- a) that company or issuer,
- b) its holding company,
- c) its subsidiaries, and
- d) a subsidiary of its holding company.

“holding company” means a company is deemed to be a holding company of another company if the latter is its subsidiary.

“ISM” means the International Securities Market operated by the Exchange.

“ISM executive management committee” means the committee established by the board to manage and oversee the ISM, comprised of the Chief Executive Officer of the Exchange and other staff members appointed by the board.

“ISM trading participant” means a person admitted to trading on the ISM.

“international accounting standards” means the international accounting standards formulated by the International Accounting Standards Committee of the International Association of Accountants.

“investment adviser” means any person responsible for advising on the investment of an investment fund’s assets, as appointed by the fund or the investment manager.

“investment fund” means a company, unit trust, limited partnership or other entity organised to pool and manage assets or investments for the benefit of its investors.

“investment manager” means a person with authority to make discretionary investment decisions about the investments and assets of an investment fund.

“issuer” means a company or other legal entity or undertaking (including an investment fund) that issues securities that are proposed for listing on the ISM.

“listed issuer” means an issuer that has listed one or more securities on the ISM.

“listed security” means a security that is listed on the ISM by a listed issuer.

“listing agreement” means the agreement between a listed issuer and the Exchange concerning the issuer’s obligations that must be executed by an applicant prior to the listing of a security.

“listing document” means a public document filed with a listing application that discloses details about the issuer and the securities proposed for listing, and that is filed with the Exchange in the prescribed form.

“listing rules” means the ISM listing rules in this rule book.

“listing sponsor” means a company or partnership approved by the Exchange to act as an ISM listing sponsor on behalf of applicants and listed issuers, and that is regulated by the ISM listing sponsor rules.

“market actor” means a person registered or deemed to be registered under section 46 of the Act.

“master fund” means an investment fund that a feeder fund invests in.

“material change” means a change in the business, operations or affairs of an issuer that would be considered important by a reasonable investor in determining whether to purchase or continue holding securities of the issuer.

“material information” means a fact, circumstance or event relating to the business, operations or affairs of an issuer that would be considered important by a reasonable investor in determining whether to purchase or continue holding securities of the issuer.

“material interest” means having a direct or indirect financial interest, or any other kind of interest that could conflict with the proper exercise of their function as a sponsor of any issuer.

“mineral reporting standard” means the codes for reporting of explorations results, mineral resources and mineral reserves in place in Australia, Canada, South Africa or the US, as currently recognised by the Exchange, or a similar international standard acceptable to the Exchange.

“mining company” means a company whose principal business is the development of mineral resource properties and / or exploiting mineral resources, which may include but must not be limited to mineral exploration.

“notice” means any notice required to be provided to the Exchange or to holders of an issuer’s securities that is provided in written form.

“omnibus account” means an account which includes securities for more than one beneficial owner.

“open-ended fund” means an investment fund whose securities may be redeemed from the assets of the fund at the holder’s option.

“person” means an individual or a legal entity.

“primary listing” means the main recognised securities exchange on which the security is listed.

“procedures” means the procedures adopted by the BCSDI and modified in accordance with BCSDI rule 3 with respect to the services and the computer hardware, software and use of the services.

“property fund” means an investment fund whose primary objective is to invest in real estate property.

“public investor” means an investor that is not a related person to the issuer and that does not receive financing for the purchase of the securities from a related person to the issuer.

“qualified investor” means a person who has such knowledge and experience in financial, securities, investment and other business matters that he or she is capable of evaluation the merits and risks of the prospective investments and who subscribes for securities of an issuer in an amount of at least \$US 100,000.

“qualified person” means an individual who:

- a) is an engineer or geoscientist with a university degree, or equivalent accreditation, in an area of geosciences, or engineering, relating to mineral exploration or mining;

- b) has at least five years of experience in mineral exploration, mine development or operation, or mineral project assessment, or any combination of these, that is relevant to his or her professional degree or area of practice;
- c) has experience relevant to the subject matter of the mineral project and the technical report; and
- d) is in good standing with a professional association.

“recognised securities exchange” means a securities exchange recognised by the Exchange for purposes of certain listing rules.

“recognised securities regulator” means a securities regulatory body, such as a securities commission, recognised by the Exchange for purposes of certain listing rules.

“related party” means:

- a) a director or officer of the issuer,
- b) a major shareholder of the issuer,
- c) a director or officer of a major shareholder of the issuer.

In this context, a major shareholder means a person that holds at least 10% of the applicable class of issued securities.

“related party transaction” means a transaction where a listed issuer acquires from, or sells to, a related party any interest in an investment or an asset.

“regulatory authorities” means the Financial Services Commission (FSC) of Barbados and any other regulatory authority or government body in Barbados that has jurisdiction over a listed issuer or a listed security.

“rules” means these rules as adopted by the board as amended, supplemented by notices and in effect from time to time, including any procedures set out in any supplementary documentation issued by the Exchange under these rules and any requirement, decision or direction of the Exchange.

“secondary listing” means a listing on the ISM of an issuer whose primary listing is on a recognised securities exchange.

“security or securities” means any security, share, unit, bond, instrument or other type of interest that may be listed on the ISM.

“securities account” means an account defined in BCSDI rule 5.

“service provider” means an investment manager, investment adviser, custodian, sub-custodian, administrator, registrar or transfer agent of an investment fund.

“services” means the settlement service, the depository service and any other service provided from time to time by the BCSDI.

“settlement” means the settlement of transactions in accordance with the settlement service.

“settlement account” means a foreign currency account maintained by BCSDI with the CBB or a commercial bank for the sole purpose of settling ISM transactions and receiving fees and surcharges for such services.

“settlement date” means the date on which settlement is due to take place in accordance with the rules or in accordance with the agreement between the trading parties.

“settlement service” means the service provided by the BCSDI and described in BCSDI rule 4 whereby the BCSDI provides facilities for the reporting and comparison of data respecting the terms of settlement of transactions, the reduction of the number of settlements of transactions, the allocation of settlement responsibilities, and to act as an intermediary in making payments and deliveries in connection with transactions.

“SRO” means a self regulatory organisation.

“stock loan return” means a transaction, due for settlement on the next business day, created automatically by the BCSDI, as a result of the automatic loan of securities.

“subsidiary” means a company that is deemed to be a subsidiary of another company if the latter:

- a) controls the composition of its board of directors; or
  - b) holds more than 50% of its outstanding voting shares; or
- if the first company is a subsidiary of any company that is a subsidiary of the latter company.

A company is deemed to be a wholly-owned subsidiary of another company if its only voting shareholders are the latter or other wholly-owned subsidiaries of the latter, or their nominees.

“trade date” means the business day on which a trade is agreed between two ISM trading participants.

“trading system” includes all the facilities and services provided by the Exchange to facilitate trading, including but not limited to: electronic systems for trading listed securities; data entry services; any other computer-based trading systems and programmes; communications facilities between a system operated or maintained by a participating organisation, another market or other person approved by the Exchange; and price quotations and other market information provided by or through the Exchange.

“transaction” means a transaction in a security on the ISM involving a security or funds or both to effect a deposit, sale, purchase, loan, pledge, gift, transfer, delivery or withdrawal of a security and registration thereof and a change in the information pertaining to a securities account.

“umbrella fund” means an investment fund that has one or more sub-funds.

## ISM MEMBERSHIP RULES

### Series 1000

	<b>Rule</b>
1000	<b>TRADING MEMBERSHIP</b>
1001	<b>Eligibility</b>
1001.1	An ISM trading participant must always comply with the following requirements:
	1) be a company in good standing with and licensed, regulated or supervised by a regulatory body recognised by the Exchange in a jurisdiction approved by the Exchange in consultation with FSC;
	2) The foreign securities exchange:
	a) must be regulated by an IOSCO member or signatory to the IOSCO Multilateral Memorandum of Understanding Concerning Consultation and Cooperation and the Exchange of Information (MMoU) and
	b) must have rules that have been approved by its regulator to govern its members.
	3) The regulator of the foreign securities exchange and jurisdiction should be:
	a) a member of IOSCO and
	b) a signatory of the MMoU.
	4) satisfy the Exchange that it is duly registered with the FSC as a market actor;
	5) satisfy the Exchange that it, including its directors, officers and substantial shareholders holding more than 10% of the equity, is fit and proper to be an ISM trading participant;
	6) satisfy the Exchange that it has in place:
	a) adequate internal procedures and controls;
	b) adequate systems for the execution, recording and reporting of transactions;
	c) systems and controls which satisfactorily address the identification and management of risk;
	d) adequate insurance for the type of business it undertakes;

	e) satisfactory systems or arrangements for the clearing and settlement of transactions whereby either the ISM trading participant will be a BCSDI participant or use the facilities of a clearing agent.
	7) comply with the rules of the ISM and such other requirements for trading membership as the Exchange may from time to time prescribe.
1010	<b>Applications for ISM Trading Membership</b>
1010.1	Every company that wishes to apply to be an ISM trading participant must:
	1) apply to the Exchange in writing in the form set out in Appendix 1A or in such other form as the exchange may from time to time approve;
	2) submit the appropriate non-refundable application fee;
	3) provide the Exchange with such further information as may be required by the Exchange in support of the application for trading membership of the ISM.
1010.2	The Exchange may, at its discretion, approve or disapprove applications. The Exchange may:
	1) admit an applicant unconditionally;
	2) admit an applicant subject to such terms and conditions as may be considered appropriate or necessary to ensure compliance by the applicant with the rules;
	3) disapprove the application if, after having regard to such factors as the Exchange may consider relevant including, without limitation, the past or present conduct, business or condition of the applicant or any of its directors, senior officers or associates, the exchange is of the opinion that:
	a) the applicant will not or cannot comply with the rules;
	b) the applicant is not qualified by reason of fitness and properness, solvency, or experience.
1010.3	In considering the applicant, the Exchange shall consider the following:
	1) whether its directors, officers and substantial shareholders holding more than 10% of the equity appear to be fit and proper person;
	2) whether the applicant's senior executives and other staff have adequate knowledge, skill and experience;
	3) whether the applicant is of good reputation and character;
	4) whether the applicant has the ability to perform the duties expected of an ISM trading

	participant.
1010.4	In the event that the Exchange approves an application, the Exchange shall, as soon as possible thereafter and in any event not later than 30 days following the date on which the application was approved, notify the applicant of the fact and of the date on which the admission to trading membership will become effective.
1010.5	In the event that the Exchange disapproves an application, the Exchange shall, as soon as possible thereafter and in any event not later than 30 days following the date on which the application was rejected, notify the applicant of the fact, stating the reason or reasons for the Exchange's decision.
1010.6	If the Exchange proposes to admit an applicant subject to terms and conditions pursuant to rule 1010.2.2 or to disapprove an application pursuant to rule 1010.2.3, the applicant will be:
	1) provided with a statement of the grounds upon which the Exchange proposes to admit the applicant subject to terms and conditions or to disapprove the applicant with the particulars of those grounds;
	2) entitled to appeal to the Regulatory Affairs Committee of the Exchange.
	3) entitled to make a final appeal to the FSC in accordance with Section 37 of the Act.
	<ul style="list-style-type: none"> <li>The Exchange's rules and procedures for appeals are set out in Article 3 of Part II of the rules of the Barbados Stock Exchange and are repeated in Appendix 1 B of these rules.</li> </ul>
1020	<b>Non-Transferability of Membership</b>
1020.1	Membership as an ISM trading participant is not transferable.
1030	<b>Participant Capacities</b>
1030.1	An ISM trading participant may be:
	1) a broker and/or;
	2) a dealer and/or;
	3) a market maker.
1030.2	Brokers are entitled to trade for the account of third parties.
1030.3	Dealers and market makers may only trade for their own account.
1040	<b>Market Makers</b>
1040.1	If the Exchange considers it to be in the interest of the ISM that liquidity in a particular

	security be improved, it may enter into agreements whereby one or more ISM trading participants assume the role of market maker for such security.
1040.2	Market makers must introduce buy and sell orders (quotes) into the order book, continuously or in response to specific requests, subject to market-making regulations prescribed from time to time by the Exchange.
1100	<b>CONTINUING QUALIFICATIONS</b>
1101	<b>Obligations</b>
1101.1	An ISM trading participant must at all times comply with the eligibility and fit and proper criteria set out in rule 1001.1.3.
1101.2	If in the opinion of the Exchange an ISM trading participant:
	1) is in breach of rule 1101.1; or
	2) is not conducting, or may not conduct, its operations in an appropriate manner;
	the Exchange may at any time:
	a) impose on the ISM trading participant requirements relating to their level of staffing, training, internal procedures, systems and controls or any other matter relevant to the continuing suitability of membership;
	b) restrict the scope of business conducted by the ISM trading participant;
	c) bring a charge or charges against the ISM trading participant.
1101.3	In the event that the Exchange imposes a requirement or restriction under rule 1101.2.2 or brings a charge or charges against the ISM trading participant, it shall immediately notify the ISM trading participant of the fact, stating the reason or reasons for the Exchange's decision.
1101.4	A requirement or restriction imposed under rule 1101.2.2 will take effect immediately such notification is received by the ISM trading participant.
1101.5	An ISM trading participant may appeal to the Regulatory Affairs Committee of the Exchange against any requirement or restriction imposed under rule 1101.2.2 within 7 days of the issue of the notification but until such appeal is heard, the requirement or restriction imposed under rule 1101.2.2 will remain in force.
	<ul style="list-style-type: none"> <li>The Exchange's rules and procedures for hearings and appeals are set out in Article 3 of Part II of the rules of the Barbados Stock Exchange and are repeated in Appendix 1 B of these rules.</li> </ul>
1110	<b>Membership of Regulatory Body</b>

1110.1	If a trading participant ceases to be a member of a regulatory body by which it is licensed, regulated or supervised, it shall, without hearing or notice, be suspended.
1110.2	The Exchange shall immediately notify the ISM trading participant of the fact, stating the reason or reasons for the Exchange's decision. All trading privileges granted for participation on the ISM will be suspended immediately
1110.3	An ISM trading participant may appeal to the Regulatory Affairs Committee of the Exchange against the suspension imposed under rule 1110.1 within 7 days of the issue of the notification but until such appeal is heard, the suspension imposed under rule 1110.1 will remain in force. <ul style="list-style-type: none"> <li>The Exchange's rules and procedures for hearings and appeals are set out in Article 3 of Part II of the rules of the Barbados Stock Exchange and are repeated in Appendix 1 B of these rules.</li> </ul>
1110.4	If, in the opinion of the Exchange, a trading participant breaches a requirement of a regulatory body of which it is a member, the Exchange may impose such terms and conditions on the trading participant as the Exchange deems appropriate in the circumstances.
1110.5	Each ISM trading participant must file with the Exchange in electronic form a copy of their interim financial statements as at the end of each quarter within 30 days of the reporting period.
1110.6	Each ISM trading participant must file with the Exchange in electronic form a copy of their audited financial statements at the same time they are filed in their home jurisdiction.
1110.7	The trading participant is entitled to appeal to the Regulatory Affairs Committee of the Exchange any terms and conditions imposed by the Exchange.
1120	<b>Fees and Charges</b>
1120.1	An ISM trading participant must pay all fees and charges fixed by the Exchange, which will become due and payable to the Exchange at such time or times and in such manner as the Exchange shall require.
1130	<b>Observance of Rules</b>
1130.1	An ISM trading participant will be bound by and observe: <ol style="list-style-type: none"> <li>these Rules (as amended from time to time);</li> <li>any rules and procedures set out in any supplementary documentation issued by the exchange under these rules;</li> <li>the provisions of any notice issued by the Exchange;</li> <li>any requirement, decision or direction of the Exchange.</li> </ol>

1130.2	An ISM trading participant must take all reasonable steps to ensure that its employees comply with all applicable obligations arising under these rules.
1130.3	The BSE shall request and obtain any information required for the purposes of review and investigation of breaches of any of the ISM rules.
1140	<b>Notifications</b>
1140.1	An ISM trading participant must give the Exchange prior written notice of:
	1) a change in its name or the name under which it carries on business;
	2) a change in the address of its principal place of business;
	3) any change in its ownership or control, whether direct or indirect, of more than 10% of its equity or shares:
	a) The acquisition of, directly or indirectly, or obtaining the ability to exercise control over 30% equity interest in an ISM trading participant will, in the absence of evidence to the contrary, be deemed to be a change in control of the ISM trading participant and require the submission of a new application for membership;
	4) the appointment of any new senior executive, including the information about such person required to be filed by the Exchange;
	5) any change in its insurer or auditor;
	6) any change to the arrangements it has in place for the clearing and settlement of transactions on the Exchange.
1140.2	An ISM trading participant must give the Exchange written notice forthwith of the death, retirement, resignation or termination of employment of a director or officer of the ISM trading participant.
1140.3	An ISM trading participant must provide the Exchange immediately with details of any action taken by any regulatory body or exchange of which it, or a related party, is a participant where the ISM trading participant or related party is found to have been in breach of any law, regulation or rule administered by a regulatory body or exchange.
1140.4	An ISM trading participant must provide the Exchange as soon as practicable thereafter with details of any allegation by a regulatory body or exchange that results in an investigation by a regulatory body or exchange of which it, or an associate, is a participant.
1140.5	Following notification from an ISM trading participant under these rules:
	1) an ISM trading participant must make such additional information available to the Exchange as the Exchange may request;

	2) the Exchange may impose such conditions on the ISM trading participant as it considers appropriate.
1140.6	A condition imposed under rule 1140.5.2 will take effect immediately such notification is received by the ISM trading participant.
1140.7	An ISM trading participant may appeal to the Regulatory Affairs Committee of the Exchange against any condition imposed under rule 1140.5.2 within 7 days of the issue of the notification but until such appeal is heard, the requirement or restriction imposed under rule 1140.5.2 will remain in force.
	<ul style="list-style-type: none"> <li>The Exchange's rules and procedures for hearings and appeals are set out in Article 3 of Part II of the rules of the Barbados Stock Exchange and are repeated in Appendix 1 B of these rules.</li> </ul>
1200	<b>RESIGNATION FROM MEMBERSHIP</b>
1201	<b>Resignation Procedure</b>
1201.1	ISM trading participants may resign from membership of the ISM by submitting a notification of resignation in writing to the Exchange. The resignation will take effect two (2) months after the date of receipt of the notice of resignation by the Exchange, unless the Exchange, at its discretion, determines otherwise.
1201.2	The resigning ISM trading participant will remain obligated to perform and complete any transactions entered into by it prior to the date that its resignation becomes effective, unless the Exchange at its discretion decides otherwise. Until the date its resignation becomes effective, such ISM trading participant will continue to be subject to these rules.
1210	<b>Termination</b>
1210.1	Membership of any ISM trading participant will terminate in each of the following circumstances:
	1) the revocation or expiration without renewal of the ISM trading participant's license by the FSC or equivalent regulatory body;
	2) the expulsion from membership from any exchange of which the ISM trading participant is also a member;
	3) the commencement of bankruptcy or similar insolvency proceedings against the ISM trading participant.
1210.2	Any termination of membership pursuant to rule 1210.1 shall be decided by the board and the decision of termination shall be notified by registered mail to the relevant ISM trading participant.
1210.3	The ISM trading participant whose membership is terminated will remain obligated to perform and complete any transactions entered into by it prior to the date that termination

	of membership becomes effective, unless the Exchange at its discretion decides otherwise. Until the date of termination becomes effective, such ISM trading participant will continue to be subject to these rules.
1300	<b>POWERS OF THE EXCHANGE</b>
1301	<b>Power to make, amend or repeal rules</b>
1301.1	The board may from time to time decide to make, amend or repeal the rules of the ISM by giving notice to ISM trading participants of any amendment to the rules.
1301.2	Such notice shall be given in writing and published on the Exchange's website, for public consultation, for a period of not less than thirty (30) days.
1301.3	Amendments to the rules become effective on the date specified by the board:
	1) provided that the date specified is not less than the thirty (30) days consultation period specified in rule 1301.2;
	2) subject to the approval of the FSC to the rule amendments.
1310	<b>Power to bring charges</b>
1310.1	The Exchange may, with absolute discretion and after making such inquiries as it thinks fit, bring a charge or charges against an ISM trading participant if, in the opinion of the Exchange the ISM trading participant may have contravened the rules.
	<ul style="list-style-type: none"> <li>The Exchange's rules and procedures for investigation, discipline and appeal are set out in Articles 2 and 3 of Part II of the Rules of the Barbados Stock Exchange and are repeated in Appendix 1 B of these rules.</li> </ul>
1320	<b>Delegation of Powers</b>
1320.1	The Exchange may by notification in writing delegate to any person, staff or sub-committee of the Exchange or other committee or body, whether incorporated or unincorporated, and whether or not it includes or comprises persons who are not ISM trading participants, any of the powers, rights and discretions of the Exchange, excluding the power to make rules, but including the power of delegation on such terms and conditions as the Exchange may from time to time specify.
1400	<b>CODE OF CONDUCT</b>
1401	<b>General Duties of Integrity, Fair Dealing and Care</b>
1401.1	When trading on the ISM, an ISM trading participant must:
	1) observe high standards of integrity, market conduct and fair dealing;

	2) act with due skill, care and diligence, in the best interests of its clients and the integrity of the ISM;
	3) comply with all codes of conduct and rules applicable to the conduct of its business regarding transactions on the ISM, so as to defend the best interests of its clients and the integrity of the ISM;
	4) seek in an appropriate manner from the clients it advises all useful information concerning their financial situation, investment experience and objectives, as far as they are reasonably relevant in order to achieve, as far as possible, its undertakings to its clients with regard to the requested services and taking into account the sophistication of the clients concerned;
	5) when requested, make reasonable efforts to provide to the client it advises, within a reasonable time period and in a language the client can understand, all information to enable the client to make a well-considered and informed decision, and a complete and honest report regarding its undertakings vis-à-vis the client;
	6) avoid all possible conflicts of interest or, when they cannot be avoided, act in the best interests of its clients and notify all clients of any conflicts that are relevant to those clients that have not been avoided. An ISM trading participant may not:
	a) unfairly place its own interests before those of its clients;
	b) place its own interests before those of its clients where to do so would result in it being unable to meet the reasonable expectations of its clients.
	7) carry out a transaction as promptly as possible upon receipt of the order and on the best terms available at that time, unless otherwise instructed by its client;
	8) refrain from any act or course of conduct which is likely to harm the reputation or public image of the Exchange, the ISM or its participants.
1410	<b>Fraudulent, Manipulative or Misleading Conduct</b>
1410.1	An ISM trading participant must not engage in:
	1) any action or any course of conduct that is aimed at artificially moving the price or value of any security or any instrument underlying a security or the level of any index of which a security is a component;
	2) any activity designed to create a false, misleading or artificial appearance of activity in any security;
	3) insider trading
	4) front running of client orders

	5) entering into the Exchange's systems artificial quotes or orders or otherwise entering into or causing any artificial transaction;
	6) reporting a fictitious transaction or any other false data to the Exchange or causing such data to be input into the Exchange's systems;
	7) any action or any course of conduct that creates or may reasonably be expected to create any false or misleading impression as to the market in, or price or value of, any security;
	8) any action or any course of conduct that causes or contributes to a breach of any applicable law, regulation or rule by any other person (whether or not an ISM trading participant);
	9) any action which would hinder or disrupt the fair and orderly functioning of the ISM;
	10) agreeing or acting in concert with, or providing any assistance to, any person (whether or not an ISM trading participant) with a view to or in connection with any action or course of conduct referred to above.
1410.2	An ISM trading participant must not manipulate the ISM, and, in particular must not knowingly, directly or indirectly, participate in, or have any interest in, the profits of a manipulative operation, or knowingly manage or finance a manipulative operation.
1420	<b>Publication or Circulation of Misleading Information</b>
1420.1	No ISM trading participant will make any statement or circulate or disseminate any information which they know, or have reasonable grounds for believing such information, is false or misleading or would improperly influence the price of a security.
1420.2	No ISM trading participant will publish or circulate, or cause to be published or circulated, any notice, circular, advertisement, newspaper article, investment advice, or communication of any kind:
	1) which purports to report any transaction as a purchase or sale of any security, unless the ISM trading participant believes that the transaction was a bona fide purchase or sale of such security;
	2) which purports to quote the bid price or ask price for any security, unless such ISM trading participant believes that the quote represents a bona fide bid for, or offer for, such security. If indicative quotes are used or given, they must be clearly stated or identified to be only indicative quotes.
1430	<b>Internal Controls</b>
1430.1	An ISM trading participant must set up and maintain an appropriate system of internal controls, which ensures that the ISM trading participant continuously complies with all requirements imposed by or pursuant to these rules.

1430.2	The system of internal controls must contain internal procedures specific to the ISM trading participant's capacity on the ISM. These procedures must be documented and updated on a regular basis.
1430.3	An ISM trading participant must ensure that its systems and controls are adequate and suitable for the performance of its functions and appropriate to the scale and nature of its operations. In particular, systems and controls must exist in relation to but not limited to:
	1) the assessment and management of risks including conflicts of interest;
	2) the operation of its functions; and
	3) the safeguarding and administration of client assets.
1430.4	ISM trading participants must maintain an internal code of conduct which will apply to all directors, partners, employees and agents or any person who has access to inside or client information. This internal code of conduct should be provided in written or electronic form to all relevant personnel and must contain at least:
	1) the obligation to protect inside or client and any other information of a confidential nature and the prohibition to act willfully upon this information for its own benefit;
	2) the prohibition that no personnel of an ISM trading participant who possesses unpublished price sensitive information concerning any security shall trade on the basis of such unpublished price sensitive information. This prohibition from trading will not apply to trades by ISM trading participants possessing unpublished price sensitive information who, in good faith and in accordance with these rules, carry out specific orders for the risk and the account of their clients, provided the aforementioned information is not divulged to such clients or where ISM trading participants are engaged in a normal market making activity;
	3) the rules and procedures for carrying out personal transactions involving transactions on the ISM;
	4) the rules and procedures governing the business relationship with clients in order to ensure that the persons referred to above, in particular where a conflict of interest may arise, always act in the best interests of their clients, and that such persons do not take advantage of any confidential information.
1430.5	An ISM trading participant must have adequate arrangements in place to ensure that all staff involved in the conduct of business are suitable, adequately trained and properly supervised.
1430.6	An ISM trading participant must supervise and be responsible for the actions of all its employees.
1440	<b>Exchange Control</b>

1440.1	Exchange Control permission is not required as an ISM trading participant cannot take orders to trade on the ISM from an investor located in Barbados.
1450	<b>Client Assets</b>
1450.1	An ISM trading participant must account properly and promptly for clients' money and other assets and, in particular, must ensure that:
	1) clients' assets and money are segregated and held separate from those of the ISM trading participant;
	2) clients' assets do not become mixed or comingled;
	3) the ISM trading participant can at all times be sure as to the amount of clients' assets standing to the credit of each client; and
	4) money and assets belonging to one client are not used for another client.
1460	<b>Confirmation of Transactions</b>
1460.1	No later than the first Business Day following the execution of the transaction, ISM trading participants must send to their clients, by fax, mail or electronic means, a confirmation of completed transactions which includes <i>inter alia</i> the following information:
	1) the ISM trading participant's name;
	2) the time of execution, or a statement that the time of execution will be supplied upon request;
	3) the date of execution;
	4) the type of transaction eg buy, sell;
	5) the fact that the transaction was carried out on the ISM;
	6) the security and the quantity involved in the transaction;
	7) the unit price applied and the total consideration in the quotation currency at which the transaction was executed;
	8) whether the ISM trading participant was acting as an agent or a principal;
	9) the commissions and expenses charges and, if different from the quotation currency, the currency and exchange rate applied;
	10) the settlement amount, currency and, if different from the quotation currency, the exchange rate applied;

	11) the settlement date of the transaction.
1470	<b>Records of Transactions</b>
1470.1	An ISM trading participant must maintain for a period of not less than seven (7) years accounting and other records to document all of its transactions for its own behalf and on behalf of others together with the financial position of the ISM trading participant at any point in time.
1500	<b>DEFAULT</b>
1501	<b>Declaration of Default</b>
1501.1	If any ISM trading participant makes default in, or fails to meet, or admits or discloses his inability to meet his liabilities or engagements to the Exchange, or to another ISM trading participant or to the public, the ISM trading participant concerned may be adjudged a defaulter.
1501.2	Any ISM trading participant who fails to make delivery of securities or to make a payment within the time stated in the rules may be adjudged a defaulter.
1501.3	The Exchange may at any time and either with or without notice to him suspend a defaulter as an ISM trading participant.
1501.4	An ISM trading participant who has been suspended as a defaulter may be reinstated by the Exchange at any time and notice thereof will be mailed or delivered to each ISM trading participant, and it may be announced publicly.
1501.5	An ISM trading participant is not entitled to be present at any session, or to exercise the rights and privileges of an ISM trading participant during such time as he is a defaulter.
1501.6	No ISM trading participant may do business for or for the account of a defaulter without the written consent of the Exchange.
1501.7	The Exchange shall immediately notify clients of any ISM trading participant who is declared to be a defaulter.
1510	<b>Notifications</b>
1502.1	Where the Exchange has declared an ISM trading participant to be a defaulter under rule 1501.1, the Exchange shall immediately notify the defaulter and all other ISM trading participants of the declaration and announce it publicly.
1502.2	As soon as is reasonably practicable, the Exchange shall arrange for the removal of all displayed orders and/or quotes and suspend the submission of any new orders and/or quotes of the defaulter from the Exchange's systems.
1502.3	Every uncompleted transaction with an ISM trading participant shall be deemed to be rescinded, closed and terminated as from the time the trading participant becomes a

	defaulter and where the transaction is partially uncompleted, that transaction shall be deemed to be rescinded, closed and terminated as to the uncompleted balance.
	<ul style="list-style-type: none"><li>• The procedures for the settlement of transactions of a defaulting ISM trading participant are included in the ISM clearing and settlement rules.</li></ul>

## **APPENDIX 1 A - APPLICATION FOR MEMBERSHIP OF THE ISM**

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

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#### **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  
8<sup>th</sup> Avenue Belleville  
St. Michael  
BB11114  
Barbados  
Email:

2. An applicant must file all the information and documents listed in the exhibits to this application form, as prescribed below.
3. 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.
4. The Exchange may require an interview with senior executives of the applicant, and may require the applicant to file additional information or documents.
5. Incomplete applications will be returned and cannot be processed until completed.
6. An applicant that files misleading information, or that attempts to mislead the Exchange by filing incomplete, false or inaccurate information, will be denied approval.
7. 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:
  - 4.1 The information disclosed in this application is complete and accurate, to the best of our knowledge and belief.
  - 4.2 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.
  - 4.3 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:

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### 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:
  - i) Details of issued share capital or partnership.
  - ii) Transferability of ownership interests, including details of public trading of any securities of the applicant.
  - iii) If the applicant is part of a corporate group, a diagram illustrating the ownership structure for the group and the applicant.

- iv) 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.
4. 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.
5. 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.
6. 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.
7. 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:
  - i) ever been censured, penalized, or disciplined?
  - ii) ever been the subject of a court order or official investigation?
  - iii) ever failed to satisfy your/its debts?
  - iv) ever been the subject of bankruptcy/insolvency proceedings?
  - v) ever been convicted of an offence involving embezzlement, fraud, theft or other dishonesty?
  - vi) 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:

## **APPENDIX 1 B - ARTICLES 2 AND 3 OF PART II OF THE RULES OF THE BARBADOS STOCK EXCHANGE**

### **Article 2 Complaints, Inspections and Investigations**

#### **2.02.0 Complaints**

All complaints or other communications in the nature of complaints relating to the business or affairs of the Exchange or the conduct, business or affairs of any person under the jurisdiction of the Exchange must:

- (a) be in writing;
- (b) signed by the complainant;
- (c) addressed to the Chairman of the Board; and
- (d) lodged with the Exchange for transmission to the Chairman of the Board.

#### **2.02.1 Conduct of Inspections of Members**

- (1) The Exchange may at any time conduct, or request that the Exchange Auditor or the Auditor of the Trading Member conduct, a routine or cause inspection and report on the current financial position and operational condition of the Trading Member in general or on any specific matter.
- (2) A request for such inspection and report shall be made by the General Manager with the consent of the Chairman of the Board of the Exchange.

#### **2.02.2 Investigations**

The Exchange may at any time, whether or not on the basis of a complaint or other communication in the nature of a complaint, investigate the conduct, business or affairs of any person under the jurisdiction of the Exchange and the Exchange may authorize any committee or persons to conduct or to assist in the conduct of the investigation.

#### **2.02.3 Information, Books, Records**

- (1) Trading Members shall comply with the record-keeping procedures as outlined in the Act and any guidance notes issued by the Exchange from time to time.
- (2) Upon request of the Exchange or a committee or person authorized by the Exchange, a person under the jurisdiction of the Exchange shall forthwith:

- (a) provide any information, books, records and paper in his possession or control that the Exchange or authorized committee or person determines may be relevant to the matter under investigation or during the course of an inspection;
- (b) allow the inspection of, and permit copies to be taken of, any information or records in his possession or control that the Exchange or authorized committee or person determines may be relevant to a matter under investigation or during the course of an inspection;
- (c) provide a statement to the Exchange or authorized committee or person determined to be relevant to a matter under investigation or during the course of an inspection, provided that in the case of a person other than an individual, the statement shall be made by an appropriate officer, director, partner or other authorized individual associated with the person under the jurisdiction of the Exchange.

#### **2.02.4 Assessment of Investigation Costs**

- (1) The Exchange may, after conducting an investigation, assess the costs of the investigation against a person under the jurisdiction of the Exchange upon whom a penalty has been imposed.
- (2) Where the Exchange conducts an investigation of a complaint or other communication in the nature of a complaint that was made by a person under the jurisdiction of the Exchange and determines that the complaint or other communication in the nature of a complaint was frivolous, the Exchange may assess the costs of the investigation against that person who made the complaint.

#### **2.02.5 Record of Complaints**

- (1) Each Trading Member shall keep records of all written complaints received by the Trading Member that relate in any way to the conduct, business or affairs of the Trading Member or of a director, partner, officer or employee of the Trading Member.
- (2) A complaint and any reply to the complaint shall be retained for twenty-four months from the date of receipt of the complaint by the Trading Member and shall be made available to the Exchange upon the request of the Exchange.

#### **2.02.6 Delegation by Board**

- (1) The Board may from time to time in writing delegate to one or more persons or committees any or all of the following powers of the Board:
  - (a) to consider, hold hearings and make determinations regarding applications for any acceptance, approval, registration or authorization and to impose terms and conditions regarding any such acceptance, approval, registration or authorization;
  - (b) to investigate and examine the conduct, business or affairs of Members and other persons authorized to trade on the Exchange and of their employees and agents and other persons associated with them in the conduct of business; and
  - (c) to hold hearings, make determinations and make recommendations to the Board.



## **Article 3**

### ***b3.02.0 Notice of Particulars***

- (1) Whenever the Exchange proposes:
  - (a) to commence disciplinary proceedings;
  - (b) to decline the granting unconditionally of an Exchange approval;
  - (c) to revoke, suspend or amend a previously granted Exchange approval;
  - (d) to decline to grant unconditionally the admission of a person to be a Member;
  - (e) to revoke, suspend or amend any of the rights or privileges of a Member, or
  - (f) to revoke, suspend or amend any of the rights or privileges of a seat-holder or of a holder of the right to use a seat,

the Exchange must serve at least ten days in advance of a hearing of the matter, a Notice of Particulars on any person who is directly affected by the proposal.

- (2) A Notice of Particulars must contain:
  - (a) a statement of the date, time and place of the hearing of the matter;
  - (b) a reference to the authority under which the hearing will be held;
  - (c) the facts alleged and intended to be relied upon by the Exchange; and
  - (d) the provisions of subsections (3), (4) and (5).
- (3) A person served with a Notice of Particulars shall, within ten days from the date of service, serve on the Exchange a Reply signed by the person or by an individual authorized to sign on behalf of the person that specifically denies, with a summary of the supporting facts and arguments, any or all of the facts alleged.
- (4) The Board or a committee of the Board may accept as having been proven any facts alleged in the Notice of Particulars that are not specifically denied, with a summary of the supporting facts and arguments, in the Reply.
- (5) If a person served with a Notice of Particulars fails to:
  - (a) serve a Reply in accordance with subsection (3) , or
  - (b) attend the hearing specified in the Notice of Particulars, notwithstanding that the person has served a Reply in accordance with subsection (3),

the Exchange may proceed with the hearing of the matter on the date and at the time and place set out in the Notice of Particulars without further notice to and in the absence of the person, and the Board or a committee of the Board may proceed to make a determination in his absence.

### ***3.02.1 Hearings***

- (1) A person who has been served with a Notice of Particulars is entitled at the hearing of the matter:
  - (a) to attend and be heard in person except where the parties all agree that the hearing may take the form of the Exchange of documents whether in written form or by electronic means;
  - (b) to be represented by an attorney-at-law or other individual;

- (c) to call and examine witnesses and to present arguments and submissions; and
  - (d) to conduct cross-examinations of witnesses at the hearing reasonably required for a full and fair disclosure of the facts in relation to which they have given evidence.
- (2) The Board, or the committee of the Board that presided at a hearing, shall, if requested by a person served with a Notice of Particulars, give reasons for the decision of the hearing.
  - (3) The Board, or the committee of the Board, shall give in writing and send by registered mail the decision of the hearing and, if reasons have been requested under subsection (2), the reasons for the decision, to each person entitled to be served with a Notice of Particulars.

### ***3.02.2 Offer of Settlement***

- (1) Subject to subsection (5), the person served with a Notice of Particulars may submit an Offer of Settlement to the Exchange.
- (2) An Offer of Settlement must be consented to by the parties to the dispute and
  - (a) be in writing;
  - (b) be signed by the parties consenting to the Offer of Settlement or by the individuals authorized to sign on behalf of the parties; and
  - (c) contain:
    - (i) the provisions of any of the Exchange requirements that have been contravened, as agreed upon by the Exchange and the parties entering into the Offer of Settlement;
    - (ii) a statement of the facts agreed upon by the Exchange and the parties to the Offer of Settlement;
    - (iii) the disposition of the matter, including any penalty to be imposed, as agreed upon by the Exchange and the person submitting the Offer of Settlement; and
    - (iv) a waiver by the consenting party of all rights under the By-Laws to a hearing or to an appeal if the Offer of Settlement is accepted.
- (3) Subject to subsection (4) an Offer of Settlement shall be submitted to the Board or to a committee of the Board appointed to hear the matter, and the Board or a committee of the Board, as the case may be, shall either accept or reject the Offer of Settlement.
- (4) An Offer of Settlement in respect of a matter described in paragraph (a) of section 3.02.0(1) may be submitted to the Secretary of the Exchange for review where the penalty to be imposed is a reprimand, a sum not exceeding \$5,000.00, or both, and upon being submitted, the Secretary shall
  - (a) accept the Offer of Settlement ;
  - (b) reject the Offer of Settlement; or
  - (c) refer the matter to the Board or to a committee of the Board for review.
- (5) An Offer of Settlement may not be entertained in respect of a matter described in paragraph (b) to (f) inclusive of section 3.02.0(1).

- (6) The negotiating of an Offer of Settlement must not adversely affect the position of the Exchange or that of any other persons involved in the negotiations. The negotiations may not be used as evidence or referred to in any proceedings.
- (7) If an Offer of Settlement is accepted by the Board, a committee of the Board or the Secretary of the Exchange,
  - (a) the matter becomes final;
  - (b) there can be no appeal of the matter; and
  - (c) the disposition of the matter agreed upon in the Offer of Settlement is to be included in the permanent record of the Exchange in respect of the parties who consented to the Offer of Settlement.
- (8) If an Offer of Settlement is rejected by the Board, a committee of the Board or the Secretary of the Exchange, the Exchange may proceed with a hearing of the matter.

### ***3.02.3 Appeals***

- (1) A decision of the Board after a hearing of the matter, to which the decision relates, under Rule 3.02.1, may be appealed to the FSC by any person directly affected by the decision.
- (2) A decision of the Board committee of the Board, after a hearing of the matter to which the decision relates, under Rule 3.02.1, may be appealed to the Board by a Member of the Board or by any person directly affected by the decision.
- (3) The Board shall, within five (5) Business Days, give its Order and written decision.
- (4) The written decision shall set out clearly the reasons for the decision and the Order.
- (5) The Exchange shall within five (5) Business Days of the date on which the Order and written decision of the Board or committee of the Board is given send by registered mail to the Member or person directly affected by the decision a copy of the Order and written decision of the said Board or hearing committee.
- (6) An appeal pursuant to subsection (1) is commenced by serving on the Secretary of the Exchange, and each of the persons entitled to appeal the decision, a written Notice of Appeal that specifies the grounds with a summary of the supporting reasons for the appeal, within thirty days from the date of the Order.
- (7) Within twenty days from the date of receipt by the Secretary of the Exchange of a Notice of Appeal, the Secretary shall in writing notify all persons who have appealed, of the date, time and place for the hearing of the appeal. The date for the hearing of the appeal must be within forty-two days from the date of the filing of the appeal.
- (8) Members of the committee of the Board who sat on the hearing of the matter to which the appeal relates, cannot participate in the review of the decision of the Board.
- (9) On an appeal of the decision of the Board, the Board shall consider the record of the hearing and may consider any new evidence that the Board determines appropriate under the circumstances.

- (10) Upon an appeal or review of the decision of the Board, the Board may confirm, reject or vary the decision;
- (11) Upon holding an appeal or review of the decision of the Board, the Board shall give in writing and send by registered mail to each person that appealed the decision, copies of the decision of the appeal or review and, if requested by a person entitled to appeal the decision of the hearing, reasons for the decision of the appeal or review, if any.

#### ***3.02.4 Report to Board***

- (1) Any committee of the Board that has conducted a hearing shall report to the Board on the hearing upon the expiration of the time periods for appeal if no appeal of the decision of the hearing has been commenced.
- (2) Any committee of the Board or any officer of the Exchange that or who has reviewed and accepted an Offer of Settlement shall report to the Board on the Offer of Settlement.

#### ***3.02.5 Powers and Remedies***

- (1) Where, after a hearing conducted in accordance with 3.02.1, it has been decided that a person under the jurisdiction of the Exchange has:
  - (a) contravened any Exchange Requirement, or
  - (b) engaged in any conduct, business or matter that is unbecoming or inconsistent with just and equitable principles of trade or detrimental to the interests of the Exchange or the public, or
  - (c) is not in compliance with any Exchange Requirement,the Board or a committee of the Board may impose any one or more penalties or remedies against the person.
- (2) The penalties or remedies to be imposed pursuant to subsection (1) may be one or more of the following:
  - (a) a reprimand;
  - (b) the suspension as a Member for the period and/or upon the terms and conditions, if any, determined by the Board or a committee of the Board;
  - (c) the revocation, suspension or amendment of the terms and conditions of a Membership;
  - (d) the imposition of any terms and conditions, determined by the Board or a committee of the Board, that a person must satisfy prior to being fully restored as a Member;
  - (e) the expulsion as a Member;
  - (f) the forfeiture of a seat or a right to use a seat;
  - (g) revocation of license of an Approved Trader;
  - (h) restrict from acting as an officer or director of a Trading Member;

- (i) the making of restitution to any person who has suffered a loss as a result of the acts or omissions of a person under the jurisdiction of the Exchange;
- (j) a fine not exceeding \$100,000.00; or
- (k) any other penalty or remedy available by law.

### ***3.02.6 Interim Orders***

- (1) Notwithstanding any provisions in the by-laws or the rules, as the case may be, to the contrary, where
  - (a) the Board determines that a person under the jurisdiction of the Exchange
    - (i) has engaged in or might engage in any course of conduct,
    - (ii) has carried on or might carry on business in a manner, or
    - (i) has otherwise acted in a mannerthat is detrimental to the interests of the Exchange or the investing public; and
  - (b) the Board considers it necessary for the protection of the interests of the investing public,

the Board may without notice of a hearing impose one or more of the interim orders described in subsection (2) against that person.

- (2) The interim orders to be imposed are:
  - (a) the suspension of the rights and/or privileges of trading for a period upon terms and conditions, if any, determined by the Board; or
  - (b) the suspension or amendment of the terms and conditions of a previously granted Exchange Approval;
- (3) Upon the imposition of an interim order by the Board pursuant to subsection (1), the Exchange shall commence an investigation pursuant to sections 2.02.1 and 2.02.2.
- (4) An interim order issued by the Board pursuant to subsection (1) expires fifteen days after the date on which the interim order was made, unless
  - (a) a hearing is held within that period of time to confirm or set aside the interim order; or
  - (b) the person against whom the interim order is made consents to an extension of the interim order until a hearing of the matter is held.

### ***3.02.7 Responsibility of Members and Others***

- (1) A Member may be found liable by the Exchange for the conduct, business or affairs of an authorized representative or an employee of the Member and may be made subject to penalties as if the Member had engaged in the conduct, business or affairs.

- (2) Notwithstanding subsection (1), the imposition of any penalties against a Member does not prevent the imposition by the Exchange of any penalties against the authorized representative or employee of the Member.

### ***3.02.8 Partners and Directors of Members***

- (1) Any partner or director of a Member may be found liable by the Exchange for the conduct, business or affairs of the Member, if he had responsibility for the Member, and may be made subject to any penalties as if he had engaged in that conduct, business or affairs.
- (2) Notwithstanding subsection (1), the imposition of any penalties against any partner or director of a Member does not prevent the imposition by the Exchange of any penalties against the Member.

### ***3.02.9 Service***

- (1) Subject to any provision of the by-laws or rules, as the case may be, to the contrary, any document required by this section to be served:
  - (a) on the Exchange must be served by personal service on or by registered mail addressed to the registered office to the attention of the Secretary of the Exchange; or
  - (b) on any person other than the Exchange must be served by personal service or by registered mail to the attention of that person and addressed to the last residence or business address shown in the records of the Exchange for that person.
- (2) If service of a document cannot be effected by personal service pursuant to the requirements of subsection (1)(b), the Board may prescribe any other manner likely to bring the document to the attention of the person.
- (3) An affidavit of an employee or agent of the Exchange attesting that subsection (1)(b) has been complied with is sufficient proof of service.

## ISM TRADING RULES

### Series 2000

<b>Rule No.</b>	<b>Rule</b>
2000	<b>TRADING RULES</b>
2001	<b>Scope</b>
2001.1	These rules govern transactions undertaken by ISM trading participants in securities listed on the Exchange.
2010	<b>Trading Status</b>
2010.1	ISM trading participants may trade on their own behalf as a dealer or market maker or on behalf of their clients as a broker.
2020	<b>Requirement to trade through the Trading System</b>
2020.1	ISM trading participants may trade any eligible security through the trading system.
2020.2	ISM trading participants are not obliged to trade through the trading system.
2020.3	An ISM trading participant that executes a trade outside of the trading system must take all reasonable steps to ensure that the price of the trade will represent best execution for the client.
2020.4	Trades executed by ISM trading participants outside the trading system must be reported to the Exchange in accordance with rule 2030.1.
2030	<b>Trade Reporting</b>
2030.1	Trades in ISM listed securities executed by ISM trading participants, outside of the trading system, must be reported to the Exchange unless the trade has been reported to another market which is recognised by the Exchange.
2030.2	Such trades executed prior to or during the business day must be reported to the Exchange within 3 minutes of trade execution.
2030.3	Such trades executed after the end of the business day must be reported to the Exchange prior to the start of business on the next business day.
2040	<b>Block Trades</b>
2040.1	Unless the trade is executed by a trading participant in accordance with the rules and reported to a recognised exchange, an ISM trading participant must seek the prior approval of the Exchange before executing a block trade. Provided the request is submitted during the business day, the Exchange will endeavour to respond within that business day.
2040.2	The Exchange may approve a block trade in respect of:

<b>Rule No.</b>	<b>Rule</b>
	1) the sale and purchase of a listed security between related parties;
	2) the sale and purchase of a listed security which will not effect a change in the ultimate beneficial ownership of the securities;
	3) the sale and purchase of a listed security approved by the Commission;
	4) the sale and purchase of a listed security pursuant to a take-over transaction, conducted or to be conducted in accordance with applicable laws; and
	5) any other case where in the opinion of the Exchange a block trade transaction is deemed appropriate.
2040.3	The Exchange shall refuse to approve a block trade where it is of the opinion that the block trade will conflict with the rules in respect of market conduct and regulation.
2040.4	The block trade price can be negotiated between the parties and may be different from the price displayed on the trading system at the time. The block trade price must be fair and reasonable in light of the size of the transaction and the price being displayed on the trading system.
2040.5	The Exchange may request the methodology and calculation of the negotiated block trade price except in the case of an approved take-over where the methodology and calculation of the negotiated block trade price will be required by the Exchange to be made available to the public.
2040.6	The trading participant must report the execution of the approved block trade immediately.
<b>2050</b>	<b>Trade Publication</b>
2050.1	Details of trades executed through the trading system will be published immediately.
2050.2	Details of trades reported under rule 2030.2 prior to or during the business day will be published on the opening of the market or on receipt, whichever is the later.
2050.3	Trades reported under rule 2030.3 after the end of the business day will be published at the opening of the market on the day following receipt by the Exchange.
2050.4	Details of block trades will be published immediately after their execution is reported to the Exchange.
	<ul style="list-style-type: none"> <li>“published” in the context of rule 2050 means published through the trade reporting system of the Exchange and simultaneously made available to the public.</li> </ul>
<b>2100</b>	<b>TRADING THROUGH THE TRADING SYSTEM</b>
<b>2101</b>	<b>Eligible Security</b>
2101.1	All ISM listed securities are eligible for trading through the trading system and are eligible

<b>Rule No.</b>	<b>Rule</b>
	for settlement through the BCSDI.
<b>2110</b>	<b>Approved Traders</b>
2110.1	ISM trading participants must ensure that only properly qualified and experienced persons have access to the trading system.
<b>2120</b>	<b>Trading Currency</b>
2120.1	The Exchange shall designate a trading currency other than Barbados dollars for each ISM listed security.
2120.2	ISM listed securities shall not be designated or traded in Barbados dollars.
2120.3	The Exchange may designate any currency which it is possible to settle through foreign currency accounts at CBB.
<b>2130</b>	<b>Trading Procedures</b>
2130.1	Trading procedures will be in accordance with the Exchange's electronic trading procedures.
<b>2140</b>	<b>Trading Sessions</b>
2140.1	The Exchange shall publish the normal days and times of the trading sessions for trading in ISM listed securities on the trading system.
2140.2	The Exchange may at any time suspend, close, reduce, extend or otherwise alter the time of any trading session.
<b>2150</b>	<b>Trading Halt</b>
2150.1	The ISM executive management committee or a delegated official of the Exchange may halt trading in a security for a period of not more than 2 hours if:
	1) the offer price or bid price rises or falls more than 10% above or below the closing price of the previous day's trading without apparent reason;
	2) the trading of a dual listed security is halted on the exchange where the security has a primary listing.
2150.2	A trading halt shall occur only once in a trading session for any one security.
2150.3	If the price of a Security drops a further 10%, trading in that security will be automatically suspended for the rest of the day.
<b>2160</b>	<b>Trading Ex-distribution</b>
2160.1	All rights in a security pass to the buyer on trading unless the security has been declared 'ex' the distribution by the Exchange.

<b>Rule No.</b>	<b>Rule</b>
2170	<b>Market Makers</b>
2170.1	Market makers must submit quotes to the trading system in accordance with the electronic trading procedures.
2170.2	Market makers must maintain quotes in the trading system with the minimum quantities and maximum spreads as specified by the Exchange from time to time.

**ISM CLEARING & SETTLEMENT RULES**  
**Series 3000**

<b>Rule No.</b>	<b>Rule</b>
3000	<b>GENERAL RULES</b>
3001	<b>Requirement to Settle</b>
3001.1	An ISM trading participant must ensure that every transaction effected by it is duly settled on its settlement date.
3001.2	Sellers must ensure that securities are available to settle their trades through the agreed settlement procedure on the settlement date.
3001.3	Buyers must ensure that funds are available to settle their trades through the agreed settlement procedure on the settlement date.
3010	<b>Counterparty Risk</b>
3010.1	Trades are executed on the Exchange on the basis that each party is at risk to its counterparty.
3020	<b>Approved Settlement Procedures</b>
3020.1	In conjunction with the issuer the Exchange will determine an approved settlement procedure for each security.
3020.2	A settlement procedure will not be approved unless it is an electronic settlement system which provides settlement on the basis of delivery versus payment.
3020.3	The approved settlement procedure will be included in the prospectus or other listing document and will be published on the Exchange web site.
3020.4	Settlement will take place in accordance with the prescribed procedures unless the approved settlement procedure is other than the BCSDI and the trading parties agree an alternative settlement procedure at the time of trading. The Exchange shall be notified immediately of any alternative settlement arrangement.
3020.5	Where settlement is to take place through an overseas settlement system, settlement will take place in accordance with the rules and procedures of that system.
3030	<b>Settlement Date</b>
3030.1	Unless otherwise agreed between the trading parties within one business day of trading, settlement will take place on the third business day after trade date.
3040	<b>Late Settlements</b>

3040.1	ISM trading participants must report any failed settlements to the Exchange within 24 hours of the settlement date.
3050	<b>Default Procedures</b>
3050.1	Participants who fail to settle trades on their due date through the agreed settlement procedure or the approved settlement procedure as applicable may be declared a defaulter by the Exchange.
3050.2	In the event of a default, outstanding trades shall be settled in accordance with the default procedures applicable to the agreed settlement procedures or approved settlement procedure as applicable.
3050.3	If default takes place in an overseas settlement system, then the default procedures of that settlement system take precedence.
3100	<b>SETTLEMENT THROUGH BCSDI</b>
3101	<b>Participants</b>
3101.1	The following are eligible to become BCSDI participants:
	1) ISM trading participants;
	2) banks regulated by the CBB who act as clearing agents for ISM trading participants, subject to authorisation from CBB;
	3) foreign central depositories regulated by an overseas regulator acceptable to the BCSDI.
3101.2	Applicants must demonstrate to BCSDI that they are able to enter instructions into and receive output from the BCSDI system in an efficient manner.
3101.3	Applicants must demonstrate to BCSDI that they are able to make payments to and receive payments from CBB foreign currency accounts.
3101.4	Applicants must provide BCSDI with details of the bank to which funds, due to the ISM trading participant, should be remitted.
3101.5	Only ISM trading participants and banks approved under Rule 3101.1 (2) above may act as clearing agents for other ISM trading participants.
3101.6	Clearing agents, which are not existing BCSDI participants must apply in the form set out in Appendix 3 A.
3101.7	Entities which are BCSDI participants prior to the implementation of the ISM must submit the undertaking set out in Appendix 3 B in respect of ISM listed securities.
3110	<b>Change of details</b>
3110.1	BCSDI participants must advise BCSDI of any changes to the details supplied at the time of their application as soon as practical.

3110.2	Clearing agents must seek the approval of the Exchange before they provide clearing services for new clients.
3120	<b>Suspension and Termination of Participation</b>
3120.1	The BCSDI may, in consultation with the Exchange, suspend or terminate the participation of an organisation if:
	1) a receiver is appointed;
	2) the BCSDI participant goes into liquidation;
	3) the BCSDI participant fails to meet its commitment to the Exchange on the due date;
	4) the BCSDI participant fails to pay the prescribed fees;
	(5) the BCSDI participant ceases to be in good standing with the Exchange or their primary regulator;
	(6) the BCSDI participant consistently fails to comply with these rules;
	(7) the BCSDI considers that it is in the best interests of investors or the Exchange to do so.
3120.2	A BCSDI participant may, on thirty days prior notice to the BCSDI, cease to be a BCSDI participant.
3120.3	Suspension, termination or withdrawal does not affect the responsibility of a BCSDI participant to settle all outstanding obligations.
3130	<b>Responsibility for Instructions</b>
3130.1	Each BCSDI participant is responsible for the accuracy and validity of instructions that are received by BCSDI and which purport to have been issued by the BCSDI participant.
3130.2	The BCSDI shall be entitled to rely and act on instructions which purport to have been issued by the BCSDI participant.
3140	<b>Accounts</b>
3140.1	Participants may open accounts in the BCSDI on their own behalf or on behalf of their customers.
3140.2	Securities held by the BCSDI participant as a principal must be separate from securities held on behalf of a client.
3140.3	Securities held on behalf of non Barbadian residents must be separate from securities held for Barbadian residents.
3140.4	Accounts for more than one investor must be identified as omnibus accounts.
3140.5	All interests in securities credited to BCSDI accounts shall be held to the order of the ISM trading participant who controls that account.

3150	<b>Disclosure</b>
3150.1	A BCSDI participant must provide or cause to provide, as and when required, a declaration containing such information with respect to any holding they control within the BCSDI to comply with:
	1) a lawful request of the issuer of a security;
	2) any legislation, regulation or order of a court or administrative or regulatory body.
3150.2	The BCSDI must provide a list of account holders to the issuer of the securities as soon as practical after receipt of a request.
3150.3	The BCSDI must provide a statement of their holdings to an account holder whose account is not identified as an omnibus account.
3160	<b>Account Balances</b>
3160.1	BCSDI participants are required to reconcile BCSDI account balances against their own records at least weekly .
3160.2	BCSDI participants must advise BCSDI of any balances which are not reconciled within one business day of their reconciliation date.
	<b>Settlement</b>
3170.1	Settlement of transactions will take place on the basis of delivery versus payment.
3180	<b>Transfer of Ownership</b>
3180.1	A transfer of securities within BCSDI will be conclusive evidence of a transfer of ownership of the securities.
3200	<b>Payment</b>
3200.1	The BCSDI will net the value of trades to give a single daily pay or receive figure for each BCSDI participant.
3200.2	At the close of business on a trade date, the BCSDI will make available a payment statement showing the net amount due to be paid or received by the BCSDI participant on the settlement date.
3200.3	Participants will pay any net monies due to BCSDI to the BCSDI nominated foreign currency account at CBB prior to the time published by BCSDI from time to time.
3200.4	Subject to funds being received, BCSDI will make payments to the participants nominated settlement account on the settlement date.
3210	<b>Unwinding</b>

3210.1	If an ISM trading participant fails to deliver securities to its counterparty on the due date, the BCSDI shall unwind the netting to exclude the failed trade and advise the participants of the revised net payments.
3210.2	If an ISM trading participant fails to pay the net funds due to BCSDI on the settlement date, the BCSDI shall unwind the netting, taking the last trades first, until the net amount due to BCSDI is zero or payment is due from BCSDI to the ISM trading participant.
3210.3	The BCSDI shall immediately inform the affected ISM trading participants of the failure to deliver and/or pay and the actions taken.
3210.4	It is the responsibility of the counterparties to determine the action to be taken and to advise BCSDI of their agreement.
3210.5	If no agreement can be reached between the counterparties, within three (3) business days, BCSDI shall remove the failed trades from the BCSDI system and return any securities or funds to the seller and buyer respectively.
3210.6	The removal of the trade details from the BCSDI system does not affect the liability of one ISM trading participant to another to settle the trade.
3220	<b>Pledges</b>
3220.1	Securities held in BCSDI may be pledged in accordance with the BCSDI procedures.
3220.2	Pledged securities will be held to the order of the pledgee and BCSDI shall act exclusively on instructions from the pledgee.
3230	<b>Stock Loans</b>
3230.1	BCSDI may facilitate stock borrowing and lending.
3230.2	Before lending securities on behalf of a customer, a BCSDI Participant must have the written agreement of their customer for lending to take place in accordance with the Global Master Securities Lending Agreement.
3230.3	ISM trading participants may apply to become BCSDI borrowing participants and shall be bound by the stock borrowing and lending agreement (see Appendix 3 C).
3230.4	BCSDI participants may apply to become lending participants and shall be bound by the stock borrowing and lending agreement (see Appendix 3 C).
3230.5	BCSDI lending participants must provide BCSDI with details of securities available for lending in accordance with the procedures published by BCSDI from time to time.
3230.6	Prior to settlement on each business day, BCSDI shall determine if any BCSDI borrowing participants have short positions and attempt to satisfy these from the lending pool.
3230.7	The BCSDI shall create a stock loan return due for settlement on the following business day.
3230.8	The failure to settle a stock loan return shall be treated by the Exchange as a failure by a ISM trading participant to settle a trade.

3230.9	The settlement value, which is passed to the seller as collateral, for a stock loan shall be the closing price of the security as recorded by the Exchange on the previous business day plus a margin agreed with the customer.
3230.10	The settlement value of the stock loan return shall be identical to the stock loan.
3230.11	Cash must be used as collateral for all stock loan transactions.
3240	<b>Liability</b>
3240.1	Each BCSDI participant must hold harmless the BCSDI and all other BCSDI participants against any loss arising from their use of the service.
3250	<b>Fees</b>
3250.1	BCSDI participants must pay the fees specified from time to time by the BCSDI.

## **APPENDIX 3 A - APPLICATION FOR PARTICIPATION IN THE BCSDI AS A CLEARING AGENT**

### **Application for participation in the Barbados Central Securities Depository Incorporated (BCSDI) as a clearing agent**

We hereby apply for participant status in the Barbados Central Securities Depository Incorporated.

In support of our application we enclose the following documents:

1. a copy of our latest annual report/audited financial statements;
2. certified copies of the following or equivalent constitutional documents:
  - a. Memorandum of Association;
  - b. Bye-Laws/Articles of Association;
  - c. Certificate of Incorporation;
  - d. Certificate of compliance or good standing; and
  - e. General Background Questionnaire (see attached)
3. details of our regulatory history, i.e. a list of exchanges, clearing houses and depositories in which we have been participants and a list of regulators which have granted licenses to us, including details of the scope of the license;
4. details of applications made by us for participation or licenses, which have been refused or accepted on special terms, including details of the reason for rejection and/or the special terms;
5. details of any regulatory actions taken against us by a regulator, stock exchange, clearing house or depository, including public warnings and suspensions;
6. details of any obligation on which we have defaulted and the action taken by the relevant regulatory authority in each case.

We have read and understood the clearing and settlement rules applicable to clearing and settlement through the BCSDI. We undertake that, if this application is approved, we and our employees and agents will abide by all the provisions of the relevant clearing and settlement rules and all decisions, orders and directions of the BCSDI.

Yours faithfully

Authorized signature/name of the company

### **General Background Questionnaire**

- 1 Name of applicant.
- 2 Address of registered office.

- 3 If the applicant has ever carried on business under another name, please give details.
- 4 If the applicant is or has been a direct participant in another central depository system or equivalent, please give details (including duration of participation).
- 5 If the applicant has ever been refused participation in any central depository system or equivalent, please give details.
- 6 Name, address, telephone and e-mail address of the contact person in relation to this application.
- 7 ISM trading participants for which the applicant will act as clearing agent.
- 8 Details of bank account for receipt of foreign currency funds.

## **APPENDIX 3 B – APPLICATION TO CLEAR AND SETTLE ISM SECURITIES THROUGH BCSDI**

### **Application for participation in the Barbados Central Securities Depository Incorporated (BCSDI) as a participant**

We hereby apply for participant status in the Barbados Central Securities Depository Incorporated to clear and settle ISM listed securities through BCSDI.

We have read and understood the clearing and settlement rules applicable to clearing and settlement through the BCSDI. We undertake that, if this application is approved, we and our employees and agents will abide by all the provisions of the relevant clearing and settlement rules and all decisions, orders and directions of the BCSDI.

Yours faithfully

Authorized signature/name of the company

### **General Background Questionnaire**

- 1 Name of applicant.
- 2 Address of registered office.
- 3 If the applicant has ever carried on business under another name, please give details.
- 4 If the applicant is or has been a direct participant in another central depository system or equivalent, please give details (including duration of participation).
- 5 If the applicant has ever been refused participation in any central depository system or equivalent, please give details.
- 6 Name, address, telephone and e-mail address of the contact person in relation to this application.
- 7 Details of bank account for receipt of foreign currency funds.

### **Regulatory and Disciplinary History**

We enclose details of:

1. our regulatory history, i.e. a list of exchanges, clearing houses and depositories in which we have been participants and a list of regulators which have granted licenses to us, including details of the scope of the license;

2. applications made by us for participation or licenses, which have been refused or accepted on special terms, including details of the reason for rejection and/or the special terms;
3. any regulatory actions taken against us by a regulator, stock exchange, clearing house or depository, including public warnings and suspensions;
4. details of any obligation on which we have defaulted and the action taken by the relevant regulatory authority in each case.

**APPENDIX 3 C - GLOBAL MASTER SECURITIES LENDING  
AGREEMENT**

**International Securities Lending Association  
GLOBAL MASTER SECURITIES LENDING AGREEMENT**

International Securities Lending Association

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## AGREEMENT

### BETWEEN:

(*Party A*) a company incorporated under the laws of acting through one or more Designated Offices; and

(*Party B*) a company incorporated under the laws of acting through one or more Designated Offices.

### 1. APPLICABILITY

- 1.1 From time to time the Parties acting through one or more Designated Offices may enter into transactions in which one party (*Lender*) will transfer to the other (*Borrower*) securities and financial instruments (*Securities*) against the transfer of Collateral (as defined in paragraph 2) with a simultaneous agreement by Borrower to transfer to Lender Securities equivalent to such Securities on a fixed date or on demand against the transfer to Borrower by Lender of assets equivalent to such Collateral.
- 1.2 Each such transaction shall be referred to in this Agreement as a *Loan* and shall be governed by the terms of this Agreement, including the supplemental terms and conditions contained in the Schedule and any Addenda or Annexes attached hereto, unless otherwise agreed in writing. In the event of any inconsistency between the provisions of an Addendum or Annex and this Agreement, the provisions of such Addendum or Annex shall prevail unless the Parties otherwise agree.
- 1.3 Either Party may perform its obligations under this Agreement either directly or through a Nominee.

### 2. INTERPRETATION

- 2.1 In this Agreement:

*Act of Insolvency* means in relation to either Party:

- (a) its making a general assignment for the benefit of, or entering into a reorganisation, arrangement, or composition with creditors; or
- (b) its stating in writing that it is unable to pay its debts as they become due; or
- (c) its seeking, consenting to or acquiescing in the appointment of any trustee, administrator, receiver or liquidator or analogous officer of it or any material part of its property; or
- (d) the presentation or filing of a petition in respect of it (other than by the other Party to this Agreement in respect of any obligation under this Agreement) in any court or before any agency alleging or for the bankruptcy, winding-up or insolvency of such Party (or any analogous proceeding) or seeking any reorganisation, arrangement, composition, re-adjustment, administration, liquidation, dissolution or similar relief under any present or future statute, law or regulation, such petition not having been stayed or dismissed within 30 days of its filing (except in the case of a petition for winding-up or any analogous proceeding in respect of which no such 30 day period shall apply); or

- (e) the appointment of a receiver, administrator, liquidator or trustee or analogous officer of such Party over all or any material part of such Party's property; or
- (f) the convening of any meeting of its creditors for the purpose of considering a voluntary arrangement as referred to in Section 3 of the United Kingdom Insolvency Act 1986 (or any analogous proceeding);

**Agency Annex** means the Annex to this Agreement published by the International Securities Lending Association and providing for Lender to act as agent for a third party in respect of one or more Loans;

**Alternative Collateral** means Collateral having a Market Value equal to the Collateral delivered pursuant to paragraph 5 and provided by way of substitution in accordance with the provisions of paragraph 5.3;

**Applicable Law** means the laws, rules and regulations (including double taxation conventions) of any relevant jurisdiction, including published practice of any government or other taxing authority in connection with such laws, rules and regulations;

**Automatic Early Termination** has the meaning given in paragraph 10.1(d);

**Base Currency** means the currency indicated in paragraph 2 of the Schedule;

**Business Day** means:

- (a) in relation to Delivery in respect of any Loan, a day other than a Saturday or a Sunday on which banks and securities markets are open for business generally in the place(s) where the relevant Securities, Equivalent Securities, Collateral or Equivalent Collateral are to be delivered;
- (b) in relation to any payments under this Agreement, a day other than a Saturday or a Sunday on which banks are open for business generally in the principal financial centre of the country of which the currency in which the payment is denominated is the official currency and, if different, in the place where any account designated by the Parties for the making or receipt of the payment is situated (or, in the case of a payment in euro, a day on which TARGET operates);
- (c) in relation to a notice or other communication served under this Agreement, any day other than a Saturday or a Sunday on which banks are open for business generally in the place designated for delivery in accordance with paragraph 3 of the Schedule; and
- (d) in any other case, a day other than a Saturday or a Sunday on which banks are open for business generally in each place stated in paragraph 6 of the Schedule;

**Buy-In** means any arrangement under which, in the event of a seller or transferor failing to deliver securities to the buyer or transferee, the buyer or transferee of such securities is entitled under the terms of such arrangement to buy or otherwise acquire securities equivalent to such securities and to recover the cost of so doing from the seller or transferor;

**Cash Collateral** means Collateral taking the form of a transfer of currency;

**Close of Business** means the time at which the relevant banks, securities settlement systems or depositaries close in the business centre in which payment is to be made or Securities or Collateral is to be delivered;

**Collateral** means such securities or financial instruments or transfers of currency as are referred to in the table set out under paragraph 1 of the Schedule as being acceptable or any combination thereof as agreed between the Parties in relation to any particular Loan and which are delivered by Borrower to Lender in accordance with this Agreement and shall include Alternative Collateral;

**Defaulting Party** has the meaning given in paragraph 10;

**Delivery** in relation to any Securities or Collateral or Equivalent Securities or Equivalent Collateral comprising Securities means:

- (a) in the case of Securities held by a Nominee or within a clearing or settlement system, the crediting of such Securities to an account of the Borrower or Lender, as the case may be, or as it shall direct, or,
- (b) in the case of Securities otherwise held, the delivery to Borrower or Lender, as the case may be, or as the transferee shall direct of the relevant instruments of transfer, or
- (c) by such other means as may be agreed, and **deliver** shall be construed accordingly;

**Designated Office** means the branch or office of a Party which is specified as such in paragraph 6 of the Schedule or such other branch or office as may be agreed to in writing by the Parties;

**Equivalent** or **equivalent to** in relation to any Loaned Securities or Collateral (whether Cash Collateral or Non-Cash Collateral) provided under this Agreement means Securities or other property, of an identical type, nominal value, description and amount to particular Loaned Securities or Collateral (as the case may be) so provided. If and to the extent that such Loaned Securities or Collateral (as the case may be) consists of Securities that are partly paid or have been converted, subdivided, consolidated, made the subject of a takeover, rights of pre-emption, rights to receive securities or a certificate which may at a future date be exchanged for Securities, the expression shall include such Securities or other assets to which Lender or Borrower (as the case may be) is entitled following the occurrence of the relevant event, and, if appropriate, the giving of the relevant notice in accordance with paragraph 6.7 and provided that Lender or Borrower (as the case may be) has paid to the other Party all and any sums due in respect thereof. In the event that such Loaned Securities or Collateral (as the case may be) have been redeemed, are partly paid, are the subject of a capitalisation issue or are subject to an event similar to any of the foregoing events described in this paragraph, the expression shall have the following meanings:

- (a) in the case of redemption, a sum of money equivalent to the proceeds of the redemption;
- (b) in the case of a call on partly-paid Securities, Securities equivalent to the relevant Loaned Securities or Collateral, as the case may be, provided that Lender shall have paid Borrower, in respect of Loaned Securities, and Borrower shall have paid to Lender, in respect of Collateral, an amount of money equal to the sum due in respect of the call;

- (c) in the case of a capitalisation issue, Securities equivalent to the relevant Loaned Securities or Collateral, as the case may be, together with the securities allotted by way of bonus thereon;
- (d) in the case of any event similar to any of the foregoing events described in this paragraph, Securities equivalent to the Loaned Securities or the relevant Collateral, as the case may be, together with or replaced by a sum of money or Securities or other property equivalent to that received in respect of such Loaned Securities or Collateral, as the case may be, resulting from such event;

**Income** means any interest, dividends or other distributions of any kind whatsoever with respect to any Securities or Collateral;

**Income Record Date**, with respect to any Securities or Collateral, means the date by reference to which holders of such Securities or Collateral are identified as being entitled to payment of Income;

**Letter of Credit** means an irrevocable, non-negotiable letter of credit in a form, and from a bank, acceptable to Lender;

**Loaned Securities** means Securities which are the subject of an outstanding Loan;

**Margin** has the meaning specified in paragraph 1 of the Schedule with reference to the table set out therein;

**Market Value** means:

- (a) in relation to the valuation of Securities, Equivalent Securities, Collateral or Equivalent Collateral (other than Cash Collateral or a Letter of Credit):
  - (i) such price as is equal to the market quotation for the mid price of such Securities, Equivalent Securities, Collateral and/or Equivalent Collateral as derived from a reputable pricing information service reasonably chosen in good faith by Lender; or
  - (ii) if unavailable the market value thereof as derived from the mid price or rate bid by a reputable dealer for the relevant instrument reasonably chosen in good faith by Lender,

in each case at Close of Business on the previous Business Day, or as specified in the Schedule, unless agreed otherwise or, at the option of either Party where in its reasonable opinion there has been an exceptional movement in the price of the asset in question since such time, the latest available price, plus (in each case);

- (iii) the aggregate amount of Income which has accrued but not yet been paid in respect of the Securities, Equivalent Securities, Collateral or Equivalent Collateral concerned to the extent not included in such price,

provided that the price of Securities, Equivalent Securities, Collateral or Equivalent Collateral that are suspended or that cannot legally be transferred or that are transferred or required to be transferred to a government, trustee or third party (whether by reason of nationalisation, expropriation or otherwise) shall for all purposes be a commercially reasonable price agreed between the

Parties, or absent agreement, be a price provided by a third party dealer agreed between the Parties, or if the Parties do not agree a third party dealer then a price based on quotations provided by the Reference Dealers. If more than three quotations are provided, the Market Value will be the arithmetic mean of the prices, without regard to the quotations having the highest and lowest prices. If three quotations are provided, the Market Value will be the quotation remaining after disregarding the highest and lowest quotations. For this purpose, if more than one quotation has the same highest or lowest price, then one of such quotations shall be disregarded. If fewer than three quotations are provided, the Market Value of the relevant Securities, Equivalent Securities, Collateral or Equivalent Collateral shall be determined by the Party making the determination of Market Value acting reasonably;

- (b) in relation to a Letter of Credit the face or stated amount of such Letter of Credit; and
- (c) in relation to Cash Collateral the amount of the currency concerned;

**Nominee** means a nominee or agent appointed by either Party to accept delivery of, hold or deliver Securities, Equivalent Securities, Collateral and/or Equivalent Collateral or to receive or make payments on its behalf;

**Non-Cash Collateral** means Collateral other than Cash Collateral;

**Non-Defaulting Party** has the meaning given in paragraph 10;

**Notification Time** means the time specified in paragraph 1.5 of the Schedule;

**Parties** means Lender and Borrower and **Party** shall be construed accordingly;

**Posted Collateral** has the meaning given in paragraph 5.4;

**Reference Dealers** means, in relation to any Securities, Equivalent Securities, Collateral or Equivalent Collateral, four leading dealers in the relevant securities selected by the Party making the determination of Market Value in good faith;

**Required Collateral Value** has the meaning given in paragraph 5.4;

**Sales Tax** means value added tax and any other Tax of a similar nature (including, without limitation, any sales tax of any relevant jurisdiction);

**Settlement Date** means the date upon which Securities are due to be transferred to Borrower in accordance with this Agreement;

**Stamp Tax** means any stamp, transfer, registration, documentation or similar Tax; and

**Tax** means any present or future tax, levy, impost, duty, charge, assessment or fee of any nature (including interest, penalties and additions thereto) imposed by any government or other taxing authority in respect of any transaction effected pursuant to or contemplated by, or any payment under or in respect of, this Agreement.

## 2.2 Headings

All headings appear for convenience only and shall not affect the interpretation of this Agreement.

## 2.3 Market terminology

Notwithstanding the use of expressions such as “borrow”, “lend”, “Collateral”, “Margin” etc. which are used to reflect terminology used in the market for transactions of the kind provided for in this Agreement, title to Securities “borrowed” or “lent” and “Collateral” provided in accordance with this Agreement shall pass from one Party to another as provided for in this Agreement, the Party obtaining such title being obliged to deliver Equivalent Securities or Equivalent Collateral as the case may be.

#### **2.4 Currency conversions**

Subject to paragraph 11, for the purposes of determining any prices, sums or values (including Market Value and Required Collateral Value) prices, sums or values stated in currencies other than the Base Currency shall be converted into the Base Currency at the latest available spot rate of exchange quoted by a bank selected by Lender (or if an Event of Default has occurred in relation to Lender, by Borrower) in the London inter-bank market for the purchase of the Base Currency with the currency concerned on the day on which the calculation is to be made or, if that day is not a Business Day, the spot rate of exchange quoted at Close of Business on the immediately preceding Business Day on which such a quotation was available.

- 2.5 The Parties confirm that introduction of and/or substitution (in place of an existing currency) of a new currency as the lawful currency of a country shall not have the effect of altering, or discharging, or excusing performance under, any term of the Agreement or any Loan thereunder, nor give a Party the right unilaterally to alter or terminate the Agreement or any Loan thereunder. Securities will for the purposes of this Agreement be regarded as equivalent to other securities notwithstanding that as a result of such introduction and/or substitution those securities have been redenominated into the new currency or the nominal value of the securities has changed in connection with such redenomination.

#### **2.6 Modifications etc. to legislation**

Any reference in this Agreement to an act, regulation or other legislation shall include a reference to any statutory modification or re-enactment thereof for the time being in force.

### **3. LOANS OF SECURITIES**

Lender will lend Securities to Borrower, and Borrower will borrow Securities from Lender in accordance with the terms and conditions of this Agreement. The terms of each Loan shall be agreed prior to the commencement of the relevant Loan either orally or in writing (including any agreed form of electronic communication) and confirmed in such form and on such basis as shall be agreed between the Parties. Unless otherwise agreed, any confirmation produced by a Party shall not supersede or prevail over the prior oral, written or electronic communication (as the case may be).

### **4. DELIVERY**

#### **4.1 Delivery of Securities on commencement of Loan**

Lender shall procure the Delivery of Securities to Borrower or deliver such Securities in accordance with this Agreement and the terms of the relevant Loan.

#### **4.2 Requirements to effect Delivery**

The Parties shall execute and deliver all necessary documents and give all necessary instructions to procure that all right, title and interest in:

- (a) any Securities borrowed pursuant to paragraph 3;
- (b) any Equivalent Securities delivered pursuant to paragraph 8;
- (c) any Collateral delivered pursuant to paragraph 5;
- (d) any Equivalent Collateral delivered pursuant to paragraphs 5 or 8;

shall pass from one Party to the other subject to the terms and conditions set out in this Agreement, on delivery of the same in accordance with this Agreement with full title guarantee, free from all liens, charges and encumbrances. In the case of Securities, Collateral, Equivalent Securities or Equivalent Collateral title to which is registered in a computer-based system which provides for the recording and transfer of title to the same by way of book entries, delivery and transfer of title shall take place in accordance with the rules and procedures of such system as in force from time to time. The Party acquiring such right, title and interest shall have no obligation to return or deliver any of the assets so acquired but, in so far as any Securities are borrowed by or any Collateral is delivered to such Party, such Party shall be obliged, subject to the terms of this Agreement, to deliver Equivalent Securities or Equivalent Collateral as appropriate.

#### **4.3 Deliveries to be simultaneous unless otherwise agreed**

Where under the terms of this Agreement a Party is not obliged to make a Delivery unless simultaneously a Delivery is made to it, subject to and without prejudice to its rights under paragraph 8.6, such Party may from time to time in accordance with market practice and in recognition of the practical difficulties in arranging simultaneous delivery of Securities, Collateral and cash transfers, waive its right under this Agreement in respect of simultaneous delivery and/or payment provided that no such waiver (whether by course of conduct or otherwise) in respect of one transaction shall bind it in respect of any other transaction.

#### **4.4 Deliveries of Income**

In respect of Income being paid in relation to any Loaned Securities or Collateral, Borrower (in the case of Income being paid in respect of Loaned Securities) and Lender (in the case of Income being paid in respect of Collateral) shall provide to the other Party, as the case may be, any endorsements or assignments as shall be customary and appropriate to effect, in accordance with paragraph 6, the payment or delivery of money or property in respect of such Income to Lender, irrespective of whether Borrower received such endorsements or assignments in respect of any Loaned Securities, or to Borrower, irrespective of whether Lender received such endorsements or assignments in respect of any Collateral.

### **5. COLLATERAL**

#### **5.1 Delivery of Collateral on commencement of Loan**

Subject to the other provisions of this paragraph 5, Borrower undertakes to deliver to or deposit with Lender (or in accordance with Lender's instructions) Collateral simultaneously with Delivery of the Securities to which the Loan relates and in any event no later than Close of Business on the Settlement Date.

## 5.2 Deliveries through securities settlement systems generating automatic payments

Unless otherwise agreed between the Parties, where any Securities, Equivalent Securities, Collateral or Equivalent Collateral (in the form of securities) are transferred through a book entry transfer or settlement system which automatically generates a payment or delivery, or obligation to pay or deliver, against the transfer of such securities, then:

- (a) such automatically generated payment, delivery or obligation shall be treated as a payment or delivery by the transferee to the transferor, and except to the extent that it is applied to discharge an obligation of the transferee to effect payment or delivery, such payment or delivery, or obligation to pay or deliver, shall be deemed to be a transfer of Collateral or delivery of Equivalent Collateral, as the case may be, made by the transferee until such time as the Collateral or Equivalent Collateral is substituted with other Collateral or Equivalent Collateral if an obligation to deliver other Collateral or deliver Equivalent Collateral existed immediately prior to the transfer of Securities, Equivalent Securities, Collateral or Equivalent Collateral; and
- (b) the Party receiving such substituted Collateral or Equivalent Collateral, or if no obligation to deliver other Collateral or redeliver Equivalent Collateral existed immediately prior to the transfer of Securities, Equivalent Securities, Collateral or Equivalent Collateral, the Party receiving the deemed transfer of Collateral or Delivery of Equivalent Collateral, as the case may be, shall cause to be made to the other Party for value the same day either, where such transfer is a payment, an irrevocable payment in the amount of such transfer or, where such transfer is a Delivery, an irrevocable Delivery of securities (or other property, as the case may be) equivalent to such property.

## 5.3 Substitutions of Collateral

Borrower may from time to time call for the repayment of Cash Collateral or the Delivery of Collateral equivalent to any Collateral delivered to Lender prior to the date on which the same would otherwise have been repayable or deliverable provided that at or prior to the time of such repayment or Delivery Borrower shall have delivered Alternative Collateral acceptable to Lender and Borrower is in compliance with paragraph 5.4 or paragraph 5.5, as applicable.

## 5.4 Marking to Market of Collateral during the currency of a Loan on aggregated basis

Unless paragraph 1.3 of the Schedule indicates that paragraph 5.5 shall apply in lieu of this paragraph 5.4, or unless otherwise agreed between the Parties:

- (a) the aggregate Market Value of the Collateral delivered to or deposited with Lender (excluding any Equivalent Collateral repaid or delivered under paragraphs 5.4(b) or 5.5(b) (as the case may be)) (*Posted Collateral*) in respect of all Loans outstanding under this Agreement shall equal the aggregate of the Market Value of Securities equivalent to the Loaned Securities and the applicable Margin (the *Required Collateral Value*) in respect of such Loans;
- (b) if at any time on any Business Day the aggregate Market Value of the Posted Collateral in respect of all Loans outstanding under this Agreement together with: (i) all amounts due and payable by the Lender under this Agreement but which are unpaid; and (ii) if agreed between the parties and if the Income Record

Date has occurred in respect of any Non-Cash Collateral, the amount or Market Value of Income payable in respect of such Non-Cash Collateral exceeds the aggregate of the Required Collateral Values in respect of such Loans together with: (i) all amounts due and payable by the Borrower under this Agreement but which are unpaid; and (ii) if agreed between the parties and if the Income Record Date has occurred in respect of any securities equivalent to Loaned Securities, the amount or Market Value of Income payable in respect of such Equivalent Securities, Lender shall (on demand) repay and/or deliver, as the case may be, to Borrower such Equivalent Collateral as will eliminate the excess;

- (c) if at any time on any Business Day the aggregate Market Value of the Posted Collateral in respect of all Loans outstanding under this Agreement together with: (i) all amounts due and payable by the Lender under this Agreement but which are unpaid; and (ii) if agreed between the parties and if the Income Record Date has occurred in respect of any Non-Cash Collateral, the amount or Market Value of Income payable in respect of such Non-Cash Collateral falls below the aggregate of Required Collateral Values in respect of all such Loans together with: (i) all amounts due and payable by the Borrower under this Agreement but which are unpaid; and (ii) if agreed between the parties and if the Income Record Date has occurred in respect of Securities equivalent to any Loaned Securities, the amount or Market Value of Income payable in respect of such Equivalent Securities, Borrower shall (on demand) provide such further Collateral to Lender as will eliminate the deficiency;
- (d) where a Party acts as both Lender and Borrower under this Agreement, the provisions of paragraphs 5.4(b) and 5.4(c) shall apply separately (and without duplication) in respect of Loans entered into by that Party as Lender and Loans entered into by that Party as Borrower.

**5.5 Marking to Market of Collateral during the currency of a Loan on a Loan by Loan basis**

If paragraph 1.3 of the Schedule indicates this paragraph 5.5 shall apply in lieu of paragraph 5.4, the Posted Collateral in respect of any Loan shall bear from day to day and at any time the same proportion to the Market Value of Securities equivalent to the Loaned Securities as the Posted Collateral bore at the commencement of such Loan. Accordingly:

- (a) the Market Value of the Posted Collateral to be delivered or deposited while the Loan continues shall be equal to the Required Collateral Value;
- (b) if at any time on any Business Day the Market Value of the Posted Collateral in respect of any Loan together with: (i) all amounts due and payable by the Lender in respect of that Loan but which are unpaid; and (ii) if agreed between the parties and if the Income Record Date has occurred in respect of any Non-Cash Collateral, the amount or Market Value of Income payable in respect of such Non-Cash Collateral exceeds the Required Collateral Value in respect of such Loan together with: (i) all amounts due and payable by the Borrower in respect of that Loan; and (ii) if agreed between the parties and if the Income Record Date has occurred in respect of Securities equivalent to any Loaned Securities, the amount or Market Value of Income payable in respect of such Equivalent Securities, Lender shall (on demand) repay and/or deliver, as the case may be, to Borrower such Equivalent Collateral as will eliminate the excess; and
- (c) if at any time on any Business Day the Market Value of the Posted Collateral together with: (i) all amounts due are payable by the Lender in respect of that Loan; and (ii) if agreed between the parties and if the Income Record Date has occurred in

respect of any Non-Cash Collateral, the amount or Market Value of Income payable in respect of such Non-Cash Collateral falls below the Required Collateral Value together with: (i) all amounts due and payable by the Borrower in respect of that Loan; and (ii) if agreed between the parties and if the Income Record Date has occurred in respect of Securities equivalent to any Loaned Securities, the amount or Market Value of Income payable in respect of such Equivalent Securities, Borrower shall (on demand) provide such further Collateral to Lender as will eliminate the deficiency.

#### **5.6 Requirements to deliver excess Collateral**

Where paragraph 5.4 applies, unless paragraph 1.4 of the Schedule indicates that this paragraph 5.6 does not apply, if a Party (the *first Party*) would, but for this paragraph 5.6, be required under paragraph 5.4 to provide further Collateral or deliver Equivalent Collateral in circumstances where the other Party (the *second Party*) would, but for this paragraph 5.6, also be required to or provide Collateral or deliver Equivalent Collateral under paragraph 5.4, then the Market Value of the Collateral or Equivalent Collateral deliverable by the first Party (X) shall be set off against the Market Value of the Collateral or Equivalent Collateral deliverable by the second

Party (Y) and the only obligation of the Parties under paragraph 5.4 shall be, where X exceeds Y, an obligation of the first Party, or where Y exceeds X, an obligation of the second Party to repay and/or (as the case may be) deliver Equivalent Collateral or to deliver further Collateral having a Market Value equal to the difference between X and Y.

- 5.7 Where Equivalent Collateral is repaid or delivered (as the case may be) or further Collateral is provided by a Party under paragraph 5.6, the Parties shall agree to which Loan or Loans such repayment, delivery or further provision is to be attributed and failing agreement it shall be attributed, as determined by the Party making such repayment, delivery or further provision to the earliest outstanding Loan and, in the case of a repayment or delivery up to the point at which the Market Value of Collateral in respect of such Loan equals the Required Collateral Value in respect of such Loan, and then to the next earliest outstanding Loan up to the similar point and so on.

#### **5.8 Timing of repayments of excess Collateral or deliveries of further Collateral**

Where any Equivalent Collateral falls to be repaid or delivered (as the case may be) or further Collateral is to be provided under this paragraph 5, unless otherwise provided or agreed between the Parties, if the relevant demand is received by the Notification Time specified in paragraph 1.5 of the Schedule, then the delivery shall be made not later than the Close of Business on the same Business Day; if a demand is received after the Notification Time, then the relevant delivery shall be made not later than the Close of Business on the next Business Day after the date such demand is received.

#### **5.9 Substitutions and extensions of Letters of Credit**

Where Collateral is a Letter of Credit, Lender may by notice to Borrower require that Borrower, on the third Business Day following the date of delivery of such notice (or by such other time as the Parties may agree), substitute Collateral consisting of cash or other Collateral acceptable to Lender for the Letter of Credit. Prior to the expiration of any Letter of Credit supporting Borrower's obligations hereunder, Borrower shall, no later than 10.30 a.m. UK time on the second Business Day prior to the date such Letter of Credit expires (or by such other time as the Parties may agree), obtain an extension of the expiration of such Letter of Credit or replace such Letter of

Credit by providing Lender with a substitute Letter of Credit in an amount at least equal to the amount of the Letter of Credit for which it is substituted.

## 6. DISTRIBUTIONS AND CORPORATE ACTIONS

6.1 In this paragraph 6, references to an amount of Income *received* by any Party in respect of any Loaned Securities or Non-Cash Collateral shall be to an amount received from the issuer after any applicable withholding or deduction for or on account of Tax.

### 6.2 **Manufactured payments in respect of Loaned Securities**

Where the term of a Loan extends over an Income Record Date in respect of any Loaned Securities, Borrower shall, on the date such Income is paid by the issuer, or on such other date as the Parties may from time to time agree, pay or deliver to Lender such sum of money or property as is agreed between the Parties or, failing such agreement, a sum of money or property equivalent to (and in the same currency as) the type and amount of such Income that would be received by Lender in respect of such Loaned Securities assuming such Securities were not loaned to Borrower and were retained by Lender on the Income Record Date.

### 6.3 **Manufactured payments in respect of Non-Cash Collateral**

Where Non-Cash Collateral is delivered by Borrower to Lender and an Income Record Date in respect of such Non-Cash Collateral occurs before Equivalent Collateral is delivered by Lender to Borrower, Lender shall on the date such Income is paid, or on such other date as the Parties may from time to time agree, pay or deliver to Borrower a sum of money or property as is agreed between the Parties or, failing such agreement, a sum of money or property equivalent to (and in the same currency as) the type and amount of such Income that would be received by Lender in respect of such Non-Cash Collateral assuming Lender:

- (a) retained the Non-Cash Collateral on the Income Record Date; and
- (b) is not entitled to any credit, benefit or other relief in respect of Tax under any Applicable Law.

### 6.4 **Indemnity for failure to redeliver Equivalent Non-Cash Collateral**

Unless paragraph 1.6 of the Schedule indicates that this paragraph does not apply, where:

- (a) prior to any Income Record Date in relation to Non-Cash Collateral, Borrower has in accordance with paragraph 5.3 called for the Delivery of Equivalent Non-Cash Collateral;
- (b) Borrower has given notice of such call to Lender so as to be effective, at the latest, five hours before the Close of Business on the last Business Day on which Lender would customarily be required to initiate settlement of the Non-Cash Collateral to enable settlement to take place on the Business Day immediately preceding the relevant Income Record Date;
- (c) Borrower has provided reasonable details to Lender of the Non-Cash Collateral, the relevant Income Record Date and the proposed Alternative Collateral;

(d) Lender, acting reasonably, has determined that such Alternative Collateral is acceptable to it and Borrower shall have delivered or delivers such Alternative Collateral to Lender; and

(e) Lender has failed to make reasonable efforts to transfer Equivalent Non-Cash Collateral to Borrower prior to such Income Record Date,

Lender shall indemnify Borrower in respect of any cost, loss or damage (excluding any indirect or consequential loss or damage or any amount otherwise compensated by Lender, including pursuant to paragraphs 6.3 and/or 9.3) suffered by Borrower that it would not have suffered had the relevant Equivalent Non-Cash Collateral been transferred to Borrower prior to such Income Record Date.

## **6.5 Income in the form of Securities**

Where Income, in the form of securities, is paid in relation to any Loaned Securities or Collateral, such securities shall be added to such Loaned Securities or Collateral (and shall constitute Loaned Securities or Collateral, as the case may be, and be part of the relevant Loan) and will not be delivered to Lender, in the case of Loaned Securities, or to Borrower, in the case of Collateral, until the end of the relevant Loan, provided that the Lender or Borrower (as the case may be) fulfils its obligations under paragraph 5.4 or 5.5 (as applicable) with respect to the additional Loaned Securities or Collateral, as the case may be.

## **6.6 Exercise of voting rights**

Where any voting rights fall to be exercised in relation to any Loaned Securities or Collateral, neither Borrower, in the case of Equivalent Securities, nor Lender, in the case of Equivalent Collateral, shall have any obligation to arrange for voting rights of that kind to be exercised in accordance with the instructions of the other Party in relation to the Securities borrowed by it or transferred to it by way of Collateral, as the case may be, unless otherwise agreed between the Parties.

## **6.7 Corporate actions**

Where, in respect of any Loaned Securities or any Collateral, any rights relating to conversion, sub-division, consolidation, pre-emption, rights arising under a takeover offer, rights to receive securities or a certificate which may at a future date be exchanged for securities or other rights, including those requiring election by the holder for the time being of such Securities or Collateral, become exercisable prior to the delivery of Equivalent Securities or Equivalent Collateral, then Lender or

Borrower, as the case may be, may, within a reasonable time before the latest time for the exercise of the right or option give written notice to the other Party that on delivery of Equivalent Securities or Equivalent Collateral, as the case may be, it wishes to receive Equivalent Securities or Equivalent Collateral in such form as will arise if the right is exercised or, in the case of a right which may be exercised in more than one manner, is exercised as is specified in such written notice.

## **7. RATES APPLICABLE TO LOANED SECURITIES AND CASH COLLATERAL**

### **7.1 Rates in respect of Loaned Securities**

In respect of each Loan, Borrower shall pay to Lender, in the manner prescribed in subparagraph 7.3, sums calculated by applying such rate as shall be agreed between the Parties from time to time to the daily Market Value of the Loaned Securities.

## **7.2 Rates in respect of Cash Collateral**

Where Cash Collateral is deposited with Lender in respect of any Loan, Lender shall pay to Borrower, in the manner prescribed in paragraph 7.3, sums calculated by applying such rates as shall be agreed between the Parties from time to time to the amount of such Cash Collateral. Any such payment due to Borrower may be set-off against any payment due to Lender pursuant to paragraph 7.1.

## **7.3 Payment of rates**

In respect of each Loan, the payments referred to in paragraph 7.1 and 7.2 shall accrue daily in respect of the period commencing on and inclusive of the Settlement Date and terminating on and exclusive of the Business Day upon which Equivalent Securities are delivered or Cash Collateral is repaid. Unless otherwise agreed, the sums so accruing in respect of each calendar month shall be paid in arrears by the relevant Party not later than the Business Day which is the tenth Business Day after the last Business Day of the calendar month to which such payments relate or such other date as the Parties shall from time to time agree.

## **8. DELIVERY OF EQUIVALENT SECURITIES**

### **8.1 Lender's right to terminate a Loan**

Subject to paragraph 11 and the terms of the relevant Loan, Lender shall be entitled to terminate a Loan and to call for the delivery of all or any Equivalent Securities at any time by giving notice on any Business Day of not less than the standard settlement time for such Equivalent Securities on the exchange or in the clearing organisation through which the Loaned Securities were originally delivered. Borrower shall deliver such Equivalent Securities not later than the expiry of such notice in accordance with Lender's instructions.

### **8.2 Borrower's right to terminate a Loan**

Subject to the terms of the relevant Loan, Borrower shall be entitled at any time to terminate a Loan and to deliver all and any Equivalent Securities due and outstanding to Lender in accordance with Lender's instructions and Lender shall accept such delivery.

### **8.3 Delivery of Equivalent Securities on termination of a Loan**

Borrower shall procure the Delivery of Equivalent Securities to Lender or deliver Equivalent Securities in accordance with this Agreement and the terms of the relevant Loan on termination of the Loan. For the avoidance of doubt any reference in this Agreement or in any other agreement or communication between the Parties (howsoever expressed) to an obligation to deliver or account for or act in relation to Loaned Securities shall accordingly be construed as a reference to an obligation to deliver or account for or act in relation to Equivalent Securities.

### **8.4 Delivery of Equivalent Collateral on termination of a Loan**

On the date and time that Equivalent Securities are required to be delivered by Borrower on the termination of a Loan, Lender shall simultaneously (subject to paragraph 5.4 if applicable) repay to Borrower any Cash Collateral or, as the case may be, deliver Collateral equivalent to the Collateral provided by Borrower pursuant to paragraph 5 in respect of such Loan. For the avoidance of doubt any reference in this Agreement or in any other agreement or communication between the Parties (however expressed) to an

obligation to deliver or account for or act in relation to Collateral shall accordingly be construed as a reference to an obligation to deliver or account for or act in relation to Equivalent Collateral.

#### **8.5 Delivery of Letters of Credit**

Where a Letter of Credit is provided by way of Collateral, the obligation to deliver Equivalent Collateral is satisfied by Lender delivering for cancellation the Letter of Credit so provided, or where the Letter of Credit is provided in respect of more than one Loan, by Lender consenting to a reduction in the value of the Letter of Credit.

#### **8.6 Delivery obligations to be reciprocal**

Neither Party shall be obliged to make delivery (or make a payment as the case may be) to the other unless it is satisfied that the other Party will make such delivery (or make an appropriate payment as the case may be) to it. If it is not so satisfied (whether because an Event of Default has occurred in respect of the other Party or otherwise) it shall notify the other Party and unless that other Party has made arrangements which are sufficient to assure full delivery (or the appropriate payment as the case may be) to the notifying Party, the notifying Party shall (provided it is itself in a position, and willing, to perform its own obligations) be entitled to withhold delivery (or payment, as the case may be) to the other Party until such arrangements to assure full delivery (or the appropriate payment as the case may be) are made.

### **9. FAILURE TO DELIVER**

#### **9.1 Borrower's failure to deliver Equivalent Securities**

If Borrower fails to deliver Equivalent Securities in accordance with paragraph 8.3 Lender may:

- (a) elect to continue the Loan (which, for the avoidance of doubt, shall continue to be taken into account for the purposes of paragraph 5.4 or 5.5 as applicable); or
- (b) at any time while such failure continues, by written notice to Borrower declare that that Loan (but only that Loan) shall be terminated immediately in accordance with paragraph 11.2 as if (i) an Event of Default had occurred in relation to the Borrower, (ii) references to the Termination Date were to the date on which notice was given under this sub-paragraph, and (iii) the Loan were the only Loan outstanding. For the avoidance of doubt, any such failure shall not constitute an Event of Default (including under paragraph 10.1(i)) unless the Parties otherwise agree.

#### **9.2 Lender's failure to deliver Equivalent Collateral**

If Lender fails to deliver Equivalent Collateral comprising Non-Cash Collateral in accordance with paragraph 8.4 or 8.5, Borrower may:

- (a) elect to continue the Loan (which, for the avoidance of doubt, shall continue to be taken into account applicable); or for the purposes of paragraph 5.4 or 5.5 as applicable); or
- (b) at any time while such failure continues, by written notice to Lender declare that that Loan (but only that Loan) shall be terminated immediately in accordance with paragraph 11.2 as if (i) an Event of Default had occurred in relation to the Lender, (ii) references to the Termination Date were to the date on which notice was given

under this sub-paragraph, and (iii) the Loan were the only Loan outstanding. For the avoidance of doubt, any such failure shall not constitute an Event of Default (including under paragraph 10.1(i)) unless the Parties otherwise agree.

### 9.3 Failure by either Party to deliver

Where a Party (the Transferor) fails to deliver Equivalent Securities or Equivalent Collateral by the time required under this Agreement or within such other period as may be agreed between the Transferor and the other Party (the Transferee) and the Transferee:

- (a) incurs interest, overdraft or similar costs and expenses; or
- (b) incurs costs and expenses as a direct result of a Buy-in exercised against it by a third party,

then the Transferor agrees to pay within one Business Day of a demand from the Transferee and hold harmless the Transferee with respect to all reasonable costs and expenses listed in sub-paragraphs (a) and (b) above properly incurred which arise directly from such failure other than (i) such costs and expenses which arise from the negligence or wilful default of the Transferee and (ii) any indirect or consequential losses.

## 10. EVENTS OF DEFAULT

10.1 Each of the following events occurring and continuing in relation to either Party (the Defaulting Party, the other Party being the Non-Defaulting Party) shall be an Event of Default but only (subject to sub-paragraph 10.1(d)) where the Non-Defaulting Party serves written notice on the Defaulting Party:

- (a) Borrower or Lender failing to pay or repay Cash Collateral or to deliver Collateral on commencement of the Loan under paragraph 5.1 or to deliver further Collateral under paragraph 5.4 or 5.5;
- (b) Lender or Borrower failing to comply with its obligations under paragraph 6.2 or 6.3 upon the due date and not remedying such failure within three Business Days after the Non-Defaulting Party serves written notice requiring it to remedy such failure;
- (c) Lender or Borrower failing to pay any sum due under paragraph 9.1(b), 9.2(b) or 9.3 upon the due date;
- (d) an Act of Insolvency occurring with respect to Lender or Borrower, provided that, where the Parties have specified in paragraph 5 of the Schedule that Automatic Early Termination shall apply, an Act of Insolvency which is the presentation of a petition for winding up or any analogous proceeding or the appointment of a liquidator or analogous officer of the Defaulting Party shall not require the Non-Defaulting Party to serve written notice on the Defaulting Party (***Automatic Early Termination***);
- (e) any warranty made by Lender or Borrower in paragraph 13 or paragraphs 14(a) to 14(d) being incorrect or untrue in any material respect when made or repeated or deemed to have been made or repeated;
- (f) Lender or Borrower admitting to the other that it is unable to, or it intends not to, perform any of its obligations under this Agreement and/or in respect of any Loan

where such failure to perform would with the service of notice or lapse of time constitute an Event of Default;

- (g) all or any material part of the assets of Lender or Borrower being transferred or ordered to be transferred to a trustee (or a person exercising similar functions) by a regulatory authority pursuant to any legislation;
- (h) Lender (if applicable) or Borrower being declared in default or being suspended or expelled from membership of or participation in, any securities exchange or suspended or prohibited from dealing in securities by any regulatory authority, in each case on the grounds that it has failed to meet any requirements relating to financial resources or credit rating; or
- (i) Lender or Borrower failing to perform any other of its obligations under this Agreement and not remedying such failure within 30 days after the Non-Defaulting Party serves written notice requiring it to remedy such failure.

10.2 Each Party shall notify the other (in writing) if an Event of Default or an event which, with the passage of time and/or upon the serving of a written notice as referred to above, would be an Event of Default, occurs in relation to it.

10.3 The provisions of this Agreement constitute a complete statement of the remedies available to each Party in respect of any Event of Default.

10.4 Subject to paragraphs 9 and 11, neither Party may claim any sum by way of consequential loss or damage in the event of failure by the other Party to perform any of its obligations under this Agreement.

## 11. CONSEQUENCES OF AN EVENT OF DEFAULT

11.1 If an Event of Default occurs in relation to either Party then paragraphs 11.2 to 11.7 below shall apply.

11.2 The Parties' delivery and payment obligations (and any other obligations they have under this Agreement) shall be accelerated so as to require performance thereof at the time such Event of Default occurs (the date of which shall be the Termination Date) so that performance of such delivery and payment obligations shall be effected only in accordance with the following provisions:

- (a) The Default Market Value of the Equivalent Securities and Equivalent Non- Cash Collateral to be delivered and the amount of any Cash Collateral (including sums accrued) to be repaid and any other cash (including interest accrued) to be paid by each Party shall be established by the Non-Defaulting Party in accordance with paragraph 11.4 and deemed as at the Termination Date.
- (b) On the basis of the sums so established, an account shall be taken (as at the Termination Date) of what is due from each Party to the other under this Agreement (on the basis that each Party's claim against the other in respect of delivery of Equivalent Securities or Equivalent Non-Cash Collateral equal to the Default Market Value thereof) and the sums due from one Party shall be set off against the sums due from the other and only the balance of the account shall be payable (by the Party having the claim valued at the lower amount pursuant to the foregoing) and such balance shall be payable on the next following Business Day after such account has been taken and such sums have been set off in accordance with this paragraph. For the purposes of this calculation, any sum not denominated in the Base

Currency shall be converted into the Base Currency at the Spot Rate prevailing at such dates and times determined by the Non-Defaulting Party acting reasonably.

- (c) If the balance under sub-paragraph (b) above is payable by the Non-Defaulting Party and the Non-Defaulting Party had delivered to the Defaulting Party a Letter of Credit, the Defaulting Party shall draw on the Letter of Credit to the extent of the balance due and shall subsequently deliver for cancellation the Letter of Credit so provided.
- (d) If the balance under sub-paragraph (b) above is payable by the Defaulting Party and the Defaulting Party had delivered to the Non-Defaulting Party a Letter of Credit, the Non-Defaulting Party shall draw on the Letter of Credit to the extent of the balance due and shall subsequently deliver for cancellation the Letter of Credit so provided.
- (e) In all other circumstances, where a Letter of Credit has been provided to a Party, such Party shall deliver for cancellation the Letter of Credit so provided.

11.3 For the purposes of this Agreement, the Default Market Value of any Equivalent Collateral in the form of a Letter of Credit shall be zero and of any Equivalent Securities or any other Equivalent Non-Cash Collateral shall be determined in accordance with paragraphs 11.4 to 11.6 below, and for this purpose:

- (a) the **Appropriate Market** means, in relation to securities of any description, the market which is the most appropriate market for securities of that description, as determined by the Non-Defaulting Party;
- (b) the **Default Valuation Time** means, in relation to an Event of Default, the close of business in the Appropriate Market on the fifth dealing day after the day on which that Event of Default occurs or, where that Event of Default is the occurrence of an Act of Insolvency in respect of which under paragraph 10.1(d) no notice is required from the Non-Defaulting Party in order for such event to constitute an Event of Default, the close of business on the fifth dealing day after the day on which the Non-Defaulting Party first became aware of the occurrence of such Event of Default;
- (c) **Deliverable Securities** means Equivalent Securities or Equivalent Non-Cash Collateral to be delivered by the Defaulting Party;
- (d) **Net Value** means at any time, in relation to any Deliverable Securities or Receivable Securities, the amount which, in the reasonable opinion of the Non-Defaulting Party, represents their fair market value, having regard to such pricing sources and methods (which may include, without limitation, available prices for securities with similar maturities, terms and credit characteristics as the relevant Equivalent Securities or Equivalent Collateral) plus, in the case of Deliverable Securities, all Transaction Costs incurred or reasonably anticipated in connection with the purchase or sale of such securities;
- (e) **Receivable Securities** means Equivalent Securities or Equivalent Non-Cash Collateral to be delivered to the Defaulting Party; and
- (f) **Transaction Costs** in relation to any transaction contemplated in paragraph 11.4 or 11.5 means the reasonable costs, commissions (including internal commissions), fees and expenses (including any mark-up or mark-down or premium paid for guaranteed delivery) incurred or reasonably anticipated in connection with the purchase of Deliverable

Securities or sale of Receivable Securities, calculated on the assumption that the aggregate thereof is the least that could reasonably be expected to be paid in order to carry out the transaction.

11.4 If between the Termination Date and the Default Valuation Time:

- (a) the Non-Defaulting Party has sold, in the case of Receivable Securities, or purchased, in the case of Deliverable Securities, securities which form part of the same issue and are of an identical type and description as those Equivalent Securities or that Equivalent Collateral, (and regardless as to whether or not such sales or purchases have settled) the Non-Defaulting Party may elect to treat as the Default Market Value:
  - (i) in the case of Receivable Securities, the net proceeds of such sale after deducting all Transaction Costs; provided that, where the securities sold are not identical in amount to the Equivalent Securities or Equivalent Collateral, the Non-Defaulting Party may, acting in good faith, either (A) elect to treat such net proceeds of sale divided by the amount of securities sold and multiplied by the amount of the Equivalent Securities or Equivalent Collateral as the Default Market Value or (B) elect to treat such net proceeds of sale of the Equivalent Securities or Equivalent Collateral actually sold as the Default Market Value of that proportion of the Equivalent Securities or Equivalent Collateral, and, in the case of (B), the Default Market Value of the balance of the Equivalent Securities or Equivalent Collateral shall be determined separately in accordance with the provisions of this paragraph 11.4; or
  - (ii) in the case of Deliverable Securities, the aggregate cost of such purchase, including all Transaction Costs; provided that, where the securities purchased are not identical in amount to the Equivalent Securities or Equivalent Collateral, the Non-Defaulting Party may, acting in good faith, either (A) elect to treat such aggregate cost divided by the amount of securities purchased and multiplied by the amount of the Equivalent Securities or Equivalent Collateral as the Default Market Value or (B) elect to treat the aggregate cost of purchasing the Equivalent Securities or Equivalent Collateral actually purchased as the Default Market Value of that proportion of the Equivalent Securities or Equivalent Collateral, and, in the case of (B), the Default Market Value of the balance of the Equivalent Securities or Equivalent Collateral shall be determined separately in accordance with the provisions of this paragraph 11.4;
- (b) the Non-Defaulting Party has received, in the case of Deliverable Securities, offer quotations or, in the case of Receivable Securities, bid quotations in respect of securities of the relevant description from two or more market makers or regular dealers in the Appropriate Market in a commercially reasonable size (as determined by the Non-Defaulting Party) the Non-Defaulting Party may elect to treat as the Default Market Value of the relevant Equivalent Securities or Equivalent Collateral:
  - (i) the price quoted (or where more than one price is so quoted, the arithmetic mean of the prices so quoted) by each of them for, in the case of Deliverable Securities, the sale by the relevant market marker or dealer of such securities or, in the case of Receivable Securities, the purchase by the relevant market maker or dealer of such securities, provided that such price or prices quoted may be adjusted in a commercially reasonable manner by the Non-Defaulting Party to reflect accrued but

unpaid coupons not reflected in the price or prices quoted in respect of such Securities;

- (ii) after deducting, in the case of Receivable Securities or adding in the case of Deliverable Securities the Transaction Costs which would be incurred or reasonably anticipated in connection with such transaction.

- 11.5 If, acting in good faith, either (A) the Non-Defaulting Party has endeavoured but been unable to sell or purchase securities in accordance with paragraph 11.4(a) above or to obtain quotations in accordance with paragraph 11.4(b) above (or both) or (B) the Non-Defaulting Party has determined that it would not be commercially reasonable to sell or purchase securities at the prices bid or offered or to obtain such quotations, or that it would not be commercially reasonable to use any quotations which it has obtained under paragraph 11.4(b) above the Non-Defaulting Party may determine the Net Value of the relevant Equivalent Securities or Equivalent Collateral (which shall be specified) and the Non-Defaulting Party may elect to treat such Net Value as the Default Market Value of the relevant Equivalent Securities or Equivalent Collateral.
- 11.6 To the extent that the Non-Defaulting Party has not determined the Default Market Value in accordance with paragraph 11.4, the Default Market Value of the relevant Equivalent Securities or Equivalent Collateral shall be an amount equal to their Net Value at the Default Valuation Time; provided that, if at the Default Valuation Time the Non-Defaulting Party reasonably determines that, owing to circumstances affecting the market in the Equivalent Securities or Equivalent Collateral in question, it is not reasonably practicable for the Non-Defaulting Party to determine a Net Value of such Equivalent Securities or Equivalent Collateral which is commercially reasonable (by reason of lack of tradable prices or otherwise), the Default Market Value of such Equivalent Securities or Equivalent Collateral shall be an amount equal to their Net Value as determined by the Non-Defaulting Party as soon as reasonably practicable after the Default Valuation Time.

#### **Other costs, expenses and interest payable in consequence of an Event of Default**

- 11.7 The Defaulting Party shall be liable to the Non-Defaulting Party for the amount of all reasonable legal and other professional expenses incurred by the Non-Defaulting Party in connection with or as a consequence of an Event of Default, together with interest thereon at such rate as is agreed by the Parties and specified in paragraph 10 of the Schedule or, failing such agreement, the overnight London Inter Bank Offered Rate as quoted on a reputable financial information service (*LIBOR*) as at 11.00 a.m., London time, on the date on which it is to be determined or, in the case of an expense attributable to a particular transaction and, where the Parties have previously agreed a rate of interest for the transaction, that rate of interest if it is greater than LIBOR. Interest will accrue daily on a compound basis.

#### **Set-off**

- 11.8 Any amount payable to one Party (the *Payee*) by the other Party (the *Payer*) under paragraph 11.2(b) may, at the option of the Non-Defaulting Party, be reduced by its set-off against any amount payable (whether at such time or in the future or upon the occurrence of a contingency) by the Payee to the Payer (irrespective of the currency, place of payment or booking office of the obligation) under any other agreement between the Payee and the Payer or instrument or undertaking issued or executed by one Party to, or in favour of, the other Party. If an obligation is unascertained, the Non-Defaulting Party may in good faith estimate that obligation and set off in respect of the estimate, subject to accounting to the other Party when the obligation is ascertained.

Nothing in this paragraph shall be effective to create a charge or other security interest. This paragraph shall be without prejudice and in addition to any right of set-off, combination of accounts, lien or other right to which any Party is at any time otherwise entitled (whether by operation of law, contract or otherwise).

12. **TAXES**

**Withholding, gross-up and provision of information**

12.1 All payments under this Agreement shall be made without any deduction or withholding for or on account of any Tax unless such deduction or withholding is required by any Applicable Law.

12.2 Except as otherwise agreed, if the paying Party is so required to deduct or withhold, then that Party (*Payer*) shall:

- (a) promptly notify the other Party (*Recipient*) of such requirement;
- (b) pay or otherwise account for the full amount required to be deducted or withheld to the relevant authority;
- (c) upon written demand of Recipient, forward to Recipient documentation reasonably acceptable to Recipient, evidencing such payment to such authorities; and
- (d) other than in respect of any payment made by Lender to Borrower under paragraph 6.3, pay to Recipient, in addition to the payment to which Recipient is otherwise entitled under this Agreement, such additional amount as is necessary to ensure that the amount actually received by Recipient (after taking account of such withholding or deduction) will equal the amount Recipient would have received had no such deduction or withholding been required; provided Payer will not be required to pay any additional amount to Recipient under this sub-paragraph (d) to the extent it would not be required to be paid but for the failure by Recipient to comply with or perform any obligation under paragraph 12.3.

12.3 Each Party agrees that it will upon written demand of the other Party deliver to such other Party (or to any government or other taxing authority as such other Party directs), any form or document and provide such other cooperation or assistance as may (in either case) reasonably be required in order to allow such other Party to make a payment under this Agreement without any deduction or withholding for or on account of any Tax or with such deduction or withholding at a reduced rate (so long as the completion, execution or submission of such form or document, or the provision of such cooperation or assistance, would not materially prejudice the legal or commercial position of the Party in receipt of such demand). Any such form or document shall be accurate and completed in a manner reasonably satisfactory to such other Party and shall be executed and delivered with any reasonably required certification by such date as is agreed between the Parties or, failing such agreement, as soon as reasonably practicable.

**Stamp Tax**

12.4 Unless otherwise agreed, Borrower hereby undertakes promptly to pay and account for any Stamp Tax chargeable in connection with any transaction effected pursuant to or contemplated by this Agreement (other than any Stamp Tax that would not be

chargeable but for Lender's failure to comply with its obligations under this Agreement).

- 12.5 Borrower shall indemnify and keep indemnified Lender against any liability arising as a result of Borrower's failure to comply with its obligations under paragraph 12.4.

#### **Sales Tax**

- 12.6 All sums payable by one Party to another under this Agreement are exclusive of any Sales Tax chargeable on any supply to which such sums relate and an amount equal to such Sales Tax shall in each case be paid by the Party making such payment on receipt of an appropriate Sales Tax invoice.

#### **Retrospective changes in law**

- 12.7 Unless otherwise agreed, amounts payable by one Party to another under this Agreement shall be determined by reference to Applicable Law as at the date of the relevant payment and no adjustment shall be made to amounts paid under this Agreement as a result of:

- (a) any retrospective change in Applicable Law which is announced or enacted after the date of the relevant payment; or
- (b) any decision of a court of competent jurisdiction which is made after the date of the relevant payment (other than where such decision results from an action taken with respect to this Agreement or amounts paid or payable under this Agreement).

### **13. LENDER'S WARRANTIES**

Each Party hereby warrants and undertakes to the other on a continuing basis to the intent that such warranties shall survive the completion of any transaction contemplated herein that, where acting as a Lender:

- (a) it is duly authorised and empowered to perform its duties and obligations under this Agreement;
- (b) it is not restricted under the terms of its constitution or in any other manner from lending Securities in accordance with this Agreement or from otherwise performing its obligations hereunder;
- (c) it is absolutely entitled to pass full legal and beneficial ownership of all Securities provided by it hereunder to Borrower free from all liens, charges and encumbrances; and
- (d) it is acting as principal in respect of this Agreement, other than in respect of an Agency Loan.

### **14. BORROWER'S WARRANTIES**

Each Party hereby warrants and undertakes to the other on a continuing basis to the intent that such warranties shall survive the completion of any transaction contemplated herein that, where acting as a Borrower:

- (a) it has all necessary licences and approvals, and is duly authorised and empowered, to perform its duties and obligations under this Agreement and will

do nothing prejudicial to the continuation of such authorisation, licences or approvals;

- (b) it is not restricted under the terms of its constitution or in any other manner from borrowing Securities in accordance with this Agreement or from otherwise performing its obligations hereunder;
- (c) it is absolutely entitled to pass full legal and beneficial ownership of all Collateral provided by it hereunder to Lender free from all liens, charges and encumbrances;
- (d) it is acting as principal in respect of this Agreement; and
- (e) it is not entering into a Loan for the primary purpose of obtaining or exercising voting rights in respect of the Loaned Securities.

#### 15. **INTEREST ON OUTSTANDING PAYMENTS**

In the event of either Party failing to remit sums in accordance with this Agreement such Party hereby undertakes to pay to the other Party upon demand interest (before as well as after judgment) on the net balance due and outstanding, for the period commencing on and inclusive of the original due date for payment to (but excluding) the date of actual payment, in the same currency as the principal sum and at the rate referred to in paragraph 11.7. Interest will accrue daily on a compound basis and will be calculated according to the actual number of days elapsed. No interest shall be payable under this paragraph in respect of any day on which one Party endeavours to make a payment to the other Party but the other Party is unable to receive it.

#### 16. **TERMINATION OF THIS AGREEMENT**

Each Party shall have the right to terminate this Agreement by giving not less than 15 Business Days' notice in writing to the other Party (which notice shall specify the date of termination) subject to an obligation to ensure that all Loans which have been entered into but not discharged at the time such notice is given are duly discharged in accordance with this Agreement.

#### 17. **SINGLE AGREEMENT**

Each Party acknowledges that, and has entered into this Agreement and will enter into each Loan in consideration of and in reliance upon the fact that, all Loans constitute a single business and contractual relationship and are made in consideration of each other. Accordingly, each Party agrees:

- (a) to perform all of its obligations in respect of each Loan, and that a default in the performance of any such obligations shall constitute a default by it in respect of all Loans, subject always to the other provisions of the Agreement; and
- (b) that payments, deliveries and other transfers made by either of them in respect of any Loan shall be deemed to have been made in consideration of payments, deliveries and other transfers in respect of any other Loan.

#### 18. **SEVERANCE**

If any provision of this Agreement is declared by any judicial or other competent authority to be void or otherwise unenforceable, that provision shall be severed from the Agreement and the remaining provisions of this Agreement shall remain in full force and effect. The Agreement shall, however, thereafter be amended by the Parties in such

reasonable manner so as to achieve as far as possible, without illegality, the intention of the Parties with respect to that severed provision.

**19. SPECIFIC PERFORMANCE**

Each Party agrees that in relation to legal proceedings it will not seek specific performance of the other Party's obligation to deliver Securities, Equivalent Securities, Collateral or Equivalent Collateral but without prejudice to any other rights it may have.

**20. NOTICES**

20.1 Any notice or other communication in respect of this Agreement may be given in any manner set forth below to the address or number or in accordance with the electronic messaging system details set out in paragraph 5 of the Schedule and will be deemed effective as indicated:

- (a) if in writing and delivered in person or by courier, on the date it is delivered;
- (b) if sent by facsimile transmission, on the date that transmission is received by a responsible employee of the recipient in legible form (it being agreed that the burden of proving receipt will be on the sender and will not be met by a transmission report generated by the sender's facsimile machine);
- (c) if sent by certified or registered mail (airmail, if overseas) or the equivalent (return receipt requested), on the date that mail is delivered or its delivery is attempted; or
- (d) if sent by electronic messaging system, on the date that electronic message is received,

unless the date of that delivery (or attempted delivery) or the receipt, as applicable, is not a Business Day or that communication is delivered (or attempted) or received, as applicable, after the Close of Business on a Business Day, in which case that communication shall be deemed given and effective on the first following day that is a Business Day.

20.2 Either Party may by notice to the other change the address or facsimile number or electronic messaging system details at which notices or other communications are to be given to it.

**21. ASSIGNMENT**

21.1 Subject to paragraph 21.2, neither Party may charge, assign or otherwise deal with all or any of its rights or obligations hereunder without the prior consent of the other Party.

21.2 Paragraph 21.1 shall not preclude a party from charging, assigning or otherwise dealing with all or any part of its interest in any sum payable to it under paragraph 11.2(b) or 11.7.

**22. NON-WAIVER**

No failure or delay by either Party (whether by course of conduct or otherwise) to exercise any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege as herein provided.

23. **GOVERNING LAW AND JURISDICTION**

- 23.1 This Agreement and any non-contractual obligations arising out of or in connection with this Agreement shall be governed by, and shall be construed in accordance with, Barbados law.
- 23.2 The courts of Barbados have exclusive jurisdiction to hear and decide any suit, action or proceedings, and to settle any disputes or any non-contractual obligation which may arise out of or in connection with this Agreement (respectively, *Proceedings* and *Disputes*) and, for these purposes, each Party irrevocably submits to the jurisdiction of the courts of Barbados.
- 23.3 Each Party irrevocably waives any objection which it might at any time have to the courts of Barbados being nominated as the forum to hear and decide any Proceedings and to settle any Disputes and agrees not to claim that the courts of Barbados are not a convenient or appropriate forum.
- 23.4 Each Party hereby respectively appoints the person identified in paragraph 7 of the Schedule pertaining to the relevant Party as its agent to receive on its behalf service of process in the courts of Barbados. If such an agent ceases to be an agent of a Party, the relevant Party shall promptly appoint, and notify the other Party of the identity of its new agent in Barbados.

24. **ARBITRATION**

Where the parties to the dispute agree the matter may be referred to arbitration under the terms of the Barbados Act to make provision for international commercial arbitration 2007-45.

25. **TIME**

Time shall be of the essence of the Agreement.

26. **RECORDING**

The Parties agree that each may record all telephone conversations between them.

27. **WAIVER OF IMMUNITY**

Each Party hereby waives all immunity (whether on the basis of sovereignty or otherwise) from jurisdiction, attachment (both before and after judgement) and execution to which it might otherwise be entitled in any action or proceeding in the courts of England or of any other country or jurisdiction relating in any way to this Agreement and agrees that it will not raise, claim or cause to be pleaded any such immunity at or in respect of any such action or proceeding.

28. **MISCELLANEOUS**

- 28.1 This Agreement constitutes the entire agreement and understanding of the Parties with respect to its subject matter and supersedes all oral communication and prior writings with respect thereto.
- 28.2 The Party (the Relevant Party) who has prepared the text of this Agreement for execution (as indicated in paragraph 9 of the Schedule) warrants and undertakes to the

other Party that such text conforms exactly to the text of the standard form Global Master Securities Lending Agreement (2009 version) posted by the International Securities Lending Association on its website except as notified by the Relevant Party to the other Party in writing prior to the execution of this Agreement.

- 28.3 Unless otherwise provided for in this Agreement, no amendment in respect of this Agreement will be effective unless in writing (including a writing evidenced by a facsimile transmission) and executed by each of the Parties or confirmed by an exchange of telexes or electronic messages on an electronic messaging system.
- 28.4 The Parties agree that where paragraph 11 of the Schedule indicates that this paragraph 28.4 applies, this Agreement shall apply to all loans which are outstanding as at the date of this Agreement and which are subject to the securities lending agreement or agreements specified in paragraph 11 of the Schedule, and such Loans shall be treated as if they had been entered into under this Agreement, and the terms of such loans are amended accordingly with effect from the date of this Agreement.
- 28.5 The Parties agree that where paragraph 12 of the Schedule indicates that this paragraph 28.5 applies, each may use the services of a third party vendor to automate the processing of Loans under this Agreement and that any data relating to such Loans received from the other Party may be disclosed to such third party vendors.
- 28.6 The obligations of the Parties under this Agreement will survive the termination of any Loan.
- 28.7 The warranties contained in paragraphs 13, 14 and 28.2 and in the Agency Annex will survive termination of this Agreement for so long as any obligations of either of the Parties pursuant to this Agreement remain outstanding.
- 28.8 Except as provided in this Agreement, the rights, powers, remedies and privileges provided in this Agreement are cumulative and not exclusive of any rights, powers, remedies and privileges provided by law.
- 28.9 This Agreement (and each amendment in respect of it) may be executed and delivered in counterparts (including by facsimile transmission), each of which will be deemed an original.
- 28.10 A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any terms of this Agreement, but this does not affect any right or remedy of a third party which exists or is available apart from that Act.

**EXECUTED by the PARTIES**

**SIGNED** by )  
 )  
duly authorised for and )  
on behalf of )

**SIGNED** by )  
 )  
duly authorised for and )  
on behalf of )

**SCHEDULE**

**1. COLLATERAL**

1.1 The securities, financial instruments and deposits of currency set out in the table below with a cross marked next to them are acceptable forms of Collateral under this Agreement.

1.2 Unless otherwise agreed between the Parties, the Market Value of the Collateral delivered pursuant to paragraph 5 by Borrower to Lender under the terms and conditions of this Agreement shall on each Business Day represent not less than the Market Value of the Loaned Securities together with the percentage contained in the row of the table below corresponding to the particular form of Collateral, referred to in this Agreement as the *Margin*.

Security/Financial Instrument/ Deposit of Currency	Mark "X" if acceptable form of Collateral	Margin (%)

1.3 Basis of Margin Maintenance:

Paragraph 5.4 (aggregation) shall not apply\*

Paragraph 5.4 (aggregation) applies unless the box is ticked.

1.4 Paragraph 5.6 (netting of obligations to deliver Collateral and redeliver Equivalent Collateral) shall not apply\*

Paragraph 5.6 (netting) applies unless the box is ticked

1.5 For the purposes of Paragraph 5.8, Notification Time means by  , London time.

1.6 Paragraph 6.4 (indemnity for failure to redeliver Equivalent Non-Cash Collateral) shall not apply\*

Paragraph 6.4 (indemnity for failure to redeliver Equivalent Non-Cash Collateral) applies unless the box is ticked.

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\* Delete as appropriate.

\* Delete as appropriate.

\* Delete as appropriate.

**2. BASE CURRENCY**

The Base Currency applicable to this Agreement is \_\_\_\_\_ provided that if that currency ceases to be freely convertible the Base Currency shall be [US Dollars] [Euro] [specify other currency]\*

**3. PLACES OF BUSINESS**

(See definition of Business Day.)

**4. MARKET VALUE**

(See definition of Market Value.)

**5. EVENTS OF DEFAULT**

Automatic Early Termination shall apply in respect of Party A

Automatic Early Termination shall apply in respect of Party B

**6. DESIGNATED OFFICE AND ADDRESS FOR NOTICES**

**(a) Designated office of Party A:**

Address for notices or communications to Party A:

Address:

Attention:

Facsimile No:

Telephone No:

Electronic Messaging System Details:

**(b) Designated office of Party B:**

Address for notices or communications to Party B:

Address:

Attention:

Facsimile No:

Telephone No:

Electronic Messaging System Details:

**7. (a) Agent of Party A for Service of Process**

Name:

Address:

(b) **Agent of Party B for Service of Process**

Name:

Address:

**8. AGENCY**

– Party A [may][will always]\* act as agent

– Party B [may][will always]\* act as agent

– The Addendum for Pooled Principal Transactions  
may apply to Party A

– The Addendum for Pooled Principal Transactions  
may apply to Party B

**9. PARTY PREPARING THIS AGREEMENT**

Party A

Party B

**10. DEFAULT INTEREST**

Rate of default interest:

**11. EXISTING LOANS**

Paragraph 27.4 applies\*

[Overseas Securities Lenders Agreement dated ]\*

[Global Master Securities Lending Agreements dated ]\*

**12. AUTOMATION**

Paragraph 27.5 applies\*

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\* Delete as appropriate.

## AGENCY ANNEX

### 1. TRANSACTIONS ENTERED INTO AS AGENT

#### 1.1 Power for Lender to enter into Loans as agent

Subject to the following provisions of this paragraph, Lender may enter into Loans as agent (in such capacity, the *Agent*) for a third person (a *Principal*), whether as custodian or investment manager or otherwise (a Loan so entered into being referred to in this paragraph as an *Agency Loan*).

If the Lender has indicated in paragraph 8 of the Schedule that it may act as Agent, it must identify each Loan in respect of which it acts as Agent as an Agency Loan at the time it is entered into. If the Lender has indicated in paragraph 8 of the Schedule that it will always act as Agent, it need not identify each Loan as an Agency Loan.

#### 1.2 Pooled Principal transactions

The Lender may enter into an Agency Loan on behalf of more than [one] Principal and accordingly the addendum hereto for pooled principal transactions shall apply.]\*

#### 1.3 Conditions for Agency Loan

A Lender may enter into an Agency Loan if, but only if:

- (a) it provides to Borrower, prior to effecting any Agency Loan, such information in its possession necessary to complete all required fields in the format generally used in the industry, or as otherwise agreed by Agent and Borrower (*Agreed Format*), and will use its best efforts to provide to Borrower any optional information that may be requested by the Borrower for the purpose of identifying such Principal (all such information being the *Principal Information*). Agent represents and warrants that the Principal Information is true and accurate to the best of its knowledge and has been provided to it by Principal;
- (b) it enters into that Loan on behalf of a single Principal whose identity is disclosed to Borrower (whether by name or by reference to a code or identifier which the Parties have agreed will be used to refer to a specified Principal) either at the time when it enters into the Loan or before the Close of Business on the next Business Day after the date on which Loaned Securities are transferred to the Borrower in the Agreed Format or as otherwise agreed between the Parties; and
- (c) it has at the time when the Loan is entered into actual authority to enter into the Loan and to perform on behalf of that Principal all of that Principal's obligations under the agreement referred to in paragraph 1.5(b) below.

Agent agrees that it will not effect any Loan with Borrower on behalf of any Principal unless Borrower has notified Agent of Borrower's approval of such Principal, and has not notified Agent that it has withdrawn such approval (such Principal, an *Approved Principal*), with both such notifications in the Agreed Format.

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\* Delete as appropriate.

Borrower acknowledges that Agent shall not have any obligation to provide it with confidential information regarding the financial status of its Principals; Agent agrees, however, that it will assist Borrower in obtaining from Agent's Principals such information regarding the financial status of such Principals as Borrower may reasonably request.

#### 1.4 **Notification by Agent of certain events affecting any Principal**

Agent undertakes that, if it enters as agent into an Agency Loan, forthwith upon becoming aware:

- (a) of any event which constitutes an Act of Insolvency with respect to the relevant Principal; or
- (b) of any breach of any of the warranties given in paragraph 1.6 below or of any event or circumstance which results in any such warranty being untrue if repeated by reference to the then current facts,

it will inform Borrower of that fact and will, if so required by Borrower, furnish it with such additional information as it may reasonably request to the extent that such information is readily obtainable by Agent.

#### 1.5 **Status of Agency Loan**

- (a) Each Agency Loan shall be a transaction between the relevant Principal and Borrower and no person other than the relevant Principal and Borrower shall be a party to or have any rights or obligations under an Agency Loan. Without limiting the foregoing, Agent shall not be liable as principal for the performance of an Agency Loan, but this is without prejudice to any liability of Agent under any other provision of this Annex; and
- (b) all the provisions of the Agreement shall apply separately as between Borrower and each Principal for whom the Agent has entered into an Agency Loan or Agency Loans as if each such Principal were a party to a separate agreement with Borrower in all respects identical with this Agreement other than this Annex and as if the Principal were Lender in respect of that agreement; provided that
  - (i) if there occurs in relation to the Agent an Event of Default or an event which would constitute an Event of Default if Borrower served written notice under any sub-clause of paragraph 10 of the Agreement, Borrower shall be entitled by giving written notice to the Principal (which notice shall be validly given if given in accordance with paragraph 20 of the Agreement) to declare that by reason of that event an Event of Default is to be treated as occurring in relation to the Principal. If Borrower gives such a notice then an Event of Default shall be treated as occurring in relation to the Principal at the time when the notice is deemed to be given; and
  - (ii) if the Principal is neither incorporated in nor has established a place of business in Great Britain, the Principal shall for the purposes of the agreement referred to in paragraph 1.5(b) above be deemed to have appointed as its agent to receive on its behalf service of process in the courts of England the Agent, or if the Agent is neither incorporated nor has established a place of business in Great Britain, the person appointed by the Agent for the

purposes of this Agreement, or such other person as the Principal may from time to time specify in a written notice given to the other Party.

If Lender has indicated in paragraph 6 of the Schedule that it may enter into Loans as agent, the foregoing provisions of this paragraph do not affect the operation of the Agreement as between Borrower and Lender in respect of any Loans into which Lender may enter on its own account as principal.

**1.6 Warranty of authority by Lender acting as Agent**

Agent warrants to Borrower that it will, on every occasion on which it enters or purports to enter into a Loan as an Agency Loan, have been duly authorised to enter into that Loan and perform the obligations arising under such Loan on behalf of the Principal in respect of that Loan and to perform on behalf of the Principal all the obligations of that person under the agreement referred to in paragraph 1.5(b) above.

## ADDENDUM FOR POOLED PRINCIPAL AGENCY LOANS

### 1. SCOPE

This addendum applies where the Agent wishes to enter into an Agency Loan on behalf of more than one Principal. The Agency Annex shall apply to such a Loan subject to the modifications and additional terms and conditions contained in paragraph 2 to 7 below.

### 2. INTERPRETATION

2.1 In this addendum:

- (a) *Collateral Transfer* has the meaning given in paragraph 5.1 below;
- (b) if at any time on any Business Day the aggregate Market Value of Posted Collateral in respect of all Agency Loans outstanding with a Principal under the Agreement exceeds the aggregate of the Required Collateral Value in respect of such Agency Loans, Borrower has a *Net Loan Exposure* to that Principal equal to that excess; if at any time on any Business Day the aggregate Market Value of Posted Collateral in respect of all Agency Loans outstanding under the Agreement with a Principal falls below the aggregate of the Required Collateral Value in respect of such Agency Loans, that Principal has a *Net Loan Exposure* to Borrower for such Agency Loans equal to that deficiency;
- (c) *Pooled Principal* has the meaning given in paragraph 6(a) below; and
- (d) *Pooled Loan* has the meaning given in paragraph 6(a) below.

### 3. MODIFICATIONS TO THE AGENCY ANNEX

3.1 Paragraph 1.3(b) of the Agency Annex is deleted and replaced by the following:

“it enters into that Loan on behalf of one or more Principals and at or before the time when it enters into the Loan it discloses to Borrower the identity and the jurisdiction of incorporation, organisation or establishment of each such Principal (and such disclosure may be made either directly or by reference to a code or identifier which the Parties have agreed will be used to refer to a specified Principal);”.

3.2 Paragraph 1.3(c) of the Agency Annex is deleted and replaced by the following:

“it has at the time when the Loan is entered into actual authority to enter into the Loan on behalf of each Principal and to perform on behalf of each Principal all of that Principal’s obligations under the Agreement”.

### 4. ALLOCATION OF AGENCY LOANS

4.1 The Agent undertakes that if, at the time of entering into an Agency Loan, the Agent has not allocated the Loan to a Principal, it will allocate the Loan before the Settlement Date for that Agency Loan either to a single Principal or to several Principals, each of whom shall be responsible for only that part of the Agency Loan which has been allocated to it. Promptly following such allocation, the Agent shall notify Borrower of the Principal or Principals (whether by name or reference to a code or identifier which the Parties have agreed will be used to refer to a specified Principal) to which that Loan or part of that Loan has been allocated.

4.2 Upon allocation of a Loan in accordance with paragraph 4.1 above or otherwise, with effect from the date on which the Loan was entered into:

- (a) where the allocation is to a single Principal, the Loan shall be deemed to have been entered into between Borrower and that Principal; and
- (b) where the allocation is to two or more Principals, a separate Loan shall be deemed to have been entered into between Borrower and each such Principal with respect to the appropriate proportion of the Loan.

4.3 If the Agent shall fail to perform its obligations under paragraph 4.2 above then for the purposes of assessing any damage suffered by Borrower (but for no other purpose) it shall be assumed that, if the Loan concerned (to the extent not allocated) had been allocated in accordance with that paragraph, all the terms of the Loan would have been duly performed.

## 5. ALLOCATION OF COLLATERAL

5.1 Unless the Agent expressly allocates (a) a deposit or delivery of Posted Collateral or (b) a repayment of Cash Collateral or a redelivery of Equivalent Collateral (each a ***Collateral Transfer***) before such time, the Agent shall, at the time of making or receiving that Collateral Transfer, be deemed to have allocated any Collateral Transfer in accordance with paragraph 6.3 below.

5.2 (a) If the Agent has made a Collateral Transfer on behalf of more than one Pooled Principal, that Collateral Transfer shall be allocated in proportion to Borrower's Net Loan Exposure in respect of each Pooled Principal at the Agent's close of business on the Business Day before the Collateral Transfer is made; and

(b) if the Agent has received a Collateral Transfer on behalf of more than one Pooled Principal, that Collateral Transfer shall be allocated in proportion to each Pooled Principal's Net Loan Exposure in respect of Borrower at the Agent's close of business on the Business Day before the Collateral Transfer is made.

(c) Sub-paragraphs (a) and (b) shall not apply in respect of any Collateral Transfer which is effected or deemed to have been effected under paragraph 6.3 below.

## 6. POOLED PRINCIPALS: REBALANCING OF MARGIN

6.1 Where the Agent acts on behalf of more than one Principal, the Parties may agree that, as regards all (but not some only) outstanding Agency Loans with those Principals, or with such of those Principals as they may agree (***Pooled Principals***, such Agency Loans being ***Pooled Loans***), any Collateral Transfers are to be made on an aggregate net basis.

6.2 Paragraphs 6.3 to 6.5 below shall have effect for the purpose of ensuring that Posted Collateral is, so far as is practicable, transferred and held uniformly, as between the respective Pooled Principals, in respect of all Pooled Loans for the time being outstanding under the Agreement.

6.3 At or as soon as practicable after the Agent's close of business on each Business Day on which Pooled Loans are outstanding (or at such other times as the Parties may from time to time agree) there shall be effected such Collateral Transfers as shall ensure that immediately thereafter:

- (a) in respect of all Pooled Principals which have a Net Loan Exposure to Borrower, the amount of Collateral then deliverable or Cash Collateral then payable by Borrower to each such Pooled Principal is equal to such proportion of the aggregate amount of Collateral then deliverable or Cash Collateral then payable, to all such Pooled Principals as corresponds to the proportion which the Net Loan Exposure of the relevant Pooled Principal bears to the aggregate of the Net Loan Exposures of all Pooled Principals to Borrower; and
- (b) in respect of all Pooled Principals to which Borrower has a Net Loan Exposure, the aggregate amount of Equivalent Collateral then deliverable or repayable by each such Pooled Principal to Borrower is equal to such proportion of the aggregate amount of Equivalent Collateral then deliverable or repayable by all such Pooled Principals as corresponds to the proportion which the Net Loan Exposure of Borrower to the relevant Pooled Principal bears to the aggregate of the Net Loan Exposures of Borrower to all Pooled Principals.

6.4 Collateral Transfers effected under paragraph 6.3 shall be effected (and if not so effected shall be deemed to have been so effected) by appropriations made by the Agent and shall be reflected by entries in accounting and other records maintained by the Agent. Accordingly, it shall not be necessary for payments of cash or deliveries of Securities to be made through any settlement system for the purpose of such Collateral Transfers. Without limiting the generality of the foregoing, the Agent is hereby authorised and instructed by Borrower to do all such things on behalf of Borrower as may be necessary or expedient to effect and record the receipt on behalf of Borrower of cash and Securities from, and the delivery on behalf of Borrower of cash and Securities to, Pooled Principals in the course or for the purposes of any Collateral Transfer effected under that paragraph.

6.5 Promptly following the Collateral Transfers effected under paragraph 6.3 above, and as at the Agent's close of business on any Business Day, the Agent shall prepare a statement showing in respect of each Pooled Principal the amount of cash Collateral which has been paid, and the amount of non-cash Collateral of each description which have been transferred, by or to that Pooled Principal immediately after those Collateral Transfers. If Borrower so requests, the Agent shall deliver to Borrower a copy of the statement so prepared in a format and to a timetable generally used in the market.

## **7. WARRANTIES**

7.1 The Agent warrants to Borrower that:

- (a) all notifications provided to Borrower under paragraph 4.1 above and all statements provided to the other party under paragraph 6.5 above shall be complete and accurate in all material respects;
- (b) at the time of allocating an Agency Loan in accordance with paragraph 4.1 above, each Principal or Principals to whom the Agent has allocated that Agency Loan or any part of that Agency Loan is duly authorised to enter into the Agency Loans contemplated by this Agreement and to perform its obligations thereunder; and
- (c) at the time of allocating an Agency Loan in accordance with paragraph 4.1 above, no Event of Default or event which would constitute an Event of Default with the service of a Default Notice or other written notice under paragraph 14 of the Agreement has occurred in relation to any Principal or Principals to whom the Agent has allocated that Agency Loan or any part of that Agency Loan.

## ISM LISTING RULES

### Series 4000 & 5000

*NOTE: These rules have been drafted without reference to current Barbados mutual funds law because the law is expected to be repealed and replaced with new legislation or regulations.*

<b>Rule No.</b>	<b>Rule</b>
<b>4000.</b>	<b>GENERAL PRINCIPLES</b>
4001.	<b>Objectives of the Rules</b>
4001.1	The listing rules aim to ensure that:
	1) Issuers and securities to be listed are suitable for listing on the ISM
	2) Investors, regulators and the public have sufficient information to make an informed assessment of the issuer and the securities to be listed
	3) Listed issuers maintain sound standards of disclosure following listing and meet the standards for continued listing
	4) Holders of listed securities are treated fairly and equally
	5) Listing requirements for different types of securities are clearly set out.
4010.	<b>Interpretation</b>
4010.1	The listing rules are interpreted, administered and enforced by the Exchange. Any decision of the Exchange on the interpretation, administration or enforcement of the listing rules is final and binding.
4010.2	The appendices to these rules form part of the listing rules.
4010.3	References to a document being certified means being certified to be a true copy or an extract from a true copy, by a director, the company secretary or other authorized officer of the issuer or by the issuer's auditors or legal advisers.
4010.4	References to writing means a written document of any type, including printed, copied or electronic versions of text.
4020.	<b>Electronic Circulation and Filing</b>
4020.1	1) Where the listing rules require an issuer to circulate documents, the issuer must post the documents on its website, in addition to other methods of circulation it chooses to use.

	2) The issuer must notify any persons who are to receive the documents where they can be viewed online and downloaded, if the issuer has contact information for a person. A notice should be published in the press informing persons where the documents can be viewed online and downloaded.
	3) The issuer must provide paper copies of a document on the request of any person to whom a document must be circulated, or of any ISM trading member.
4020.2	The Exchange shall post on its website any document that the Exchange, an applicant or a listed issuer is required to circulate to security holders or make public.
4020.3	Where the listing rules require an issuer to file information or documents with the Exchange, the issuer or its agents may file via e-mail or other electronic means approved by the Exchange. The Exchange may also require paper or certified copies of any information or documents to be filed with it.
4030.	<b>Authority of the Exchange</b>
4030.1	The Exchange retains absolute discretion to accept or reject applications for listing and may consider factors other than the requirements of the listing rules, as it considers appropriate, including the public interest.
4030.2	The Exchange may impose additional requirements or conditions on a listing that it considers appropriate.
4030.3	The Exchange may modify the application of requirements, or waive compliance by an issuer with requirements, of the listing rules, as it considers appropriate.
4030.4	The board has delegated the powers and functions of the Exchange under the listing rules to the ISM executive management committee, subject to a right of appeal to the board.
4030.5	The ISM executive management committee may delegate specific authority and functions to administer the listing rules to staff of the Exchange.
4040.	<b>Appeals of Decisions</b>
4040.1	A decision of the Exchange on a listing application or the application of the listing rules to an applicant or a listed issuer may be appealed to the board or a committee of the board.
4040.2	An appeal of a decision of the Exchange to the board must be made in accordance with the rules of the Exchange. <ul style="list-style-type: none"> <li>• The rules of the Exchange on appeals of a decision are in Appendix 4G.</li> </ul>
4050	<b>Listing Fees</b>
4050.1	Listed issuers must pay fees to the Exchange according to the ISM fee schedule approved by the Exchange:
	1) A new listing fee for each security accepted for listing

	2) An annual listing fee for each security listed
	3) Any fees for filings, review of documents and applications or other activities.
4060.	<b>Language</b>
4060.1	All documents filed with the Exchange must be in English or be filed with an English translation certified by a professional translator acceptable to the Exchange.
4070.	<b>Currency</b>
4071.1	All financial statements and information that the listing rules require to be disclosed must be expressed in Barbados dollars, US dollars, Canadian dollars, EU Euros or UK sterling. The Exchange may approve use of a different currency if it considers it not to be detrimental to investors in the ISM.
4071.2	An applicant may apply for listing of a security to be traded in any currency acceptable to the Exchange.
4080.	<b>Accounting Standards</b>
4080.1	Financial statements and records required to be filed with the Exchange or disclosed under the listing rules must be prepared in accordance with international accounting standards or US, UK or Canadian generally accepted accounting principles, or other standards acceptable to the Exchange.
4090.	<b>Waiver from Disclosure Requirement</b>
4090.1	1) If an issuer believes that disclosure of any matter required to be disclosed by the listing rules (before or after listing) would be unduly detrimental to the issuer, the issuer may apply to the Exchange for a waiver from that requirement. Such applications are limited to proprietary information, trade secrets, valid business purposes such as incomplete negotiations on a transaction, or similar information that would be prejudicial to the investing public as determined by the Exchange..
	2) The information and the reasons for the application must be provided to the Exchange.
	3) A decision on granting a waiver is solely within the discretion of the Exchange, and the Exchange may require disclosure of the matter at any time that it considers disclosure to be appropriate in the interests of investors.
<b>4100.</b>	<b>LISTING APPLICATIONS AND APPROVALS</b>
4101.	<b>Listing Sponsor</b>
4101.1	An applicant must appoint a listing sponsor to advise it on listing and to deal with the Exchange on the listing application.
4101.2	At all times while listed, a listed issuer must appoint a listing sponsor to advise it on compliance with the listing rules and to deal with the Exchange on a continuing basis.

4101.3	An applicant and a listed issuer must retain its listing sponsor to perform all of the responsibilities of a listing sponsor under the listing sponsor rules.
4110.	<b>Application</b>
4110.1	An applicant must file the applicable ISM listing application form along with all required supplementary documents and information, in the prescribed form. <ul style="list-style-type: none"> <li>The application forms and requirements are in Appendices 4B (Equities), 4C (Investment Funds) and 4D (Debt Securities).</li> </ul>
4110.2	An applicant must file a listing document that contains the information required by the listing rules applicable to the security, unless an exception in the listing rules applies. The listing document must be submitted in draft form in reasonable time for the Exchange to review and comment on it before it is finalised.
4110.3	The Exchange may require an applicant to withdraw an incomplete application and to re-file an amended application.
4110.4	If a material change or new material information arises that affects any information, opinion or data contained in a listing application filed with the Exchange, <ol style="list-style-type: none"> <li>the applicant must file an amended application, and</li> <li>if information in the listing document is affected, the applicant must file an amended or supplementary listing document,</li> </ol> but the applicant only needs to re-file documents that are affected by the new facts or change.
4110.5	The Exchange may require an applicant to provide additional information or documents.
4110.6	An applicant must pay the listing application fee set by the Exchange. Application fees are non-refundable.
4110.7	In making application for listing, an applicant agrees to comply with the ISM listing rules, its listing agreement and all other applicable decisions or directions issued by the Exchange or the ISM if its application is approved.
4120.	<b>Approval of Listing</b>
4120.1	The Exchange may approve, defer or disapprove a listing application in its discretion.
4120.2	The Exchange may approve a listing subject to any terms, conditions or restrictions that it considers appropriate.
4120.3	The Exchange may change or impose additional terms, conditions or restrictions on a listing at any time by written notice to an applicant or a listed issuer.
4120.4	The Exchange may approve a listing on the condition that all final documentation required by the Listing Rules is filed within 60 days.
4120.5	The Exchange may set the official date of listing and the date a security is posted for trading.

4130.	<b>Listing Agreement</b>
4130.1	An applicant approved for listing must execute a listing agreement in the form approved by the Exchange prior to the listing of a security. <ul style="list-style-type: none"> <li>• The form of listing agreement is in Appendix 4 H.</li> </ul>
4140.	<b>Clearing and Settlement</b>
4140.1	An applicant approved for listing must arrange for trades in its listed securities to be cleared and settled using the arrangements approved and provided by the Exchange for the ISM.
4150.	<b>Disapproval of Applications</b>
4150.1	The Exchange may disapprove an application for listing if in its opinion the applicant: <ol style="list-style-type: none"> <li>1) does not comply with the listing rules</li> <li>2) does not comply with any additional terms, conditions or restrictions imposed by the Exchange, or</li> <li>3) the listing of the applicant or the security in question would not be suitable for the ISM or in the interests of investors.</li> </ol>
4150.2	If the Exchange does not approve an application, the Exchange will notify the applicant of its decision in writing, with the reasons for its decision, within 10 days of making the decision.
4150.3	If the Exchange does not approve an application, an applicant may appeal the decision to the board or a committee of the board, in accordance with rule 4040.
4150.4	An applicant may appeal a decision by the Exchange to impose any terms, conditions or restrictions on its approval to the board or a committee of the board, in accordance with rule 4040.
<b>4200</b>	<b>COMPLIANCE</b>
4201.	<b>Compliance with Rules</b>
4201.1	A listed issuer must comply with the listing rules, its listing agreement and all other applicable decisions or directions issued by the Exchange or the ISM.
4210.	<b>Information Requests</b>
4210.1	A listed issuer must provide the Exchange with any information, documents or responses to questions requested by the Exchange relating to compliance with the listing rules, trading in its securities or the rights of holders of its listed securities.
4220.	<b>Investigations</b>
4220.1	The Exchange may review or investigate any possible breach of the listing rules.

4220.2	The BSE shall request and obtain any information required for the purposes of review and investigation of breaches of any of the listing rules.
4230.	<b>Disciplinary Actions</b>
4230.1	If the Exchange determines that a listed issuer has failed to comply with the listing rules, the Exchange may:
	1) issue a warning letter to the issuer requiring the issuer to comply with the rules as of a specified date
	2) take disciplinary action against the listed issuer
	3) provide the listed issuer with an opportunity to remedy its failure to comply in any manner the Exchange considers appropriate, within a set period of time. If in the opinion of the Exchange the listed issuer fails to remedy its failure to comply, the Exchange may then take disciplinary action against it.
4230.2	Any disciplinary action taken by the Exchange must follow the disciplinary process set out in the rules of the Exchange.
4230.3	If in a disciplinary action the Exchange determines that a listed issuer has failed to comply with the listing rules, the Exchange may impose one or more of the following penalties:
	1) a formal, written notice of censure, to be made public by the Exchange
	2) suspension of the listing of one or more of the issuer's securities for a period up to three months under rule 4301
	3) delisting of one or more of the issuer's securities under rule 4301.
4240.	<b>Referrals to Authorities</b>
4240.1	The Exchange may refer any alleged or suspected violations of the listing rules, applicable law or regulation by a listed issuer to the appropriate regulatory authority or law enforcement agency.
<b>4300</b>	<b>SUSPENSION AND DELISTING OF SECURITIES</b>
4301.	<b>Powers of the Exchange</b>
4301.1	The Exchange may suspend trading in or apply to the FSC for an order to delist a security at any time, subject to any terms and conditions it considers appropriate, if the Exchange is of the opinion that:
	1) the listed issuer is in violation of the listing rules or the listing agreement
	2) the listed issuer is no longer in compliance with the minimum requirements for continued listing
	3) the listed issuer does not have sufficient assets or business operations to warrant

	continued listing
	4) the continued listing of the issuer or the security would not be suitable for the ISM or in the interest of investors
	5) it is necessary to maintain a fair and orderly market or to protect investors.
4301.2	The Exchange may suspend trading in a security without notice to the listed issuer if in the Exchange's opinion it is necessary to protect the interests of the ISM, investors or the issuer. In such case the Exchange must notify the issuer forthwith, and provide it with an opportunity to be heard as soon as practicable.
4301.3	Except where section 4301.2 applies, before suspending trading in or delisting a security, the Exchange must first provide the issuer with an opportunity to be heard.
4301.4	If the Exchange decides under section 4301.1 that a security no longer qualifies for listing, it may give the issuer time to remedy the matter. In such case:
	1) if the issuer fails to remedy the matter within the prescribed time, the Exchange may proceed to delist the security after providing the issuer with an opportunity to be heard
	2) the Exchange shall announce the proposed delisting with reasons and the time period the issuer has to remedy the matter.
4310.	<b>Trading Halt for Disclosure</b>
4310.1	The Exchange may, on its own initiative or on the request of a listed issuer, temporarily halt trading of any security to permit dissemination of material news or other disclosure. This authority is in addition to the powers of the Exchange under rule 4301 and a decision to halt trading temporarily is entirely within the discretion of the Exchange.
4320.	<b>Application for Suspension of Trading</b>
4320.1	A listed issuer may apply for approval of a suspension of trading in one or more of its listed securities. The application must include specific reasons for the application, the proposed length of the suspension, and an opinion from the issuer's listing sponsor on the reasons for the application.
4320.2	Approval of an application by the issuer for approval of a suspension of trading is in the discretion of the Exchange.
4320.3	Where trading in a security is suspended under rule 4301.1 or 4320.1 the Exchange shall decide when and on what terms the suspension may be lifted. The Exchange may impose any conditions it considers appropriate on lifting of a suspension of trading.
4330.	<b>Application for Delisting</b>
4330.1	If the listing is a secondary listing, a listed issuer may apply for approval of the delisting of a listed security by submitting a written notice to the Exchange. Holders of the security must be informed of the delisting forthwith allowing sufficient advance notice to take appropriate action. The notice to the Exchange must include:

	1) the reasons for the delisting from the ISM
	2) the proposed date of delisting
	3) information on any securities exchange or market where the securities will continue to trade, if any.
4330.2	<p>If the ISM listing is a primary listing and the listed issuer:</p> <p>1) has listed the security on another securities exchange, or</p> <p>2) has obtained the consent of 75% of the holders of the security, either in writing or at a general meeting of holders,</p> <p>the issuer may delist the securities if it gives at least 90 days notice to the Exchange and to the holders of the security, and to any holders of a security convertible into the affected securities. The notice must include:</p> <p>a) the reasons for the delisting from the ISM,</p> <p>b) the proposed date of delisting, and</p> <p>c) information on any securities exchange or market where the securities will continue to trade, if any.</p>
4330.3	If a general meeting of holders is held to vote on a proposed delisting, the listed issuer must send a circular to all holders with the notice of meeting that explains the reasons for the proposed delisting and how holders of the security can sell or dispose of their securities after the delisting.
4330.4	If the security to be delisted is an expiring security then it may be delisted by giving at least 10 days notice to the Exchange of the date of expiry. An expiring security includes an option, warrant, right, debt security, convertible security, redeemable security or any other security with a fixed expiry date or a date for conversion or redemption that the issuer may set.
<b>4400.</b>	<b>GENERAL LISTING REQUIREMENTS</b>
4401.	<b>Introduction</b>
4401.1	This Part sets out general requirements for listing all types of securities on the ISM. In addition, the requirements of the listing Rules for the specific type of listing apply: Parts 4500 (Secondary Listings), 4600 (Equities), 4700 (Investment Funds) and 4800 (Debt Securities).
4410.	<b>Methods of Listing Securities</b>
4410.1	Securities may be listed using the following transactions:
	1) public offer – an offer from treasury to the public in one or more jurisdictions
	2) placement offer – a private placing from treasury to a specific group of persons approved by the issuer

	3) secondary offer – a formal offer for sale of securities issued previously
	4) introduction – a listing of securities issued previously (without a distribution)
	5) secondary listing – a listing of securities listed on a recognised securities exchange
	6) Bonus issue – a listing of any further allotment of securities to existing security holders in proportion to their current holdings
	7) rights issue – an offer of rights to buy additional shares made to existing security holders
	8) exercise of rights or options – an issue of securities on the exercise of any right to purchase under rights, options, warrants or similar instruments issued by prospectus
	9) other methods approved by the Exchange.
4420.	<b>Listing Document</b>
4420.1	<p>The listing document to be filed with the Exchange must contain the information prescribed by the Exchange for the type of listing. In addition, it must contain sufficient information to enable investors to make an informed assessment of the issuer and the specific type of security to be listed.</p> <ul style="list-style-type: none"> <li>• The prescribed forms are in Appendices 4B (Equities), 4C (Investment Funds) and 4D (Debt Securities).</li> </ul>
4420.2	The Exchange may require additional information to be set out in a listing document, or that any information be given more prominence.
4420.3	The Exchange may exempt an issuer from including specific information in a listing document if it considers that the information is not material or disclosure is not in the public interest.
4420.4	If a prospectus is issued in connection with the issue of the securities to be listed, the Exchange may accept it as the listing document if it meets the requirements of the listing rules, or if the applicant adds supplementary information that meets such requirements to form the listing document.
4420.5	A prospectus, listing document or disclosure document that has been approved by the Commission, or a recognised securities exchange or recognised securities regulator, may be used (in whole or in part) to meet the requirements of this rule, if all of the information used is current or is updated as necessary in the listing document.
4420.6	<p>1) if the Exchange approves, for the purpose of meeting parts of the disclosure requirements, a listing document may incorporate (in whole or in part) a prospectus, listing document or other disclosure document that was circulated within the previous 12 months and that was:</p> <ol style="list-style-type: none"> <li>a) previously filed with the Exchange, or</li> <li>b) approved by the Commission, or a recognised securities exchange or recognised securities regulator,</li> </ol> <p>if all of the information to be incorporated is current or is updated as necessary in the listing document.</p>

	2) a document incorporated into a listing document may be either: <ol style="list-style-type: none"> <li>a) contained in an annex if the document is stated to form part of the listing document, or</li> <li>b) incorporated by reference into the listing document if it describes the document and states how investors may access and review the document electronically.</li> </ol>
<b>4430.</b>	<b>Supplementary Listing Document</b>
4430.1	An applicant must advise the Exchange immediately, and file a new or supplementary listing document if, after the Exchange has accepted a final listing document but before trading commences, a material change or new material information arises that affects any information in the applicant's listing document.
4430.2	A supplementary listing document must: <ol style="list-style-type: none"> <li>1) fully disclose the material change or new material information with reference to the relevant paragraphs of the listing document,</li> <li>2) contain a new issuer's declaration in the prescribed form, and</li> <li>3) be circulated in the same manner as the original listing document.</li> </ol>
<b>4440.</b>	<b>Listing Document not Required</b>
4440.1	A listing document is not required for an application to list additional securities where the security is already listed on the ISM, if: <ol style="list-style-type: none"> <li>1) the issue is distributed only to existing holders of the security on a pro rata basis to their current holdings</li> <li>2) the securities are issued on the exercise of rights, options, warrants, conversions or similar rights to obtain securities already listed on the ISM, or</li> <li>3) the issue would increase the number of listed securities of the same class by a maximum of 10%.</li> </ol>
4440.2	If a listing document is not required an applicant must file a circular for approval by the Exchange that contains, to the extent applicable: <ol style="list-style-type: none"> <li>1) for a listing of equity, the information required in Appendix 4B, paragraphs 1, 2, 3, 4, 12, 16, 17, 23 and 24.</li> <li>2) for a listing of debt, the information required in Appendix 4D, paragraphs 1, 2, 3, 4, 11, 12, 16 and 17,</li> <li>3) for a listing of investment fund securities, the information required in Appendix 4C, paragraphs 1, 2, 3, 4, 13, 44, 48, 49, 50 and 51.</li> </ol>
4440.3	After the Exchange approves the circular, it must be circulated in the same manners as a listing document under the listing rules.

4450.	<b>Circulation of Listing Document</b>
4450.1	The Exchange must approve the listing document before it is circulated or made public.
4450.2	An issuer must circulate its listing document, and issue a news release providing a summary of the listing, within three days of receiving notice of approval of the listing from the Exchange.
4450.3	At the time of circulation, the listing document must be:
	1) posted on the issuer's website
	2) circulated to any existing holders of the securities to be listed, and
	3) in the case of a public offering, sent to any person that requests a copy.
4460.	<b>Announcement of Results</b>
4460.1	If a listing involves a public offer of securities, the issuer must announce the results of the offer as soon as practicable, and within two trading days of the close of the distribution period.
4460.2	An issuer must announce the results of a rights issue as soon as practicable, and within one trading day of the deadline for acceptance.
4470.	<b>Directors</b>
4470.1	Each director and proposed director, Chief Executive Officer and Chief Financial Officer of a new applicant must file a personal declaration in the prescribed form, and be acceptable to the Exchange. This Rule does not apply to a secondary listing. <ul style="list-style-type: none"> <li>• The personal declaration form is in Appendix 4F.</li> </ul>
4480.	<b>Listing and Transferability</b>
4480.1	An applicant must apply to list all of the securities of a class that are issued or will be issued (except securities already listed).
4480.2	The securities must be freely tradable and freely transferable, except as permitted by the listing rules or the Exchange.
<b>4500</b>	<b>LISTING REQUIREMENTS FOR SECONDARY LISTINGS OF SECURITIES</b>
4501.	<b>Introduction</b>
4501.1	This Part sets out specific requirements for a secondary listing of securities on the ISM. They are in addition to the general requirements in Part 4400 (General Listing Requirements). Parts 4600 (Equities), 4700 (Investment Funds) and 4800 (Debt Securities) do not apply to secondary listings.

4501.2	Parts 4000 (General Principles), 4200 (Compliance) and 4300 (Suspension and Delisting) also apply to secondary listings, except as modified by this Part.
4501.3	A secondary listing may apply to equity securities, debt securities or investment funds.
4510.	<b>Primary Listing on Recognised Exchange</b>
4510.1	An applicant for a secondary listing must have the securities listed on the main board of a recognised securities exchange, and that exchange and its supervising securities regulator must be the primary regulators of the issuer and its securities.
4510.2	An applicant must satisfy the Exchange that the applicant and its securities will be properly regulated in its primary jurisdiction in order to qualify for listing on the ISM.
4510.3	An applicant must be in compliance with the rules of its recognised securities exchange and its recognised securities regulator at the time of application.
4520.	<b>Listing Document</b>
4520.1	An applicant for a secondary listing must file a listing document in the prescribed form for the type of security to be listed, as modified for a secondary listing. <ul style="list-style-type: none"> <li>The prescribed forms are in Appendices 4B (Equities), 4C (Investment Funds) and 4D (Debt Securities).</li> </ul>
4520.2	In addition to any other approach permitted by rule 4400, a listing document may be (in whole or in part) a public document issued by the issuer and approved by its recognised securities exchange or recognised securities regulator within the past year, if the document is covered by an update that: <ol style="list-style-type: none"> <li>discloses all material changes and new material information since the date of the original document, and</li> <li>discloses any additional information the listing document is required to disclose under the listing rules.</li> </ol>
	<b>CONTINUED LISTING REQUIREMENTS – SECONDARY LISTINGS</b>
4530.	<b>Introduction</b>
4530.1	Parts 5000, 5100, 5200 and 5300 of the listing rules do not apply to secondary listings. The applicable requirements for all types of securities are in this Part.
4540.	<b>Compliance with Recognised Exchange Rules</b>
4540.1	A listed issuer with a secondary listing must remain in compliance with all of the requirements of its recognised securities exchange and its recognised securities regulator at all times. An issuer must notify the Exchange immediately if it ceases to be in compliance with any requirements.
4540.2	1) a listed issuer must notify the Exchange immediately if the primary recognised

	securities exchange takes any of the following actions, or notifies the issuer that it may take such action:
	a) delists any of the issuer's securities
	b) suspends the listing of any of the issuer's securities
	c) suspends trading in any of the issuer's securities also listed on the ISM
	d) takes disciplinary action against the issuer
	e) waives the application of any listing rule to the issuer, or changes any listing rule that applies to the issuer.
	2) If any of the actions listed above occur, the Exchange has the right to immediately suspend trading in, suspend the listing of, or to delist, the listed securities affected.
4550.	<b>Equal Treatment</b>
4550.1	A listed issuer must treat all holders of each class of its listed securities equally, and ensure they have equal access to disclosure, reports and other information about the issuer.
4560.	<b>Change in Listing Sponsor</b>
4560.1	A listed issuer must notify the Exchange of a proposed change in its listing sponsor.
4560.2	If a listings sponsor ceases to act for a listed issuer for any reason, the issuer must appoint a new listing sponsor within 30 days.
4560.3	If a listed issuer fails to appoint a new listing sponsor within 30 days, the Exchange may suspend the listing of any of its securities under Rule 4301.
4570.	<b>Transfer and Registration</b>
4570.1	A listed issuer must provide transfer and registration facilities to holders of its listed securities.
4580.	<b>Filing and Disclosure Requirements</b>
4580.1	A listed issuer must file all information, disclosure materials, financial statements, reports, and other documents: 1) filed with its recognised securities exchange or recognised securities regulator, or 2) sent to the holders of its listed securities,  with the Exchange at the same time.
4580.2	A listed issuer must file a copy of all board of directors' resolutions or shareholders' resolutions that affect the rights of the holders of its listed securities with the Exchange forthwith on adoption.
4580.3	A listed issuer must circulate all information, disclosure materials, financial statements,

	reports, and other documents that it circulates to security holders in its primary jurisdiction to all holders of its listed securities.
4580.4	A listed issuer must distribute all material news releases and other disclosures in Barbados that it distributes in its primary jurisdiction.
4590.	<b>Additional Issues</b>
4590.1	A listed issuer must apply for listing of any additional issues of a class of listed securities before issuing them.
<b>4600.</b>	<b>LISTING REQUIREMENTS FOR EQUITY SECURITIES</b>
4601.	<b>Introduction</b>
4601.1	This Part sets out the requirements for listing equity securities on the ISM. They are in addition to the requirements in Parts 4200 and 4400. This Part does not apply to secondary listings, which are covered by Part 4500.
4610.	<b>Basic Requirements</b>
4610.1	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.
4610.2	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.
4610.3	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).
4610.4	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.
4620.	<b>Listing Document</b>
4620.1	The listing document to be filed with the Exchange must contain the information prescribed by the Exchange for an equity listing. <ul style="list-style-type: none"> <li>• The prescribed form is in Appendix 4B.</li> <li>• See Rule 4420 for cases where a listing document is not required.</li> </ul>
4630.	<b>Financial Statements</b>
4630.1	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.
4630.2	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.
4630.3	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.
4640.	<b>Directors and Officers</b>
4640.1	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.
4640.2	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.
4650.	<b>Additional Considerations</b>
4650.1	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.
4660.	<b>Appointments</b>
4660.1	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.
4660.2	The issuer must appoint a registrar and transfer agent acceptable to the Exchange.
4670.	<b>Preferred Shares</b>

4670.1	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.
4680.	<b>Convertible Securities</b>
4680.1	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.
4690.	<b>Warrants, rights and options</b>
4690.1	An application for a rights issue must be for rights to purchase of securities listed on the ISM.
4690.2	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.
4690.3	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.
4695.	<b>Mining Companies</b>
4695.1	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.
4695.2	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.
4695.3	The Exchange may impose any additional listing requirements on an applicant that is a mining company that the Exchange considers appropriate in the circumstances.
----	<b>Start-ups</b>
----	<b>Mining Exploration Companies</b>
<b>4700</b>	<b>LISTING REQUIREMENTS FOR INVESTMENT FUNDS</b>
4701.	<b>Introduction</b>
4701.1	This Part sets out the requirements for listing investment funds on the ISM. They are in addition to the requirements in Parts 4200 and 4400. This Part does not apply to secondary listings, which are covered by Part 4500.
4701.2	If applying for listing of a type of investment fund not addressed by this Part, the applicant must consult with the Exchange on the listing requirements.

4710.	<b>Basic Requirements</b>
4710.1	To qualify for listing on the ISM, an investment fund must be:
	1) incorporated or organised under the laws of a jurisdiction recognised by the Exchange under this Part, and
	2) suitable for listing in the opinion of the Exchange.
4710.2	The total market value of the fund's units must be at least \$US 1,000,000 or equivalent (unless the units are already listed on the ISM).
4710.3	The fund's directors, officers and investment managers must, in the opinion of the Exchange, have sufficient experience in the operation of investment funds and management of the kind of investments that the fund proposes to make.
4710.4	The fund's board of directors must be accountable to unit holders and act independently from the investment manager.
4710.5	Either:
	1) at least 25% of the class of the fund to be listed must be placed with public investors, or
	2) only qualified investors may be permitted to invest in and trade in the fund.
4710.6	The Exchange may, in its discretion, permit restrictions on the categories of investors that are permitted to invest in a fund, the percentage of public investors, or the size of trades in a fund.
4710.7	The net asset value of the fund must be calculated at least quarterly.
4720.	<b>Listing Document</b>
4720.1	The listing document to be filed with the Exchange must contain the information prescribed by the Exchange for an investment fund listing. <ul style="list-style-type: none"> <li>• The prescribed form is in Appendix 4C.</li> </ul>
4720.2	A listing document is not required for an open-ended fund that issues additional units of a class already listed on the ISM.
4730.	<b>Fund Appointments</b>
4730.1	A listed investment fund must appoint a custodian of its assets acceptable to the Exchange, which is a separate and independent entity from the fund and the investment managers.
4730.2	The fund must appoint an independent auditor that is acceptable to the Exchange to audit its financial statements in accordance with auditing standards acceptable to the Exchange.
4730.3	The fund must appoint a registrar and transfer agent acceptable to the Exchange.

4740.	<b>Property Funds</b>
4740.1	The listing document for a property fund must include the following information:
	1) a valuation of its real estate portfolio, in accordance with internationally accepted valuation standards, by a professional independent property valuer acceptable to the Exchange
	2) details of the valuation methodology used by the independent valuer
	3) details of any material change to any facts or assumptions in the valuation of its portfolio since the date it was prepared.
4740.2	If no real estate properties have been invested in yet, details of the valuation methodology to be used must be disclosed in the listing document. The Exchange must approve the independent property valuer that the fund proposes to appoint.
4750.	<b>Umbrella Funds</b>
4750.1	If the fund has more than one sub-fund, details of the sub-funds must be disclosed in the listing document, including financial statements for each sub-fund.
4760.	<b>Feeder Funds</b>
4760.1	The following additional requirements apply to a feeder fund:
	1) investments in the fund must be restricted to qualified investors
	2) the listing document must disclose details about the master fund. This may be included in an appendix containing approved disclosures by the master fund.
	3) the listing document must disclose specific risks of the feeder fund
	4) the master fund must be listed on the ISM or another recognized securities exchange
	5) the Exchange must be satisfied that investors in the fund will receive regular and sufficient information about the master fund
4770.	<b>Fund of Funds</b>
4770.1	The listing document for a fund of funds must include the following information for each investment fund that it will invest at least 20% of its assets in:
	1) the full name and registered address of the fund
	2) the date of incorporation
	3) if it is listed on any securities exchange
	4) the fund's investment objectives

	5) a description of its management, including the names of the investment manager and/or investment adviser, details of their qualifications and experience (including the value of assets under management), and details of in what jurisdictions and by what bodies they are regulated
	6) the structure of the fund, including if it is open-ended or closed-ended, and if its securities are voting or non-voting
	7) the fund's fees and expenses
	8) the risk factors of investing in it
	9) a statement that the fund's directors or investors may not be able to control the fund
	10) a description of any relationship between the fund of funds and funds it is investing in, including any conflicts of interest that could arise.
<b>4800</b>	<b>LISTING REQUIREMENTS FOR DEBT SECURITIES</b>
<b>4801.</b>	<b>Introduction</b>
4801.1	This Part sets out the requirements for listing debt securities on the ISM. They are in addition to the requirements in Parts 4200 and 4400. This Part does not apply to secondary listings, which are covered by Part 4500.
4801.2	The ISM lists any type of debt securities that meet its requirements, including:
	1) corporate debt
	2) term notes
	3) Eurobonds
	4) convertible bonds
4801.3	The ISM lists debt securities subject to restricted marketing that only qualified investors may invest in and trade.
4801.4	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.
<b>4810.</b>	<b>Basic Requirements</b>
4810.1	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 recognized securities exchange for purposes of this section
	3) a corporate issuer that has net tangible assets of at least \$US 5,000,000 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.
4810.2	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.
4810.2	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).
4810.3	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.
4820.	<b>Listing Document</b>
4820.1	The listing document to be filed with the Exchange must contain the information prescribed by the Exchange for a debt listing. <ul style="list-style-type: none"> <li>• The prescribed form is in Appendix 4D.</li> <li>• See rule 4420 for cases where a listing document is not required.</li> </ul>
4830.	<b>Financial Statements – New Applicant</b>
4830.1	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 in prepared in accordance with international accounting standards or US, UK or Canadian generally accepted accounting principles, or other standards acceptable to the Exchange, and
	3) have been independently audited in accordance with auditing standards acceptable to the Exchange.
4830.2	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.
4830.3	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.
4840.	<b>Appointments</b>

4840.1	The issuer must appoint a registrar and transfer agent acceptable to the Exchange.
4840.2	The issuer must appoint a paying agent acceptable to the Exchange.
4850.	<b>Convertible Securities</b>
4850.1	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.

<b>5000</b>	<b>CONTINUED LISTING REQUIREMENTS –GENERAL</b>
	<b>Introduction</b>
5001.1	<p>This Part sets out general requirements to continue a listing on the ISM. All listed issuers must comply with this Part on an ongoing basis, except for a secondary listing. In addition, a listed issuer must comply with the continued listing rules in Parts 5100 (Equities), 5200 (Investment Funds) and 5300 (Debt Securities), as applicable.</p> <ul style="list-style-type: none"> <li>• The requirements for secondary listings are in Part 4500.</li> </ul>
5010.	<b>Ongoing Operations</b>
5010.1	A listed issuer must carry on business at a level that is sufficient, or have net tangible assets of a value that is sufficient, to warrant continued listing on the ISM, as determined by the Exchange.
5020.	<b>Disclosure Requirements</b>
5020.1	A listed issuer must immediately inform the Exchange, the public and security holders of any information about the issuer or its securities that: <ol style="list-style-type: none"> <li>1) is necessary to enable them to assess the financial position of the issuer</li> <li>2) is necessary to avoid creating a false market in its securities, or</li> <li>3) would reasonably be expected to have a material impact on the price or trading activity of its securities.</li> </ol>
5020.2	The Exchange may, if it considers it in the interests of investors, require a listed issuer to make additional disclosure or to comply with additional continuing requirements to remain listed.
5030.	<b>Financial Statements and Reporting</b>
5040.1	A listed issuer must prepare audited annual financial statements in accordance with international accounting standards or US, UK or Canadian generally accepted accounting principles, or other standards acceptable to the Exchange, and audited in accordance with standards acceptable to the Exchange.
5040.2	The annual financial statements and auditor’s report, and the annual report required by the listing rules, must be filed with the Exchange and circulated to security holders forthwith after the directors have approved them, and within the time period required by law or regulation applicable to the issuer or within 6 months of its financial year-end (whichever is sooner).
5040.3	A listed issuer must prepare an interim report on its financial results and activities for the first six months of each financial year. The report must be prepared on a basis consistent

	with the annual financial statements, or must explain the nature and impact of any difference.
5040.4	The interim report must be must be filed with the Exchange and circulated to security holders forthwith after the directors have approved them, and within the time period required by law or regulation applicable to the issuer or within 3 months the end of its financial period (whichever is sooner).
5040.5	A listed issuer must announce its preliminary interim and annual financial results as soon as practicable after approval by the board of directors, and notify the Exchange at the same time.
5050.	<b>Filing Requirements</b>
5050.1	A listed issuer must file with the Exchange a copy of all information, disclosure materials, reports, and other documents that it files with another securities exchange or a securities regulator, or that it circulates to its security holders, at the same time.
5050.2	A listed issuer must file with the Exchange for review, 10 days in advance of issuance, any notices or communications that could affect arrangements for trading its listed securities.
5060.	<b>Notice Requirements</b>
5060.1	A listed issuer must notify the Exchange and security holders forthwith of:
	1) any changes in its board of directors, along with a signed personal declaration form from each new director as prescribed by the Exchange
	2) any change in the information filed in a director's personal declaration form
	3) any change in its senior officers
	4) a change in its jurisdiction of incorporation or legal organisation
	5) a change in its registered address or head office
	6) a change in its by-laws or constitution
	7) a proposed change in its capital structure, or a new issue of securities
	8) a decision to purchase, redeem or otherwise acquire any of its listed securities
	9) a change in its auditors, registrar or transfer agent
	10) if less than 25% of a class of the issuer's listed securities remains in the hands of public investors (except for a security exempted from this requirement)
	11) a board of directors' resolution or shareholders' resolution that affects the rights of the holders of any class of listed securities
	12) a proposed or a final suspension or delisting of any of its listed securities from another securities exchange, whether voluntary or not

	13) a decision to declare or pay a dividend or other form of distribution on listed securities, with details of the amount and timing
	14) a decision to suspend, delay or not pay a dividend or distribution that otherwise it was expected to pay
	15) any proposal, application, order or decision is made to appoint a receiver or manager, or to wind-up, the issuer or any member of the group
	16) any court or tribunal makes any order or decision that could impair the issuer's title to any of its assets accounting for more than 10% of its net assets based on book value
	17) any person with a security interest in any assets of the issuer seizes, takes possession of, or sells assets accounting for more than 10% of its net assets based on book value, or notifies the issuer of an intention to take any such action.
	18) if any material fact or change arises that would reasonably be expected to affect the financial position, value or ongoing operations of the listed issuer.
5060.2	A listed issuer must consult with the Exchange as far in advance as practicable about any change listed in section 5060.3
5060.3	A listed issuer must notify the Exchange of a proposed change in its Listing Sponsor.
5060.4	A listed issuer must notify the Exchange of any general or special meeting of any class of security holders.
5070.	<b>Transfer and Registration</b>
5070.1	A listed issuer must provide transfer and registration services to holders of its listed securities on an ongoing basis.
5080.	<b>Additional Issues</b>
5080.1	A listed issuer must obtain the Exchange's approval for the listing of any additional issues of a class of listed securities before issuing them.
<b>5100</b>	<b>CONTINUED LISTING REQUIREMENTS –EQUITIES</b>
5101.	<b>Introduction</b>
5101.1	In addition to Part 5000 (Continued Listing Requirements – General), a listed issuer of equities securities must comply with this Part on an ongoing basis, except for a secondary listing. <ul style="list-style-type: none"> <li>• The requirements for secondary listings are in Part 4500.</li> </ul>
5110.	<b>Financial Statements and Reporting</b>
5110.1	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) Provide a clear summary of the company's corporate governance framework and the company's performance against that framework.
<b>5200</b>	<b>CONTINUED LISTING REQUIREMENTS – INVESTMENT FUNDS</b>
5201.	<b>Introduction</b>
5201.1	In addition to Part 5000 (Continued Listing Requirements – General), an issuer of listed investment fund securities must comply with this Part on an ongoing basis, except for a secondary listing. <ul style="list-style-type: none"> <li>• The requirements for secondary listings are in Part 4500.</li> </ul>
5210.	<b>Additional Notice Requirements</b>
5210.1	In addition to the requirements of Part 5000, a listed investment fund must notify the Exchange and all unitholders immediately if any material fact or change arises that would reasonably be expected to affect the financial position, value or ongoing operations of the

	fund. This includes any material investment or trading losses.
5210.2	In addition to the requirements of Part 5000, a listed investment fund must notify the Exchange, the public and all unitholders immediately of:
	1) a proposed change in the investment objectives, restrictions or policies of the fund.
	2) a proposal to renew, merge, windup or terminate the fund
	3) a proposal or to redeem or repurchase units of the fund (except in the normal course of business)
	4) a proposed change to its capital structure, including to incur any debt obligation of an amount greater than 25% of the fund's net assets
	5) a board of directors' resolution or security holders' resolution that affects the rights of the holders of its units or listed securities
	6) a change in the fund's taxation or tax status
	7) less than 25% of a class of the fund remains in the hands of public investors (except for a fund exempted from this requirement)
	8) a change in its custodian, transfer agent, investment manager, or an investment advisor
	9) a proposal to change the method or frequency of calculating the net asset value of units
	10) a proposal to delay or suspend calculation of the net asset value of the units
	11) a proposal to change the jurisdiction of its legal organisation or administration.
5220.	<b>Approval of Changes to Fund</b>
5220.1	A listed investment fund must notify the Exchange and obtain the approval of a majority of its unit holders of any proposal to:
	1) make a material change in its investment objectives, structure or policies (as set out in its listing document)
	2) make a material change in its constitution or by-laws
	3) create or issue an additional class of securities in the fund, or
	4) convert the units of a class of the fund.
5220.2	A listed closed-ended investment fund must not issue additional units of the same class at less than the net asset value of that class, unless the units are offered first to current unit holders on a pro-rata basis.
5230.	<b>NAV and Distributions</b>
5230.1	A listed investment fund must file with the Exchange and disseminate to unitholders in a

	timely manner:
	1) the net asset value of its units periodically as set out in its listing document, and at any other time that the net asset value is calculated, and
	2) a decision to make any distribution or pay any dividend, including details of payments.
<b>5240.</b>	<b>Financial Statements and Reporting</b>
5240.1	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 following information:
	1) a detailed analysis of the fund's portfolio of investments by type of security and type of asset, as well as by general industrial or commercial sector and, if applicable, geographic region, including the market value of each category
	2) a chart that summarizes the fund's performance and total assets for the last 5 financial years
	3) an analysis and review of the fund's financial results as shown in the financial statements
	4) the holdings of each director, officer, investment manager and investment advisor any securities of the fund, whether held direct or indirectly
	5) the interests of each director, officer, investment manager and investment adviser in any entity that receives fees or any form of compensation from the fund
	6) the details of any fees and remuneration paid or payable by the fund to its directors and service providers (or any of their associates) during the financial year
	7) details of any arrangements where a director or service provider has waived or agreed to waive any fees or remuneration from the fund
	8) details of any right to subscribe for the fund's securities granted to any director, investment manager or investment adviser of the fund, and of the exercise of any such right.
<b>5250.</b>	<b>Related Party Transactions</b>
5250.1	If a listed investment fund proposes to enter into 1) a related party transaction, or 2) a transaction between the fund and an investment manager of the fund, the fund must notify the Exchange at least 10 days in advance and:
	1) the directors of the fund who have no interest in the transaction must confirm to the Exchange that in the directors' opinion, based on written advice from an independent professional, the transaction is fair and reasonable from the standpoint of the fund's securities holders
	2) if the value of the transaction is 5% or more of the net asset value of the fund, the fund must notify all of the fund's security holders of the details of the transaction at least 10 days in advance

	3) if the value of the transaction is 10% or more of the net asset value of the fund, the fund must send a circular to its security holders providing details of the proposed transaction and obtain their prior approval of the transaction.
5260.	<b>Requirements for Special Types of Funds</b>
5260.1	The financial statements of special types of investment funds must comply with the following:
	1) an umbrella fund's statements must incorporate all of its sub-funds
	2) a feeder fund's statements must include the statements of its master fund in an annex
	3) a fund of funds' statements must incorporate the information from the statements of each investment fund that it invested at least 20% of its assets in.
5260.2	A feeder fund must notify the Exchange and all unitholders forthwith of any matter relating to its master fund that must be disclosed under rule 5210.
5260.3	A closed-end fund must notify the Exchange of any material change in the holdings or identity of a substantial shareholder.
<b>5300</b>	<b>CONTINUED LISTING REQUIREMENTS – DEBT SECURITIES</b>
5301.	<b>Introduction</b>
5301.1	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 listing. <ul style="list-style-type: none"> <li>• The requirements for secondary listings are in Part 4500.</li> </ul>
5310.	<b>Additional Disclosure</b>
5310.1	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.
5320.	<b>Financial Statements and Reporting</b>
5320.1	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.
5330.	<b>Additional Notice Requirements</b>
5330.1	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 affected.
5330.2	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 debit 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.
5330.3	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.
5340.	<b>Paying Agent</b>
5340.1	A listed issuer must maintain a paying agent for holders of its listed debt securities.

## APPENDIX 4A - LISTING APPLICATION PROCEDURES

### EXHIBIT 4 A.1

#### Listing Application — Procedure for Regular ISM Listing

The initial application for listing must include the following:

- 1) A completed listing application (The applicable forms are in Appendix 4B (equities), Appendix 4C (investment funds) and Appendix 4D (debt securities).
- 2) All supporting documentation and information set out in Exhibit 4A.3
- 3) A draft listing document, including audited financial statements approved by the issuer's board of directors (or equivalent), in the prescribed form. (See the disclosure requirements in the exhibits to each type of application form.)
- 4) Any other disclosure document that the issuer has prepared for the securities offering or transaction, including a prospectus, information circular, information memorandum, rights offering circular or similar document.
- 5) A listing sponsor's declaration in support of the listing in prescribed form. (See Appendix 6B to the ISM listing sponsor rules.)
- 6) A duly executed personal declaration form (see Appendix 4F) from each director, senior officer and each control person of the issuer.
- 7) Any other information or documents requested by the Exchange.
- 8) Payment of the listing application fee.

The Exchange shall first check to ensure that an application is complete and all required information is filed. If it is not, the Exchange will identify the additional information that must be filed and defer consideration of the application until a complete application is filed.

The Exchange shall use its best efforts to review the application in a timely manner. We aim to provide comments on a regular ISM listing within the following timeframes:

- New equity listing – X days
- Additional equity listing by an issuer that already has an equity listed on the ISM – X days
- New debt listing – X days
- Additional debt listing by an issuer already listed on the ISM – X days
- New fund listing – X days
- Additional fund listing by an issuer that already has a similar fund listed on the ISM – X days
- Additional fund listing by an issuer that already has a fund listed on the ISM – X days

Following its review, the Exchange may:

- 1) Conditionally approve the application

- 2) Defer the application with a request for additional information, or
- 3) Decline the application.

If the Exchange defers an application, the issuer has 60 days to address the issues that caused the deferral and to provide any additional information requested. If the issues are not addressed within 60 days, the Exchange may decline the application.

### **Conditional Approval – Procedure for Final Listing**

If an application is conditionally approved the issuer has 90 days to file the final documentation listed in Exhibit 4A.3 to obtain final listing and posting of the security for trading on the ISM.

An issuer that has been conditionally approved for listing on the ISM may place the following statement on the front page of its final prospectus or listing document:

“The Barbados Stock Exchange International Securities Market has conditionally approved the listing of these securities. Listing is subject to the applicant fulfilling all of the Exchange’s requirements on or before [date].”

## **EXHIBIT 4 A.2**

### **Listing Application — Procedure for Secondary ISM Listing**

Applicants for a secondary listing should follow the same procedures listed above, but may benefit from a streamlined listing process:

- As set out in the listing rules, the listing document may be a public document issued by the issuer and approved by its recognised securities exchange or recognised securities regulator within the past year, if the document is wrapped with an update that discloses all material changes and new information since the date of the original document.
- The update must also include any disclosure that is required by the Exchange for a secondary listing but that is not included in the other jurisdiction’s document.
- Applicants benefit from a shorter application review process by the Exchange because of the reliance on previously approved disclosure documents and the regulation provided by the recognised securities exchange and recognised securities regulator.

Applicants for a secondary listing must provide details for the proposed recognised securities exchange and recognised securities regulator that will be the primary regulators of the applicant and the securities to be listed.

## EXHIBIT 4 A.3

### INFORMATION AND DOCUMENTS REQUIRED TO BE FILED WITH A LISTING APPLICATION

The following information and documents must be filed with the applicable listing application form. Drafts may be filed electronically.

N = Applies only to a new applicant (an issuer that is not already listed on the ISM).

#### Initial Draft Application

1. Draft form of the listing document in the form prescribed. A prospectus may be the listing document if it meets all of the disclosure requirements. If it does not, a prospectus may be wrapped with a supplementary document to form a listing document that meets all of the disclosure requirements.
2. Certified copy of any document that is to be incorporated in an annex to, or incorporated by reference in to, the listing document. A certified copy of any document that forms part of the listing document under the listing rules must be included.
3. Certified copy of any other disclosure document that the issuer has prepared for the securities offering or transaction, including a prospectus, information circular, information memorandum, rights offering circular or similar document.
4. Certified copy of the consent of each expert to the inclusion of a statement, report or opinion by the expert in the listing document.
5. N -- Certified copy of the certificate of incorporation or equivalent.
6. N -- Certified copy of the articles of incorporation or equivalent.
7. N – Certified copy of by-laws, memorandum of association or other constitutional documents.
8. Certified copy of the financial statements required to be included in the listing document, including any interim financial statements released since the last annual statements.
9. N – Most recent annual and quarterly or semi-annual reports released by the issuer.
10. Certified copy of a special resolution for each class of securities to be listed.
11. N – personal declaration form signed by each director and proposed director.
12. Payment of the application fee, as prescribed by the Exchange.
13. Secondary listing only – Certified copy of 1) the most recent prospectus or listing document, 2) annual financial statements and report, and 3) interim financial statements and report, that have been filed in the issuer's primary jurisdiction.
14. Debt securities only –
  - i) Draft trust deed, agency deed or other instrument that secures and creates the debt securities
  - ii) Trustee agreement
  - iii) Term structure of debt

15. Barbados issuers only – Registration statement under the Securities Regulations 2002.

### **Final Application**

1. A final, executed copy of the listing application form.
2. Two executed copies of the listing document, as well as any supplementary listing document.
3. Any additions or amendments to the supporting documentation provided in the initial listing application.
4. Two executed copies of the listing agreement.
5. An executed copy of the final listing sponsor's declaration in support of the listing (Appendix 6B to the ISM listing sponsor rules).
6. Certified copy of the resolutions of the board of directors (or equivalent body) authorising 1) the issue of the securities, 2) filing of the listing application, 3) execution of the listing agreement, and also 4) approving the listing document.
7. A signed legal opinion from the issuer's counsel (from a firm that is acceptable to the Exchange and practices in the issuer's domicile) stating that the issuer:
  - i) is in good standing under and not in default of applicable corporate law;
  - ii) is not in default of any securities law requirement of any jurisdiction where it is registered (or has equivalent status);
  - iii) has the corporate authority to own its properties and assets, to carry on its business, to execute the ISM listing agreement and to meet its obligations under that agreement and the ISM listing rules;
  - iv) has taken the necessary corporate actions to authorise its listing on the ISM and its execution and performance of the listing agreement and to ensure that the listing agreement is a legal, valid and binding obligation of issuer;
  - v) has duly issued all securities of the class to be listed, and any securities that may be issued upon conversion, exercise or exchange of other securities are or will be duly issued.
8. If the issuer is to be listed on the basis of a public offering, a copy of the receipt for the final prospectus from the applicable securities regulatory authority or authorities.
9. A letter from the transfer agent stating the total number of securities issued and confirmation of the number of securities holders.
10. A description of the proposed arrangements for clearance and settlement of trades in the listed securities.
11. Any other documentation required by the listing rules for a particular application, or that the Exchange requires to be filed.
12. Payment of the new listing fee and the annual listing fee for the first year of listing, as prescribed by the Exchange for the ISM.

## APPENDIX 4 B - APPLICATION FOR LISTING FORM – EQUITIES SECURITIES

Notes:

- Information in a listing document that is filed with the application may be incorporated by reference. Note the relevant page number in the listing document.
- If an item on the form is not applicable, insert “N/A”, or if partly applicable insert the information and note the change in the nature of that information.

[NAME OF APPLICANT] applies for listing on the International Securities Market of the Barbados Stock Exchange.

DATED (day – month – year)

### Summary Information

<b>1. Issuer</b>	
<b>2. Type of Business</b>	
<b>3. Domicile of Incorporation</b>	
<b>4. Securities to be Listed</b>	
Type of securities	
Class of securities	
Number of securities to be listed	
Equities: Number of shares:	
<ul style="list-style-type: none"> <li>• Authorised</li> <li>• Issued</li> </ul>	
Proposed price of issue / currency	
<b>5. Method of Listing</b>	
<b>6. Listing Sponsor</b>	
<b>7. Is this a Secondary Listing?</b>  (If yes, list the proposed recognised securities exchange and recognised securities regulator.)	
<b>8. Proposed Date of Listing</b>	
<b>9. Other markets the issue is or will be listed on</b>	
<b>10. Jurisdictions of registration as a public issuer (if any)</b>	
<b>11. Primary jurisdiction for approval of prospectus (if any)</b>	

<b>12. Jurisdictions where securities will be offered for sale</b>	
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**The Issuer**

13. Date of incorporation / establishment:			
14. Address of main registered office:			
15. Address of primary place of business operations: (if more than one, include a list)			
16. List main business lines of the company and the percentage of revenue each accounts for:			
17. Fiscal year:			
18. Auditors:			
19. Last annual general meeting:			
20. List of officers:			
<u>Name</u>	<u>Home Address</u>	<u>Office</u>	<u>Primary occupation</u>
21. List of directors:			
<u>Name</u>	<u>Home Address</u>	<u>Primary position</u>	<u>Primary occupation</u>

## Current share capital and ownership

22. Current ownership of the issuer:				
23. Share Capital Structure:				
<u>Class</u>	<u>Authorised</u>	<u>Issued and outstanding</u>	<u>To be listed</u>	<u>Stated capital</u>
24. Details of voting rights, other rights and conditions for each class of shares:				
25. Details of shares issued in the past 5 full years:				
<u>Date of issue</u>	<u>Number of shares</u>	<u>Cash price or type of consideration</u>	<u>Number of buyers</u>	<u>Proceeds to issuer</u>
26. Debt Capital Structure:				
<u>Issue</u>	<u>Authorised Amount</u>	<u>Principal outstanding</u>	<u>Maturity</u>	<u>Secured by</u>
27. Details of options, convertible securities or any other arrangements that could lead to issuance of additional shares of any class:				
28. All securities of the issuer held by each director and officer of the issuer: (Direct and indirect holdings must be included.)				
<u>Name</u>	<u>Address</u>	<u>Class</u>	<u>Number held</u>	<u>Percentage held</u>
29. Names and addresses of all security holders of the issuer that own or control, directly or indirectly, 5% or more of the outstanding equity shares of the issuer and the number of shares held by each:				

<u>Name</u>	<u>Address</u>	<u>Class</u>	<u>Number held</u>	<u>Percentage held</u>

### Details of Securities to be Listed

30. Type of security:	
31. Total number of shares (equity) to be issued:	
32. Total number of shares to be issued on the exercise of all outstanding options or rights of conversion, to be approved for listing:	
33. Proposed currency for trading:	
34. Proposed or estimated price of issue:	
35. Estimated market capitalisation of the securities: 1. In currency of trading 2. In US dollars	

### Listing Fees

36. Application fee	
37. New listing fee	
38. Annual listing fee	

## EXHIBIT 4 B.1

### CONTENTS OF LISTING DOCUMENT – EQUITIES

#### Introduction

A listing document submitted with an application for listing of equity securities must contain all of the information listed below, to the extent it applies to the securities to be listed.

A listing document must contain sufficient information and detail to enable an investor to make an informed assessment of the activities, assets and liabilities, financial position, management, prospects, and the profits and losses of the issuer and of the rights attaching to the securities. Additional information may be required based on the nature of the issuer or the type of securities to be listed. If so, it is the issuer's responsibility to ensure that all relevant information and details are included.

Definitions – The definitions in the listing rules apply to these requirements.

**Use of prospectus** – A prospectus prepared in conjunction with the issue and listing of securities may be the listing document if it meets all of the disclosure requirements. If it does not, a prospectus may be wrapped with a supplementary document to form a listing document that meets all of the disclosure requirements.

**Secondary listings** – As set out in the listing rules, the listing document may be a public document issued by the issuer and approved by its recognised securities exchange or recognised securities regulator within the past year, if the document discloses all material changes and new information since the date of the original document. (If no material changes or new information have arisen, this must be stated.) The update must also include any disclosure that is required by the Exchange for a secondary listing but that is not included in the other jurisdiction's document.

A listing document may also include documents annexed to, or incorporated by reference into the listing document, if the conditions set out in the listing rules are met. The update to the listing document may be provided by a document that covers or wraps the public document used as the main part of the listing document, or by documents annexed to the listing document.

A listing document for a secondary listing must include the requirements in paragraphs 1 to 7, 12, 23, 44, and 45 below.

The listing document must also include a statement that the primary regulation of the issuer and its securities to be listed on the ISM is or will be provided by its recognised securities exchange and recognised securities regulator.

**Rights issues and placements** – A listing document for a rights issue or a placement of securities issued previously must include only the requirements in paragraphs 1 to 7, 10 to 12, 16, 22, 26, 31, 32, 44 to 48, 50 to 54, 58 to 61, 67, and 68 below.

#### Summary of Document

1. A statement that application has been made to the Exchange for the listing of the securities on its International Securities Market.
2. The full name and the address of the registered office of the issuer.

3. Details of securities being offered / listed, including type, class, number and price.
4. Name and address of the head office of the listing sponsor.
5. Name and address of the underwriters or distributors of the securities.
6. The name, address and qualifications of the issuer's auditors for the last three financial years.
7. The following statement about the listing document:

“This listing document includes information given in compliance with the listing rules of the Barbados Stock Exchange – International Securities Market. The directors of [*name of issuer*] collectively and individually accept full responsibility for the accuracy of the information contained in the listing document and confirm, having made reasonable enquiry, that to the best of their knowledge and belief there are no facts the omission of which would make any statement in this listing document misleading.

The Barbados Stock Exchange takes no responsibility for the contents of this document, makes no representations as to its accuracy or completeness, and expressly disclaims any liability whatsoever for any loss arising from or in reliance upon any part of this document.”

### **Information about the Issuer and the Listing Document**

8. The date and country of incorporation or other establishment of the issuer.
9. Names and addresses of the issuer's principal bankers, investment and/or financial advisers, legal advisers, registrars and custodians (if any), and any expert to whom a statement or report included in the listing document has been attributed.
10. Where the listing document includes a statement or report made by an expert, a statement:
  - i) describing the qualifications of each expert and whether such expert holds any securities in any member of the group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the group. If so, describe that expert's holding and rights.
  - ii) that the expert has given and has not withdrawn written consent to the issue of the listing document with the expert's statement or report included in the form and context in which it is included.
  - iii) of the date on which the expert's statement or report was made and whether or not it was made by the expert for purposes of the listing document.
11. The name of any promoter, and if the promoter is a company, a statement of its issued share capital, the amount paid up thereon, the date of its incorporation or other establishment and the names of its directors, and the amount of any cash, securities or other benefit given to, or proposed to be given to, each promoter within the two years prior to the date of the listing document.
12. Other securities exchanges or markets where the same class of securities is already listed, or where the issuer has or will apply to list the securities.
13. Details of any arrangement under which future dividends are waived or agreed to be waived.

14. Details of any commissions, discounts, brokerages or other special terms granted within the two years immediately preceding the listing document in connection with the issue or sale of any security of any member of the group, together with the names of any directors, proposed directors, promoters or experts who received any such payment or benefit and the amount or rate of the payment or benefit they received. If none, an appropriate negative statement.
15. The provisions, or a sufficient summary of the provisions, of the articles of incorporation or equivalent document on:
  - i) any power enabling a director to vote on a proposal, arrangement or contract in which the director or any of the director's associates is materially interested;
  - ii) any power enabling the directors to vote on their remuneration (including pension or other benefits) or that of any members of their body, and any other provision on the remuneration of the directors;
  - iii) any power to borrow exercisable by the directors and how such borrowing powers can be varied;
  - iv) any requirement for a director to retire by a specified age or after a period of service;
  - v) any requirement for directors' qualification shares;
  - vi) changes in capital;
  - vii) any time limit after which entitlement to a dividend lapses and in whose favour the lapse operates;
  - viii) the arrangements for transfer of the securities and (where permitted by the Exchange) any restrictions on their free transferability.

#### **Information about the securities to be listed**

16. The following information, where applicable, about the terms and conditions of the issue of the securities proposed to be listed:
  - i) the total amount of the issue and the number of securities offered;
  - ii) the issue or offer price of each security and its nominal value;
  - iii) the acceptable methods of payment of the issue or offer price;
  - iv) the procedure for the exercise of any pre-emptive rights and the transferability of any subscription rights;
  - v) the period of time that the issue or offer of securities will remain open after the listing document is released, the date and time of opening of the subscription list, and the names of the receiving bankers;
  - vi) the methods of, and the time limits for, delivery of the securities;
  - vii) the names, addresses and a description of the persons underwriting the issue;
  - viii) the names, addresses and descriptions of the sellers of the securities (other than the issuer), or, if there are more than ten sellers, the same details for the ten principal sellers (and any interest of any director of the issuer or associate of a director of the issuer in any such vendor) and the number of other vendors;
  - ix) if a public or private offer or placement has been or is being made

simultaneously in one or more other countries, and if a tranche of securities has been or is being reserved for any of those offerings, the details of any such tranche.

17. Details of the security holders' rights on:
  - i) voting and any restrictions or limitations on voting rights;
  - ii) entitlement to dividends;
  - iii) entitlement to share in capital distributions;
  - iv) redemptions of securities;
  - v) the creation or issue of further securities ranking in priority to, or on par with, the class of securities to be listed; and
  - vi) any other material rights.
18. A description of the consents necessary to vary any of the rights listed in paragraph 17.
19. If the issuer is empowered to purchase its own securities, a summary of the basis on which such purchases may be made.
20. All material risks of investing in the securities, including risks relating to the issuer and its industry.
21. A statement of the net tangible asset backing for each class of security to be listed (after making allowance for the new securities to be issued).
22. An estimate of the expenses and the net proceeds of the issue and a description of how the proceeds are intended to be used.
23. The date trading in the securities is expected to commence.
24. A description of how title to the securities will be evidenced and registered.

Convertible securities, options, etc.

25. If applying for listing of convertible securities, options, warrants or similar rights to subscribe for other securities:
  - i) the maximum number of securities that could be issued on exercise of such rights;
  - ii) the period during which such rights may be exercised and the date when this right commences and ends;
  - iii) the amount payable on the exercise of such rights;
  - iv) the arrangements for transfer or transmission of such rights;
  - v) the rights of the security holders on liquidation of the issuer;
  - vi) the arrangements for the variation in the subscription or purchase price or number of securities to take account of changes to the issuer's share capital;
  - vii) the rights (if any) of the holders to participate in any distributions and/or offers of additional securities made by the issuer; and
  - viii) a summary of any other material terms of the securities to be listed.

Rights issues

26. If applying for listing of a rights issue:

- i) the pro rata entitlement to securities on exercise of the rights;
- ii) the last record date for security holders to participate in the rights issue;
- iii) the time period for acceptance of the rights offering;
- iv) the dates that instructions to exercise rights may be given;
- v) the rights and privileges of holders of the securities to be issued on exercise of the rights issue, including dividends, voting, repurchase, redemption and the right to surplus assets on liquidation or winding-up of the issuer;
- vi) the total number of shares expected to be issued and the amount expected to be raised by the rights issue;
- vii) treatment of fractional shares on exercise of rights;
- viii) treatment of any securities not taken up in the rights offering; and
- ix) any other material terms of the rights issue.

### **Information about the issuer's capital**

- 27. The issuer's authorised share capital, the amount issued or agreed to be issued under the listing document, the amount paid up, and the nominal value of the shares.
- 28. The amount of any outstanding convertible securities and details of the conditions governing, and the procedures for, conversion, exchange or subscription of such securities.
- 29. A description of all issued securities, and the number held in treasury. If any part of the issued capital remains to be paid up, a statement of the number, or total nominal value, and type of securities not yet fully paid up, with details of the amount remaining to be paid up.
- 30. If an issuer has authorised but unissued capital, or is committed to increase its capital, a description of:
  - i) the amount of such authorised capital or capital increase;
  - ii) any categories of persons with preferential subscription rights for any such additional capital;
  - iii) the terms and arrangements for the share issue under any such rights.
- 31. Details of any changes in the issuer's capital and the capital of any member of the group, within two years prior to the date of the listing document, including the price and terms of such issues, whether they are fully or partly paid and any discounts or special terms granted. If no changes, an appropriate negative statement.
- 32. Details of any capital of any member of the group that is under option, or agreed conditionally or unconditionally to be put under option, including the consideration for which the option was or will be granted, the price and duration of the option and the name and address of the grantee. If options have been granted or agreed to be granted to all holders of any class of securities or to employees under a share incentive plan, names and addresses are not required.

### **Information about the group**

In this section a "group" refers to the issuer itself and, if it is a member of a group as defined in the listing rules, to the group.

33. If the issuer is a member of a group, a brief description of that group covering the issuer's position within that group and, if a subsidiary, the names of and the number of shares held (directly or indirectly) by each holding company of the issuer.
34. A brief history of, and a description of the objectives and nature of, the group's business. If more than one type of business activity is carried on that is material to the group, include data and descriptions to explain the relative importance of each activity, details of the main categories of products sold and/or services performed, and a description of any significant new products and/or activities.
35. Details of any proposed changes in the nature of the group's business.
36. Details of the main assets of the group, including property, plants, investments, and resource properties, including their geographic location.
37. Details of the location, size and nature each of the group's establishments that account for more than 10% of revenue, sales or production.
38. Details of any trademarks, patents or other intellectual or industrial property rights that are material to the group's business, and a statement about the degree to which the group's business and profitability is dependent on such factors.
39. If research and development of new products and processes are material to the group's business over the past three financial years, information about its policy on such research and development.
40. Details of any interruptions in the group's business that may have or have had a material effect on the group's business or financial position in the last 12 months.
41. Details of any litigation or claims made against any member of the group in the last five years that are material to the group, including any pending or threatened legal action against any member of the group.
42. The number of people employed by the group and, if material, changes to that number in the last 12 months, as well as a breakdown of the number employed in each main type of business activity.
43. A table listing for 1) each subsidiary of the issuer; and 2) each company in the group whose profits, losses or assets are material to the issuer's most recent annual financial statements, the following:
  - Company name
  - Place of incorporation
  - Location of operations
  - Nature of business
  - Issued share capital
  - Percentage of that company's voting securities owned by the issuer.

### **Financial statements and prospects**

44. A table summarising the audited financial statements for the last three financial years that:
  - i) shows consolidated information for the group;
  - ii) includes an income statement, balance sheet, cash flow statement, notes to the financial statements and information on accounting policies;
  - iii) includes total sales and revenue, and gross revenue and income, data along

with a breakdown among the main types of business activity; and

- iv) includes a letter from the directors (or equivalent) confirming that the information provided accurately reflects the financial statements audited by qualified independent auditors and prepared in accordance with international accounting standards, or US, Canadian or UK generally accepted accounting principles (or an equivalent standard accepted by the Exchange).
45. If the listing document is dated over nine months since the end of the last financial year, interim financial statements covering at least the first six months of the current financial year, and whether the statements are audited.
46. A statement by the independent auditors on whether any of its audit reports over the last three financial years have been qualified, and if so, details and reasons for the qualifications.
47. The issuer's auditors must prepare and file a report if:
- i) a material change in the group's structure or business has occurred in the last two financial years or up to the date of the listing application;
  - ii) a material change has been made to the group's accounting policies, or a material adjustment has been made to the published audited financial statements, in the last two financial years or up to the date of the listing application; and
  - iii) the auditors' report on the issuer's financial statements for any of the last two financial years has been qualified.

The Exchange must be consulted in cases where the issuer is uncertain about whether an auditors' report is required.

The auditors' report must provide the auditors' opinion on whether the information provided under paragraphs 44 and 45 above gives a true and fair view of the financial matters set out. If the auditors' opinion is qualified in any way, the report must provide the reasons for the qualifications and provide a statement of adjustments to the reported data as necessary to address the issues identified by the auditors, covering each financial period that the qualifications affect.

48. Details of the earnings per share and dividends paid by the issuer, and by the group, for each of the last three financial years. If the number of shares outstanding has changed during that period, adjusted data must be used, including how the adjusted data was calculated.
49. A statement as of the most recent practical date of the following, on a consolidated basis for the group:
- i) the total amount of 1) debt securities issued and outstanding, 2) authorised but unissued debt, and 3) term loans;
  - ii) details of whether or not the debt securities and term loans are guaranteed, unguaranteed, secured (by the issuer or by third parties) or unsecured;
  - iii) the total amount of all other borrowings or indebtedness, including bank overdrafts and liabilities (except receivables in the normal course of business);
  - iv) details of whether the borrowings or indebtedness are guaranteed, unguaranteed, secured or unsecured;
  - v) the total amount of mortgages and similar secured charges;

- vi) the total amount of any contingent liabilities or guarantees; and
  - vii) if any type of debt listed above does not exist, a statement to that effect.
50. General information on the results of the group's business since the date of the latest audited financial statements, or since incorporation.
  51. A statement of any material adverse changes in the group's financial position or business since the date of the latest audited financial statements, or since incorporation. If none, a statement to that effect.
  52. A statement about the group's financial and business prospects for the current financial year, including any material information or risks not set out elsewhere in the listing document that could have a material effect on the group's financial or business results.
  53. A statement by the directors that the group's working capital is sufficient to meet its requirements for at least the next 12 months or, if not, how additional working capital will be obtained.
  54. A forecast of profits or dividend payments must not be included in a listing document except if supported by a formal profit forecast. A formal profit forecast must include:
    - i) a report from the listing sponsor confirming that the forecast was reviewed and approved by the directors of the issuer or the group (as applicable) following a due diligence review of its contents,
    - ii) details of the main assumptions that the forecast is based on,
    - iii) details of the methodology used in preparing the forecast, and
    - iv) a report from the auditors confirming that the forecast was calculated in accordance with the issuer's or group's established accounting policies.

### **Directors and management**

55. The full name, residential or business address, qualifications and responsibilities of each director or proposed director of the issuer.
56. The full name, residential or business address, qualifications and responsibilities of each senior officer of the issuer, and of any other person who performs an important management function for the issuer.
57. The address of the registered office and the head office.
58. A statement showing the interests of each director of the issuer and the associates of each director (as known to each director having made all reasonable enquiries) in equity or debt securities of the issuer or the group.
59. To the extent known to the issuer based on reasonable enquiry, the names and addresses of all security holders of the issuer that own or control, directly or indirectly, 5% or more of the outstanding equity shares of the issuer and the number of shares held by each.
60. The total remuneration and benefits paid to or received by the directors of the issuer, by or from any member of the group, relating to the last full financial year.
61. The proposed or estimated total remuneration and benefits payable to, or received by the directors (and any proposed directors) of the issuer, by or from any member of the group, relating to the current financial year.
62. Details of any arrangement under which a director of the issuer has waived or agreed

to waive any future remuneration or benefits.

63. Details of each director's existing or proposed service contracts with any member of the group (excluding contracts expiring within one year without payment of compensation).
64. Details of any contract or arrangement that a director of the issuer has any material interest in, and that is material to the business of the issuer or the group.
65. The total of any outstanding loans by any member of the group to any directors, and of any guarantees provided by any member of the group for any director.

#### **Material contracts and documents**

66. The dates, parties to, and material terms of all material contracts (except contracts entered into in the normal course of business) entered into by any member of the group in the last two years, including any consideration to be paid or received by any member of the group.
67. Information on how the following documents may be reviewed:
  - i) the issuer's by-laws, articles of incorporation or other constitutional documents;
  - ii) any contract disclosed under paragraphs 63, 64 or 66;
  - iii) any reports, opinions, statements or other documents provided by an expert that is included in or referred to in the listing document;
  - iv) the audited financial statements summarized in the listing document.
68. Details of how annual and any interim financial reports may be obtained, and how often interim reports are circulated.
69. If any document listed in paragraph 67 is not in the English language, a translation into English must be made available, or if the Exchange agrees, a summary of the document.

#### **Special Types of Companies**

##### **Property Companies**

70. In the case of a property or real estate company, a valuation report on the issuer's interests in land or buildings prepared by an independent qualified property valuer as at a date within 3 months of the date of the listing document. If the date of the valuation is different than the date of the latest audited financial statements, the valuation report must reconcile the data in the report with the data in the audited financial statements.

##### **Mining Companies**

71. An applicant that, in the opinion of the Exchange, is a mining company or a mining exploration company must include the following information:
  - i) details of the mineral resources and mineral reserves of both the issuer and the group, or a negative statement for each;
  - ii) details of the expected working life of the mineral reserves;
  - iii) a summary of the terms of any mining or exploration licences or concessions

- and the conditions for working those licences or concessions;
- iv) details of the progress of all material mining operations and properties, and mining exploration programs and properties;
  - v) a detailed explanation of the use of proceeds in the issuer's business and development objectives;
  - vi) details of the arrangements in place to restrict the disposal of certain shareholdings.
72. A technical report from a suitably qualified independent mining engineering or geological consulting firm, to be agreed on in advance with the Exchange and prepared in accordance with a recognised international mining reporting standard, including:
- i) legal rights and interest in all material properties, licences and concessions;
  - ii) geological overview for all material properties;
  - iii) a detailed description of mineral resources and reserves;
  - iv) valuation of mineral reserves, including details of any international valuation codes used;
  - v) details of the analysis, procedures and any site inspections undertaken by the independent firm;
  - vi) review of the issuer's production schedules, progress of property development and forecast extraction rates, or in the case of an exploration company, details of progress on all material exploration programs;
  - vii) available and required plant and equipment;
  - viii) environmental factors;
  - ix) site maps and plans;
  - x) risk factors, including geological, operational, financial and political risks; and
  - xi) any special factors that may affect exploration or extraction including accessibility and availability of utilities or other essential services.

The report must be dated within six months of the date of the listing document, which must provide the details of any material changes to the information contained in the report since it was completed.

## APPENDIX 4 C - APPLICATION FOR LISTING FORM – INVESTMENT FUNDS

Notes:

- Information in a listing document that is filed with the application may be incorporated by reference. Note the relevant page number in the listing document.
- If an item on the form is not applicable, insert “N/A”, or if partly applicable insert the information and note the change in the nature of that information.

[NAME OF APPLICANT] applies for listing on the International Securities Market of the Barbados Stock Exchange.

DATED (day – month – year)

### Summary Information

<b>1. Issuer / Name of Fund</b>	
<b>2. Type of Investment Fund</b>	
<b>3. Domicile of Organisation</b>	
<b>4. Securities to be Listed</b>	
Type and name of securities	
Class of securities	
Number of securities to be listed	
Proposed price of issue / currency	
<b>5. Method of Listing</b>	
<b>6. Listing Sponsor</b>	
<b>7. Is this a Secondary Listing?</b>  (If yes, list the proposed recognised securities exchange and recognised securities regulator.)	
<b>8. Proposed Date of Listing</b>	
<b>9. Other markets the fund is or will be listed on</b>	
<b>10. Jurisdictions of registration as a public issuer (if any)</b>	
<b>11. Primary jurisdiction for approval of prospectus</b>	
<b>12. Jurisdictions where the fund will be offered for sale</b>	

### The Issuer

13. Date of incorporation / establishment:			
14. Address of main registered office:			
15. Address and jurisdiction for fund operations:			
16. List primary investment objectives of the fund:			
17. Fiscal year:			
18. Auditors:			
19. Last annual general meeting:			
20. List of officers:			
<u>Name</u>	<u>Home Address</u>	<u>Office</u>	<u>Primary occupation</u>
21. List of directors:			
<u>Name</u>	<u>Home Address</u>	<u>Primary position</u>	<u>Primary occupation</u>

### Details of Securities to be Listed

39. Type of security:	
40. Total number of securities to be issued:	
41. Proposed currency for trading:	
42. Proposed or estimated price of issue:	
43. Estimated market capitalisation of the securities: <ul style="list-style-type: none"><li>• In currency of trading</li><li>• In US dollars</li></ul>	

**Listing Fees**

44. Application fee	
45. New listing fee	
46. Annual listing fee	

## EXHIBIT 4 C.1

### CONTENTS OF LISTING DOCUMENT – INVESTMENT FUNDS

#### Introduction

A listing document submitted with an application for listing of investment fund securities must contain the information listed below.

A listing document must contain sufficient information and detail to enable an investor to make an informed assessment of the investment activities, assets and liabilities, financial position, and management of the fund. Additional information may be required based on the nature of the issuer or the type of fund to be listed. If so, it is the issuer's responsibility to ensure that all relevant information and details are included.

The update must also include any disclosure that is required by the Exchange for a secondary listing but that is not included in the other jurisdiction's document.

If an applicant fund is organised as a trust or partnership, all of the required contents of the listing document apply, with necessary modifications to reflect the legal status of the fund.

Definitions – The definitions in the listing rules apply to these requirements.

**Use of prospectus** – A prospectus prepared in conjunction with the issue and listing of securities may be the listing document if it meets all of the disclosure requirements. If it does not, a prospectus may be wrapped with a supplementary document to form a listing document that meets all of the disclosure requirements.

**Secondary listings** – As set out in the listing rules, the listing document may be a public document issued by the issuer and approved by its recognised securities exchange or recognised securities regulator within the past year, if the document discloses all material changes and new information since the date of the original document. (If no material changes or new information have arisen, this must be stated.) The update must also include any disclosure that is required by the Exchange for a secondary listing but that is not included in the other jurisdiction's document.

A listing document may also include documents annexed to, or incorporated by reference into the listing document, if the conditions set out in the listing rules are met. The update to the listing document may be provided by a document that covers or wraps the public document used as the main part of the listing document, or by documents annexed to the listing document.

A listing document for a secondary must include the requirements in paragraphs 1 to 7, 13, 23, 51, 62, and 66 below.

The listing document must also include a statement that the primary regulation of the issuer and its securities to be listed on the ISM is or will be provided by its recognised securities exchange and recognised securities regulator.

#### Summary of Document

1. A statement that application has been made to the Exchange for the listing of the fund on the Exchange's International Securities Market.
2. The full name and the address of the registered office of the fund and the fund

sponsor.

3. Details of securities being offered, including type, class, and price.
4. Name and address of the head office of the listing sponsor.
5. Name and address of the underwriters (if any) or distributors of the securities.
6. The name, address and qualifications of the fund's auditors.
7. The following statement about the listing document:

“This listing document includes information given in compliance with the listing rules of the Barbados Stock Exchange – International Securities Market. The directors of *[name of fund or issuer]* collectively and individually accept full responsibility for the accuracy of the information contained in the listing document and confirm, having made reasonable enquiry, that to the best of their knowledge and belief there are no facts the omission of which would make any statement in this listing document misleading.

The Barbados Stock Exchange takes no responsibility for the contents of this document, makes no representations as to its accuracy or completeness, and expressly disclaims any liability whatsoever for any loss arising from or in reliance upon any part of this document.”

### **Information about the Issuer and the Listing Document**

8. The date and country of incorporation or other establishment of the fund.
9. Names of all securities regulatory authorities or other regulatory bodies that regulate and supervise the fund.
10. Names and addresses of the fund's service providers, including custodian, trustee, and registrar.
11. Names and addresses of the fund's principal bankers, investment and/or financial advisers, legal advisers, and any expert to whom a statement or report included in the listing document has been attributed.
12. Where the listing document includes a statement or report made by an expert, a statement:
  - i) describing the qualifications of each expert and whether any expert holds any securities in the fund;
  - ii) that the expert has given (and has not withdrawn) written consent to the issue of the listing document with the expert's statement or report included in the form and context in which it is included;
  - iii) of the date on which the expert's statement or report was made and whether or not it was made by the expert for purposes of the listing document.
13. Other securities exchanges or markets where the same class of the fund is already listed, or where the issuer has or will apply to list the fund.

### **The Fund and its Investments**

14. The investment objectives and policies of the fund, and any investment restrictions.
15. The requirements and procedures to change the investment objectives, policies or restrictions of the fund.

16. Details of any legal or other limitations on the fund's investments or investment strategies.
17. Types of securities, assets or other investments that the fund will invest in.
18. The countries or regions, commercial or industrial sectors and similar areas of investment for the fund.
19. Details of the fund's intent and authority to use borrowed funds, leverage, derivatives, currency or other forms of hedging, and other investment strategies. Provide a negative statement for any strategy that will not be used.
20. Details of the fund's policy on distribution of income, including capital gains.
21. The rate of withholding tax withheld at source (if any), and whether the issuer assumes responsibility for withholding of tax at source
22. Whether the fund has more than one class of securities, and if so what the relationship between different classes is.
23. The currency of issue and method of payment of the issue or offer price.
24. If the fund has a portfolio of investments, a statement that a list of the main investments is included in the listing document with the financial statements.
25. If the fund does not yet have a portfolio of investments, details of the portfolio that the fund proposes to acquire, including their current market value.
26. A description of the risk factors of investing in the fund that covers all applicable categories of risk, including market, liquidity and political risk.
27. A statement on whether the directors expect the fund's securities to trade actively in the secondary market.
28. Details of all material fees to be paid by the fund and their method of calculation.
29. In the case of a new fund, the total cost of establishing the fund and the extent to which the fund is responsible for the cost.
30. Details of arrangements for safekeeping of the assets of the fund.

### **General Information on the Fund**

31. Date of incorporation or other establishment of the fund and the fund group or family.
32. If fund is part of a group, a brief description of the group and the fund's position within it.
33. Details of whether the fund is a company, a unit trust, or a partnership, and:
  - i) if the fund is a company, the designation of its shares or units, and the number issued or to be issued;
  - ii) if the fund is a unit trust, the designation of its units, and the number issued or to be issued;
  - iii) if the fund is a partnership, the types of partnership interests and the liabilities of the partners.
34. A summary of the fund's by-laws or constitution on:
  - i) the rights of the holders of each class of securities, including:
    - voting rights
    - rights to distributions or dividends

- the differences in the rights of each class
  - any entitlement to share in the profits and in any surplus on winding up or liquidation of the fund
  - any pre-emptive rights
  - any other special rights, including redemption or conversion rights.
- ii) approval of changes in the fund's issued securities or capital, or any of the rights of holders of securities
  - iii) any power enabling the directors to vote on the compensation of any directors
  - iv) any borrowing powers exercisable by the directors and how such borrowing powers can be varied.
35. The name of any promoter, and the amount of any cash, securities or other benefit given to, or proposed to be given to, each promoter within the two years prior to the date of the listing document.
  36. Authorised share capital of the fund and a description of all classes of securities.
  37. Details of any securities of the fund that are convertible or under option, including the consideration paid for the securities, the price and duration of the conversion rights or option, and the name and address of the grantee.
  38. Details of any litigation or claims of material importance pending or threatened by or against the fund.
  39. Details of taxation of the fund.
  40. Name(s) of any person(s) who, directly or indirectly, exercise or could exercise control over the fund, including details of the percentage of voting securities held by such person(s).
  41. Details of any commissions, discounts, fees or other special terms granted in the two years prior to the date of the listing document in connection with the issue or sale of securities of the fund, together with the names of any directors or proposed directors who received any such payment or benefit and the amount or rate of the payment or benefit they received. If none, an appropriate negative statement.
  42. Information on how the following documents may be reviewed:
    - i) the by-laws and other constitutional documents of the fund;
    - ii) all contracts between the fund and its directors and service providers;
    - iii) the most recent listing document and any supplementary listing document; and
    - iv) the most recent audited financial statements and any interim statements approved by the fund.
  43. If any document listed in paragraph 42 is not in the English language, a translation into English must be made available, or if the Exchange agrees, a summary of the document.

#### **Details of the securities to be listed**

44. Number and description of securities being offered / listed.
45. Initial issue price of the securities and an explanation of how the subsequent issue price is calculated.

46. The period that the offer of securities is open.
47. The minimum or total amounts to be sold (if any)
48. Methods of subscription and payment for the issue.
49. Timing and procedures for notice of acceptance of subscriptions.
50. Whether the securities will be in registered or bearer form, and if in registered form, whether certificates will be issued or available to holders.
51. The date that the securities are expected to start trading.
52. Arrangements for the transfer of the fund's securities.
53. For an open-ended fund:
  - i) frequency and procedures for holders to redeem the securities;
  - ii) how the redemption price is calculated;
  - iii) timing and method of payment for redemptions.;
54. Details of any limits on the amount of securities that may be redeemed in any period of time and the arrangements for dealing with requests in excess of such limits.
55. If the fund is permitted to meet redemptions by distributing assets, a description of the risks of such redemptions.
56. Details of whether and under what circumstances the securities may be compulsorily redeemed or the fund may be closed.
57. Details on the publication of the net asset value of the securities:
  - i) the frequency of calculation of the net asset value;
  - ii) an explanation of the method of valuation of the assets;
  - iii) the identity of the person that will calculate the value, and how frequently calculations will be audited;
  - iv) if pricing information on the fund's investments is sourced from any third parties, the identity of those parties and whether the person responsible for calculating the net asset value will independently verify that pricing information;
  - v) the arrangements for the publication of the net asset value, including a statement that the Exchange will be notified forthwith of all calculations of net asset value.
58. Details of the circumstances in which the fund may suspend or terminate the valuation, issue or redemption of its securities.
59. If the fund may issue more than one class of securities, details of whether and on what terms one class may be converted into another class.

### **Financial Information and Prospects of the Fund**

60. If a fund has not started operating, a statement of the fact with the date that operations are proposed to start.
61. If a fund has been in existence for less than 18 months and has not prepared audited financial statements, an audited statement of the net assets of the fund and its portfolio of investments as of a date within three months of the date of the listing document. This statement must:

- i) provide a detailed analysis of the fund's assets and liabilities, including its net asset value;
  - ii) be prepared in accordance with international accounting standards, United States, United Kingdom or Canadian generally accepted accounting principles or other standards acceptable to the Exchange;
  - iii) include a detailed analysis of the fund's portfolio of investments by type of security and type of asset, as well as by general industrial or commercial sector and, if applicable, geographic region, including the market value of each category.
62. If a fund has prepared audited financial statements, or has been in existence for twelve months or more and has not prepared an audited statement in accordance with paragraph 61, the financial statements of the fund for the financial year preceding the date of the listing document (or, if shorter, since the date of establishment), and the auditor's report on those financial statements. The financial statements must:
- i) be as of a date within 18 months of the date of the listing document;
  - ii) be prepared in accordance with international accounting standards, United States, United Kingdom or Canadian generally accepted accounting principles or other standards acceptable to the Exchange;
  - iii) have been independently audited and reported on in accordance with standards acceptable to the Exchange; and
  - iv) include a detailed analysis of the fund's portfolio of investments by type of security and type of asset, as well as by general industrial or commercial sector and, if applicable, geographic region, including the market value of each category.
63. If the auditor's opinion has been qualified in any way, the qualification must be acceptable to the Exchange, which must be satisfied that it has been adequately explained or addressed.
64. If a fund has subsidiaries of any type, the financial statements must be in consolidated form, unless the Exchange agrees otherwise.
65. A fund must not include a profit forecast in its listing document.
66. Any interim financial statements published after the latest annual statements, audited or not.
67. If a fund includes its financial statements with the listing document, a statement that they form part of the listing document.
68. The most recent calculation of the net asset value per security, and whether the calculation was audited.
69. The total amount of all short and long term borrowings or indebtedness of the fund as of the most recent practicable date, and whether the calculations were audited.
70. Details of any material changes or new material information in the fund's financial position or investments since the date of the latest audited financial statements, or since the date of commencement of operations.
71. Details of any material changes or new material information that may affect the financial prospects of the fund in the current financial year.
72. If historical performance data is provided in the listing document, the source of the data and the bases of calculations.

73. Details of the timing and distribution of future annual and periodic financial statements by the fund.

#### **Directors, Investment Managers and Service Providers**

74. The full name, residential or business address, qualifications and experience of each director and officer or proposed director and officer of the fund and the fund sponsor.
75. If the securities to be listed are voting securities, the holdings of each director of the fund, the fund sponsor and the investment manager in the fund's securities.
76. Details of the fees or remuneration to be paid to the directors of the fund, the fund sponsor and the investment manager.
77. The total of any outstanding loans by any member of the group to the directors, and of any guarantees provided by any member of the group for their benefit.
78. The full name, address, and qualifications of the fund's investment manager.
79. Details about any investment advisers retained by the investment manager and a summary of their compensation arrangements.
80. Details of the arrangements for custody of the fund's assets, including the name and address of the custodian and trustee (if any), and a description of their qualifications and experience.
81. Details of the use of any sub-custodians or other agents to hold any of the fund's assets, and whether the custodian is responsible for those assets.
82. The jurisdiction of the laws and regulations governing all the service providers including the investment manager, custodian, trustee and brokers used by the fund, whether they are required to be registered, and whether their activities as service providers to funds are supervised by a regulatory authority or other body.
83. A summary of the terms and conditions of each service providers' contracts, including the fees or compensation to be paid.
84. A summary of any provisions in the fund's by-laws or other constitutional documents that provide for an indemnity or that restrict the liability of any person for the operations of the fund.
85. Details of any conflicts of interest that may arise as a result of the involvement of the directors or the investment manager in any other funds in the same family of funds.

## APPENDIX 4 D - APPLICATION FOR LISTING FORM – DEBT SECURITIES

Notes:

- Information in a listing document that is filed with the application may be incorporated by reference. Note the relevant page number in the listing document.
- If an item on the form is not applicable, insert “N/A”, or if partly applicable insert the information and note the change in the nature of that information.

[NAME OF APPLICANT] applies for listing on the International Securities Market of the Barbados Stock Exchange.

DATED (day – month – year)

### Summary Information

<b>1. Issuer</b>	
<b>2. Type of Business</b>	
<b>3. Domicile of Incorporation</b>	
<b>4. Securities to be Listed</b>	
Type of securities	
Class of securities	
Nominal value	
Redemption date	
Proposed price of issue / currency	
<b>5. Listing Sponsor</b>	
<b>6. Method of Listing</b>	
<b>7. Is this a Secondary Listing?</b> (If yes, list the proposed recognised securities exchange and recognised securities regulator.)	
<b>8. Proposed Date of Listing</b>	
<b>9. Other markets the issue is or will be listed on</b>	
<b>10. Jurisdictions of registration as a public issuer (if any)</b>	
<b>11. Primary jurisdiction for approval of prospectus (if any)</b>	
<b>12. Jurisdictions where securities will be</b>	

<b>offered for sale</b>	
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**The Issuer**

22. Date of incorporation / establishment:									
23. Address of main registered office:									
24. Address of primary place of business operations: (if more than one, include a list)									
25. List main business lines of the company and the percentage of revenue each accounts for:									
26. Fiscal year:									
27. Auditors:									
28. Last annual general meeting:									
29. List of officers:									
<table border="1"> <thead> <tr> <th><u>Name</u></th> <th><u>Home Address</u></th> <th><u>Office</u></th> <th><u>Primary occupation</u></th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		<u>Name</u>	<u>Home Address</u>	<u>Office</u>	<u>Primary occupation</u>				
<u>Name</u>	<u>Home Address</u>	<u>Office</u>	<u>Primary occupation</u>						
30. List of directors:									
<table border="1"> <thead> <tr> <th><u>Name</u></th> <th><u>Home Address</u></th> <th><u>Primary position</u></th> <th><u>Primary occupation</u></th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>		<u>Name</u>	<u>Home Address</u>	<u>Primary position</u>	<u>Primary occupation</u>				
<u>Name</u>	<u>Home Address</u>	<u>Primary position</u>	<u>Primary occupation</u>						

**Details of Securities to be Listed**

31. Type of security:	
32. Total number of securities to be issued:	
33. Proposed currency for trading:	
34. Proposed or estimated price of issue:	

35. Estimated market capitalisation of the securities: <ul style="list-style-type: none"><li>• In currency of trading</li><li>• In US dollars</li></ul>	
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**Listing Fees**

36. Application fee	
37. New listing fee	
38. Annual listing fee	

## EXHIBIT 4 D.1

### CONTENTS OF LISTING DOCUMENT DEBT SECURITIES – CORPORATE ISSUERS

#### Introduction

A listing document submitted with an application for listing of debt securities by a corporate issuer must contain the information listed below.

A listing document must contain sufficient information and detail to enable an investor to make an informed assessment of the activities, assets and liabilities, financial position, management, prospects, and the profits and losses of the issuer and of the rights attaching to the securities. Additional information may be required based on the nature of the issuer or the type of securities to be listed. If so, it is the issuer's responsibility to ensure that all relevant information and details are included.

Definitions – The definitions in the listing rules apply to these requirements.

**Use of prospectus** – A prospectus prepared in conjunction with the issue and listing of securities may be the listing document if it meets all of the disclosure requirements. If it does not, a prospectus may be wrapped with a supplementary document to form a listing document that meets all of the disclosure requirements.

**Secondary listings** – As set out in the listing rules, the listing document may be a public document issued by the issuer and approved by its recognised securities exchange or recognised securities regulator within the past year, if the document discloses all material changes and new information since the date of the original document. (If no material changes or new information have arisen, this must be stated.) The update must also include any disclosure that is required by the Exchange for a secondary listing but that is not included in the other jurisdiction's document.

A listing document may also include documents annexed to, or incorporated by reference into the listing document, if the conditions set out in the listing rules are met. The update to the listing document may be provided by a document that covers or wraps the public document used as the main part of the listing document, or by documents annexed to the listing document.

A listing document for a secondary must include the requirements in paragraphs 1 to 7, 11, 16, 30 and 31 below.

The listing document must also include a statement that the primary regulation of the issuer and its securities to be listed on the ISM is or will be provided by its recognised securities exchange and recognised securities regulator.

#### Summary of Document

1. A statement that application has been made to the Exchange for the listing of the securities on its International Securities Market.
2. The full name and the address of the registered office of the issuer.
3. Details of securities being offered / listed, including type, class, nominal amount of the issue and price.
4. Name and address of the head office of the listing sponsor.

5. Name and address of the underwriters or distributors of the securities
6. The name, address and qualifications of the issuer's auditors for the last two financial years.
7. The following statement about the listing document:

“This listing document includes information given in compliance with the listing rules of the Barbados Stock Exchange – International Securities Market. The directors of *[name of issuer]* collectively and individually accept full responsibility for the accuracy of the information contained in the listing document and confirm, having made reasonable enquiry, that to the best of their knowledge and belief there are no facts the omission of which would make any statement in this listing document misleading.

The Barbados Stock Exchange takes no responsibility for the contents of this document, makes no representations as to its accuracy or completeness, and expressly disclaims any liability whatsoever for any loss arising from or in reliance upon any part of this document.”

### **Information about the Issuer and the Listing Document**

8. The date and country of incorporation or other establishment of the issuer.
9. Names and addresses of the issuer's principal bankers, investment and/or financial advisers, legal advisers, registrars and custodians (if any), and any expert to whom a statement or report included in the listing document has been attributed.
10. Where the listing document includes a statement or report made by an expert, a statement:
  - i) describing the qualifications of each expert and whether such expert holds any securities in any member of the group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the group. If so, describe that expert's holding and rights;
  - ii) that the expert has given and has not withdrawn written consent to the issue of the listing document with the expert's statement or report included in the form and context in which it is included; and
  - iii) of the date on which the expert's statement or report was made and whether or not it was made by the expert for purposes of the listing document.
11. Other securities exchanges or markets where the same class of debt securities is already listed, or where the issuer has or will apply to list the securities.

### **Information about the securities to be listed**

12. A description of the debt securities to be offered / listed, or the full text of the terms and conditions of the securities, including:
  - i) the nominal amount of the issue or a statement that the amount is not fixed, the type and number of the securities and the denominations;
  - ii) a summary of the rights of security holders and details of the security backing the securities;
  - iii) the issue or offer price and the redemption prices (except continuous issues);

- iv) the series designation (if any);
- v) if the securities or the issuer have been rated by a public rating agency, the rating given and the name of the rating agency;
- vi) the nominal interest rate and, if floating, how it is calculated;
- vii) if several rates of interest are provided for, the conditions for changes in the rate;
- viii) the currency of issue and method of payment of the issue or offer price, including a description of any instalment arrangements;
- ix) the names and addresses of the paying agent(s) and any registrar and transfer agents;
- x) details of the arrangements for transfer of the securities (if not in bearer form) including any fee payable on transfers or other documents affecting the title to or registration of the securities;
- xi) the rate of withholding tax withheld at source (if any), and whether the issuer assumes responsibility for withholding of tax at source;
- xii) details of the arrangements for the amortisation or early redemption of the issue;
- xiii) details of the following time limits:
  - (I) the final maturity date and early repayment dates, specifying whether exercisable at the issuer's or the holder's option
  - (II) the date from which interest accrues and the interest payment dates
  - (III) the prescription period for claims for payment of interest and repayment of principal
  - (IV) the procedures and time limits for delivery of the securities, whether there will be temporary documents of title and, if so, the procedures for the delivery and exchange of documents.
- xiv) an indication of yield and the method of calculating the yield (except continuous issues).

13. The following legal information:

- i) a description of the resolutions, authorisations and approvals used to create or issued the securities, and the number of securities that have been or will be created or issued (or a maximum and minimum range);
- ii) details of the guarantees, security and commitments intended to ensure payment of principal and interest, and how copies of the guarantees, security and commitments may be obtained;
- iii) details of the trustee, fiscal agent or other representative for the securities holders, including the name, function and head office of each such representative, the conditions under which the representative may be replaced, and how copies of the documents detailing how each representative is to act may be obtained;
- iv) a description of any subordination of the issue to other debt of the issuer already incurred or to be incurred;
- v) a description of 1) any legislation that governs the creation of the securities,

- 2) the governing law and 3) the competent courts in the event of litigation;
  - vi) whether the securities are in registered or bearer form;
  - vii) details of any legal restrictions on the transfer of the securities; and
  - viii) details of any selling or marketing restrictions on the securities.
14. All material risks of investing in the securities, including risks relating to the issuer and its industry.
  15. An estimate of the expenses and the net proceeds of the issue and a description of how the proceeds are intended to be used.
  16. The date that the securities are expected to start trading.
  17. A description of how title to the securities will be evidenced and registered.

#### Additional information for convertible debt securities

18. If applying for listing of convertible debt securities, the terms and conditions of and procedures for conversion, exchange, subscription or purchase, including:
  - i) the total number of equity securities subject to such rights;
  - ii) the date that such rights commence, and the period for exercising them;
  - iii) the amount payable on the exercise of such rights;
  - iv) the arrangements for transfer or transmission of such rights;
  - v) the rights of the holders on liquidation of the issuer of the equity securities that are subject to such rights;
  - vi) the arrangements for changing the subscription or exercise price, or number of equity securities or other property, to take account of changes in the share capital of issuer of the equity securities that are subject to such rights; and
  - vii) details of whether such rights may be amended.

#### **Information about the group**

In this section a “group” refers to the issuer itself and, if it is a member of a group as defined in the listing rules, to the group.

19. If the issuer is a member of a group, a brief description of that group covering the issuer's position within that group and, if a subsidiary, the names of and the number of shares held (directly or indirectly) by each holding company of the issuer.
20. A brief history of, and a description of the objectives and nature of, the group’s business. If more than one type of business activity is carried on that is material to the group, include data and descriptions to explain the relative importance of each activity, details of the main categories of products sold and/or services performed, and a description of any significant new products and/or activities.
21. Details of any proposed changes in the nature of the group’s business.
22. Details of the main assets of the group, including property, plants, investments, resource properties, and their geographic location.
23. Details of the location, size and nature each of the group’s establishments that account for more than 10% of revenue, sales or production.

24. Details of any trademarks, patents or other intellectual or industrial property rights that are material to the group's business, and a statement about the degree to which the group's business and profitability is dependent on such factors.
25. If research and development of new products and processes are material to the group's business over the past three financial years, information about its policy on such research and development.
26. Details of any interruptions in the group's business that may have or have had a material effect on the group's business or financial position in the last 12 months.
27. Details of any litigation or claims made against any member of the group in the last five years that are material to the group, including any pending or threatened legal action against any member of the group.
28. The number of people employed by the group and, if material, changes to that number in the last 12 months, as well as a breakdown of the number employed in each main type of business activity.
29. A table listing for 1) each material subsidiary of the issuer; and 2) each company in the group whose profits, losses or assets are material to the issuer's most recent annual financial statements, the following:
  - Company name,
  - Place of incorporation,
  - Location of operations,
  - Nature of business,
  - Issued share capital
  - Percentage of that company's voting securities owned by the issuer.

### **Financial statements and prospects**

30. A table summarising the audited financial statements for the last two financial years that:
  - i) shows consolidated information for the group;
  - ii) includes an income statement, balance sheet, cash flow statement, notes to the financial statements and information on accounting policies;
  - iii) includes total sales and revenue, and gross revenue and income, data along with a breakdown among the main types of business activity; and
  - iv) includes a letter from the directors (or equivalent) confirming that the information provided accurately reflects the financial statements audited by qualified independent auditors and prepared in accordance with international accounting standards, or US, Canadian or UK generally accepted accounting principles (or an equivalent standard accepted by the Exchange).
31. If the listing document is dated over nine months since the end of last financial year, interim financial statements covering at least the first six months of the current financial year, and whether the statements are audited.
32. A statement by the independent auditors on whether any of its audit reports over the last three financial years have been qualified, and if so, details and reasons for the qualifications.
33. The issuer's auditors must prepare and file a report if:
  - i) a material change in the group's structure or business has occurred in the last

two financial years or up to the date of the listing application;

- ii) a material change has been made to the group's accounting policies, or a material adjustment has been made to the published audited financial statements, in the last two financial years or up to the date of the listing application; and
- iii) the auditors' report on the issuer's financial statements for any of the last two financial years has been qualified.

The Exchange must be consulted in cases where the issuer is uncertain about whether an auditors' report is required.

The auditors' report must provide the auditors' opinion on whether the information provided under paragraphs 30 and 31 above gives a true and fair view of the financial matters set out. If the auditors' opinion is qualified in any way, the report must provide the reasons for the qualifications and provide a statement of adjustments to the reported data as necessary to address the issues identified by the auditors, covering each financial period that the qualifications affect.

- 34. Details of the profits cover for interest payments, the net assets and net tangible assets.
- 35. A statement as of the most recent practical date of the following, on a consolidated basis for the group:
  - i) the total amount of 1) debt securities issued and outstanding, 2) authorised but unissued debt, and 3) term loans;
  - ii) details of whether or not the debt securities and term loans are guaranteed, unguaranteed, secured (by the issuer or by third parties) or unsecured;
  - iii) the total amount of all other borrowings or indebtedness, including bank overdrafts and liabilities (except receivables in the normal course of business);
  - iv) details of whether the borrowings or indebtedness are guaranteed, unguaranteed, secured or unsecured;
  - v) the total amount of mortgages and similar secured charges;
  - vi) the total amount of any contingent liabilities or guarantees; and
  - vii) if any type of debt listed above does not exist, a statement to that effect.
- 36. General information on the results of the group's business since the date of the latest audited financial statements, or since incorporation.
- 37. A statement of any material adverse changes in the group's financial position or business since the date of the latest audited financial statements, or since incorporation. If none, a statement to that effect.
- 38. A statement about the group's financial and business prospects for the current financial year, including any material information or risks not set out elsewhere in the listing document that could have a material effect on the group's financial or business results.
- 39. A statement by the directors that the group's working capital is sufficient to meet its requirements for at least the next 12 months or, if not, how additional working capital will be obtained.
- 40. A forecast of profits must not be included in a listing document except if supported by a formal profit forecast. A formal profit forecast must include:

- i) a report from the Listing Sponsor confirming that the forecast was reviewed and approved by the directors of the issuer or the group (as applicable) following a due diligence review of its contents;
- ii) details of the main assumptions that the forecast is based on;
- iii) details of the methodology used in preparing the forecast; and
- iv) a report from the auditors confirming that the forecast was calculated in accordance with the issuer's or group's established accounting policies.

### **Directors and management**

- 41. The full name, residential or business address, qualifications and responsibilities of each director or proposed director of the issuer.
- 42. The full name, residential or business address, qualifications and responsibilities of each senior officer of the issuer, and of any other person who performs an important management function for the issuer.
- 43. The address of the registered office and the head office.
- 44. A statement showing the interests of each director of the issuer and the associates of each director (as known to each director having made all reasonable enquiries) in equity or debt securities of the issuer or the group.
- 45. Details of any contract or arrangement that a director of the issuer has any material interest in, and that is material to the business of the issuer or the group.
- 46. The total of any outstanding loans by any member of the group to the directors, and of any guarantees provided by any member of the group for their benefit.

### **Material contracts and documents**

- 47. The dates, parties to, and material terms of all material contracts (except contracts entered into in the normal course of business) entered into by any member of the group in the last two years, including any consideration to be paid or received by any member of the group.
- 48. Details of how annual and any interim financial reports may be obtained, and how often interim reports are circulated.
- 49. Information on how the following documents may be reviewed:
  - i) the issuer's by-laws, articles of incorporation or other constitutional documents;
  - ii) any trust deed, fiscal agency agreement or other document constituting the debt securities;
  - iii) any reports, opinions, statements or other documents provided by an expert that is included in or referred to in the listing document; and
  - iv) the audited financial statements summarised in the listing document.
- 50. If any document listed in paragraph 49 is not in the English language, a translation into English must be made available, or if the Exchange agrees, a summary of the document.

## APPENDIX 4 E - ISSUER'S DECLARATION FORM

1. We confirm that *[NAME OF ISSUER]* is duly incorporated or otherwise validly established under the laws of its place of incorporation or establishment, and is operating in compliance with its articles of incorporation or other constitutional documents.
2. We confirm that:
  - i) *[NAME OF ISSUER]* meets all the requirements for listing the securities covered by this application as set out in the ISM listing rules;
  - ii) All information required to be included in the listing document has been included, or (if the final version has not been submitted) will be included before final submission;
  - iii) All the documents and information required to be filed with this application have been or will be filed in the form required by Exchange; and
  - iv) There are no other facts or matters that are relevant to this application for listing that have not been disclosed to the Exchange.
3. We acknowledge our obligations under the listing rules, and we undertake to comply with the listing rules on an ongoing basis.
4. *[For a secondary listing only]* We confirm that the securities to be listed are listed on the main board of *[insert name of recognised securities exchange]* and that exchange and *[insert name of recognised securities regulator]* are the primary regulators of *[NAME OF ISSUER]* and the securities, and that we are in compliance with the rules and requirements of both the exchange and the regulator.
5. *[For a restricted marketing listing only]* We acknowledge that this application is for a listing of "restricted marketing" securities that may only be marketed to, and traded by, qualified investors.
6. We authorise the Exchange to obtain information from, or share information with, any governmental authority, securities exchange or other body responsible for supervision of securities issuers, financial services or law enforcement, in the Barbados or in any other jurisdiction.

DATE:

EXECUTED ON BEHALF OF *[NAME OF ISSUER]* BY:

NAME:

TITLE:

(Chief Executive Officer, Corporate Secretary or Chairman of the applicant)

Names of contact persons for this application:

LISTING SPONSOR CONTACT:

ISSUER CONTACT:

## APPENDIX 4 F - DIRECTOR'S PERSONAL DECLARATION FORM

### Instructions

This personal declaration form must be signed and filed by each director and proposed director (or similar official) of an issuer that applies for listing on the ISM, except:

- 1) A director of a recognised government agency.
- 2) a director of an issuer that applies for a secondary listing.
- 3) A director of any issuer that is already listed on the ISM.

*[Consider an exemption for a director who has filed a similar form with Barbados FSC.]*

Answer all questions. If more space is needed for a complete answer, attach a separate sheet of paper and initial it.

The term "company" includes any type of legal entity that may be listed.

### **Declaration to the Barbados Stock Exchange (the "Exchange")**

1. Name of applicant for listing:
2. Surname(s) and any former surname(s):
3. First name(s):
4. Date of birth:
5. Primary residential address:
6. Nationality and former nationality (if any):
7. Professional qualifications:
8. Business experience during the last five years:
9. Are you a director of any other company, a trustee of any trust or a partner in any partnership? If so:
  - i) Name of each
  - ii) Is any entity related to the applicant for listing?
  - iii) Type of business
  - iv) Date you became a director or partner
10. Have you at any time been adjudged bankrupt or sequestrated in any jurisdiction? If so:
  - i) Court where you were declared bankrupt
  - ii) If discharged, the date and conditions of discharge
11. Have you at any time been a party to any arrangement or made any other form of settlement with your creditors? If so, provide details.
12. Are there any unsatisfied legal judgements outstanding against you? If so, provide details.
13. Has any company been put into compulsory liquidation, voluntary winding-up or had an administrator or other receiver appointed during a period when you were (or within the preceding twelve months had been) one of its directors?
14. Has any partnership or unit trust been put into compulsory liquidation, voluntary winding-up or been sequestrated during a period when you were (or within the preceding twelve months had been) one of its partners or trustees?

15. If the answer to questions 13 or 14 is yes, for each case provide:
- i) Name of company or partnership
  - ii) Nature of business
  - iii) Date of commencement of liquidation, winding-up, administration or receivership
  - iv) Amount involved
  - v) Outcome or current status
16. Have 1) you or 2) a company that you were a director of at the time of the offence, been convicted in any jurisdiction of any offence involving fraud or dishonesty, or an offence under laws or regulations governing companies, issuers of securities, investment funds, securities broker-dealers or the securities business generally? All such convictions must be disclosed even if pardoned or vacated. If so:
- i) Court in which you or the company were convicted
  - ii) Date of conviction
  - iii) Details of the offence and the penalty imposed.
17. Have you, in connection with the formation or management of any company, partnership or other legal entity, been found liable in a civil lawsuit in a court in any jurisdiction for any fraud, misfeasance or other misconduct? If so, provide details.
18. Have you ever been disqualified by a court, a securities regulatory authority or other agency from acting as a director or officer of a company? If so, provide details.
19. Have you been refused admission to membership of any professional body or self-regulatory organization, or been disciplined, suspended, disqualified or censured by any such body? If so, provide details.
20. Is there any other information that is material to your position as a director of the applicant that is not covered by the answers provided above? [Yes / No] If yes, provide details.

DECLARATION:

I \_\_\_\_\_, a director (director, general partner or trustee) of \_\_\_\_\_ (name of company) (the "issuer") declare that to the best of my knowledge and belief (having taken all reasonable care to ensure that such is the case) the answers to all the above questions are true.

For purposes of assessing my qualifications to act as a director of the applicant, now or at any time the applicant is listed on the ISM, I authorise the Exchange to obtain information from, or share information with, any governmental authority, securities exchange or other body responsible for supervision of securities issuers, financial services or law enforcement, in the Barbados or in any other jurisdiction.

Date: \_\_\_\_\_

Signed by: \_\_\_\_\_  
Director

## **APPENDIX 4 G - RULES OF THE BARBADOS STOCK EXCHANGE ON APPEALS OF DECISIONS**

### **Article 3**

#### ***3.02.0 Notice of Particulars***

- (1) Whenever the Exchange proposes:
- (a) to commence disciplinary proceedings;
  - (b) to decline the granting unconditionally of an Exchange approval;
  - (c) to revoke, suspend or amend a previously granted Exchange approval;
  - (d) to decline to grant unconditionally the admission of a person to be a Member;
  - (e) to revoke, suspend or amend any of the rights or privileges of a Member, or
  - (f) to revoke, suspend or amend any of the rights or privileges of a seat-holder or of a holder of the right to use a seat,

the Exchange must serve at least ten days in advance of a hearing of the matter, a Notice of Particulars on any person who is directly affected by the proposal.

- (2) A Notice of Particulars must contain:
- (a) a statement of the date, time and place of the hearing of the matter;
  - (b) a reference to the authority under which the hearing will be held;
  - (c) the facts alleged and intended to be relied upon by the Exchange; and
  - (d) the provisions of subsections (3), (4) and (5).
- (3) A person served with a Notice of Particulars shall, within ten days from the date of service, serve on the Exchange a Reply signed by the person or by an individual authorized to sign on behalf of the person that specifically denies, with a summary of the supporting facts and arguments, any or all of the facts alleged.
- (4) The Board or a committee of the Board may accept as having been proven any facts alleged in the Notice of Particulars that are not specifically denied, with a summary of the supporting facts and arguments, in the Reply.
- (5) If a person served with a Notice of Particulars fails to:
- (a) serve a Reply in accordance with subsection (3) , or
  - (b) attend the hearing specified in the Notice of Particulars, notwithstanding that the person has served a Reply in accordance with subsection (3),

the Exchange may proceed with the hearing of the matter on the date and at the time and place set out in the Notice of Particulars without further notice to and in the absence of the person, and the Board or a committee of the Board may proceed to make a determination in his absence.

#### ***3.02.1 Hearings***

- (1) A person who has been served with a Notice of Particulars is entitled at the hearing of the matter:

- (a) to attend and be heard in person except where the parties all agree that the hearing may take the form of the Exchange of documents whether in written form or by electronic means;
  - (b) to be represented by an attorney-at-law or other individual;
  - (c) to call and examine witnesses and to present arguments and submissions; and
  - (d) to conduct cross-examinations of witnesses at the hearing reasonably required for a full and fair disclosure of the facts in relation to which they have given evidence.
- (2) The Board, or the committee of the Board that presided at a hearing, shall, if requested by a person served with a Notice of Particulars, give reasons for the decision of the hearing.
- (3) The Board, or the committee of the Board, shall give in writing and send by registered mail the decision of the hearing and, if reasons have been requested under subsection (2), the reasons for the decision, to each person entitled to be served with a Notice of Particulars.

### ***3.02.2 Offer of Settlement***

- (1) Subject to subsection (5), the person served with a Notice of Particulars may submit an Offer of Settlement to the Exchange.
- (2) An Offer of Settlement must be consented to by the parties to the dispute and
- (a) be in writing;
  - (b) be signed by the parties consenting to the Offer of Settlement or by the individuals authorized to sign on behalf of the parties; and
  - (c) contain:
    - (i) the provisions of any of the Exchange requirements that have been contravened, as agreed upon by the Exchange and the parties entering into the Offer of Settlement;
    - (ii) a statement of the facts agreed upon by the Exchange and the parties to the Offer of Settlement;
    - (iii) the disposition of the matter, including any penalty to be imposed, as agreed upon by the Exchange and the person submitting the Offer of Settlement; and
    - (iv) a waiver by the consenting party of all rights under the By-Laws to a hearing or to an appeal if the Offer of Settlement is accepted.
- (3) Subject to subsection (4) an Offer of Settlement shall be submitted to the Board or to a committee of the Board appointed to hear the matter, and the Board or a committee of the Board, as the case may be, shall either accept or reject the Offer of Settlement.
- (4) An Offer of Settlement in respect of a matter described in paragraph (a) of section 3.02.0(1) may be submitted to the Secretary of the Exchange for review where the penalty to be imposed is a reprimand, a sum not exceeding \$5,000.00, or both, and upon being submitted, the Secretary shall
- (a) accept the Offer of Settlement ;

- (b) reject the Offer of Settlement; or
  - (c) refer the matter to the Board or to a committee of the Board for review.
- (5) An Offer of Settlement may not be entertained in respect of a matter described in paragraph (b) to (f) inclusive of section 3.02.0(1).
- (6) The negotiating of an Offer of Settlement must not adversely affect the position of the Exchange or that of any other persons involved in the negotiations. The negotiations may not be used as evidence or referred to in any proceedings.
- (7) If an Offer of Settlement is accepted by the Board, a committee of the Board or the Secretary of the Exchange,
- (a) the matter becomes final;
  - (b) there can be no appeal of the matter; and
  - (c) the disposition of the matter agreed upon in the Offer of Settlement is to be included in the permanent record of the Exchange in respect of the parties who consented to the Offer of Settlement.
- (8) If an Offer of Settlement is rejected by the Board, a committee of the Board or the Secretary of the Exchange, the Exchange may proceed with a hearing of the matter.

### ***3.02.3 Appeals***

- (12) A decision of the Board after a hearing of the matter, to which the decision relates, under Rule 3.02.1, may be appealed to the FSC by any person directly affected by the decision.
- (13) A decision of the Board committee of the Board, after a hearing of the matter to which the decision relates, under Rule 3.02.1, may be appealed to the Board by a Member of the Board or by any person directly affected by the decision.
- (14) The Board shall, within five (5) Business Days, give its Order and written decision.
- (15) The written decision shall set out clearly the reasons for the decision and the Order.
- (16) The Exchange shall within five (5) Business Days of the date on which the Order and written decision of the Board or committee of the Board is given send by registered mail to the Member or person directly affected by the decision a copy of the Order and written decision of the said Board or hearing committee.
- (17) An appeal pursuant to subsection (1) is commenced by serving on the Secretary of the Exchange, and each of the persons entitled to appeal the decision, a written Notice of Appeal that specifies the grounds with a summary of the supporting reasons for the appeal, within thirty days from the date of the Order.
- (18) Within twenty days from the date of receipt by the Secretary of the Exchange of a Notice of Appeal, the Secretary shall in writing notify all persons who have appealed, of the date, time and place for the hearing of the appeal. The date for

the hearing of the appeal must be within forty-two days from the date of the filing of the appeal.

- (19) Members of the committee of the Board who sat on the hearing of the matter to which the appeal relates, cannot participate in the review of the decision of the Board.
- (20) On an appeal of the decision of the Board, the Board shall consider the record of the hearing and may consider any new evidence that the Board determines appropriate under the circumstances.
- (21) Upon an appeal or review of the decision of the Board, the Board may confirm, reject or vary the decision;
- (22) Upon holding an appeal or review of the decision of the Board, the Board shall give in writing and send by registered mail to each person that appealed the decision, copies of the decision of the appeal or review and, if requested by a person entitled to appeal the decision of the hearing, reasons for the decision of the appeal or review, if any.

#### ***3.02.4 Report to Board***

- (1) Any committee of the Board that has conducted a hearing shall report to the Board on the hearing upon the expiration of the time periods for appeal if no appeal of the decision of the hearing has been commenced.
- (2) Any committee of the Board or any officer of the Exchange that or who has reviewed and accepted an Offer of Settlement shall report to the Board on the Offer of Settlement.

#### ***3.02.5 Powers and Remedies***

- (1) Where, after a hearing conducted in accordance with 3.02.1, it has been decided that a person under the jurisdiction of the Exchange has:
  - (a) contravened any Exchange Requirement, or
  - (b) engaged in any conduct, business or matter that is unbecoming or inconsistent with just and equitable principles of trade or detrimental to the interests of the Exchange or the public, or
  - (c) is not in compliance with any Exchange Requirement,the Board or a committee of the Board may impose any one or more penalties or remedies against the person.
- (2) The penalties or remedies to be imposed pursuant to subsection (1) may be one or more of the following:
  - (1) a reprimand;

- (m) the suspension as a Member for the period and/or upon the terms and conditions, if any, determined by the Board or a committee of the Board;
- (n) the revocation, suspension or amendment of the terms and conditions of a Membership;
- (o) the imposition of any terms and conditions, determined by the Board or a committee of the Board, that a person must satisfy prior to being fully restored as a Member;
- (p) the expulsion as a Member;
- (q) the forfeiture of a seat or a right to use a seat;
- (r) revocation of license of an Approved Trader;
- (s) restrict from acting as an officer or director of a Trading Member;
- (t) the making of restitution to any person who has suffered a loss as a result of the acts or omissions of a person under the jurisdiction of the Exchange;
- (u) a fine not exceeding \$100,000.00; or
- (v) any other penalty or remedy available by law.

### **3.02.6 Interim Orders**

- (1) Notwithstanding any provisions in the by-laws or the rules, as the case may be, to the contrary, where
  - (a) the Board determines that a person under the jurisdiction of the Exchange
    - (i) has engaged in or might engage in any course of conduct,
    - (ii) has carried on or might carry on business in a manner, or
    - (ii) has otherwise acted in a manner
 that is detrimental to the interests of the Exchange or the investing public; and
  - (b) the Board considers it necessary for the protection of the interests of the investing public,

the Board may without notice of a hearing impose one or more of the interim orders described in subsection (2) against that person.

- (2) The interim orders to be imposed are:
  - (a) the suspension of the rights and/or privileges of trading for a period upon terms and conditions, if any, determined by the Board; or
  - (b) the suspension or amendment of the terms and conditions of a previously granted Exchange Approval;
- (3) Upon the imposition of an interim order by the Board pursuant to subsection (1), the Exchange shall commence an investigation pursuant to sections 2.02.1 and 2.02.2.

- (4) An interim order issued by the Board pursuant to subsection (1) expires fifteen days after the date on which the interim order was made, unless
  - (a) a hearing is held within that period of time to confirm or set aside the interim order; or
  - (b) the person against whom the interim order is made consents to an extension of the interim order until a hearing of the matter is held.

### ***3.02.7 Responsibility of Members and Others***

- (1) A Member may be found liable by the Exchange for the conduct, business or affairs of an authorized representative or an employee of the Member and may be made subject to penalties as if the Member had engaged in the conduct, business or affairs.
- (2) Notwithstanding subsection (1), the imposition of any penalties against a Member does not prevent the imposition by the Exchange of any penalties against the authorized representative or employee of the Member.

### ***3.02.8 Partners and Directors of Members***

- (1) Any partner or director of a Member may be found liable by the Exchange for the conduct, business or affairs of the Member, if he had responsibility for the Member, and may be made subject to any penalties as if he had engaged in that conduct, business or affairs.
- (2) Notwithstanding subsection (1), the imposition of any penalties against any partner or director of a Member does not prevent the imposition by the Exchange of any penalties against the Member.

### ***3.02.9 Service***

- (1) Subject to any provision of the by-laws or rules, as the case may be, to the contrary, any document required by this section to be served:
  - (a) on the Exchange must be served by personal service on or by registered mail addressed to the registered office to the attention of the Secretary of the Exchange; or
  - (b) on any person other than the Exchange must be served by personal service or by registered mail to the attention of that person and addressed to the last residence or business address shown in the records of the Exchange for that person.
- (2) If service of a document cannot be effected by personal service pursuant to the requirements of subsection (1)(b), the Board may prescribe any other manner likely to bring the document to the attention of the person.
- (3) An affidavit of an employee or agent of the Exchange attesting that subsection (1)(b) has been complied with is sufficient proof of service.



## APPENDIX 4 H – LISTING AGREEMENT

### BARBADOS STOCK EXCHANGE INTERNATIONAL SECURITIES MARKET

#### LISTING AGREEMENT

**Issuer:** \_\_\_\_\_  
Legal name of Issuer

**Head Office Address:** \_\_\_\_\_

**Name of Listing Sponsor:** \_\_\_\_\_

The definitions in the ISM Listing Rules and the ISM Listing Sponsor Rules apply to the provisions of this Listing Agreement.

In consideration of the listing on INTERNATIONAL SECURITIES MARKET of the BARBADOS STOCK EXCHANGE (the “Exchange”) of securities of:

---

(the “Issuer”), the Issuer agrees with the Exchange:

1. The Issuer will comply with all requirements of the Exchange applicable to ISM listed issuers, including the ISM Listing Rules, ISM Listing Sponsor Rules and any policies, rulings, directions and procedural requirements of the Exchange.
2. The Issuer will cause its directors, officers, employees, partners, agents, and consultants to comply with all requirements referred to in paragraph 1. A breach of any of those requirements by a director, officer, employee, partner, agent or consultant of the Issuer will be deemed to be a breach by the Issuer.
3. The Issuer will retain a Listing Sponsor on a continuous basis, maintain regular communications with its Listing Sponsor, and consult regularly with its Listing Sponsor on compliance with the Exchange’s requirements and any changes to the requirements applicable to ISM listed issuers.
4. Without limiting the generality of paragraph 1, the Issuer agrees to comply with all requirements of the Exchange to:
  - 1) Notify the Exchange of any proposed issuance of securities and, if required by the ISM Listing Rules, to apply for listing and obtain the approval of the Exchange before issuing any securities;
  - 2) Notify the Exchange of any material events and changes, any proposed changes in its issued capital, and all other matters as required by the ISM Listing Rules, including any proposed distributions to the holders of its listed securities, and any proposed changes to the number of its listed securities or to the rights of the holders of its listed securities;

- 3) Make public disclosure of all material events and changes and other matters as required by the ISM Listing Rules, in the manner required by Exchange;
  - 4) Make public, and circulate to holders of its listed securities, annual and interim reports and other disclosures as required by the ISM Listing Rules;
  - 5) Concurrently file with the Exchange one copy of all notices, reports or other communications sent by the Issuer to holders of its listed securities or filed with any other securities exchange or securities regulatory authority;
  - 6) Pay its annual listing fees and any other applicable fees charged by the Exchange when due;
  - 7) Provide to the Exchange any information, documents or records requested by the Exchange that the Exchange may reasonably require or request.
5. The Exchange has the right in its absolute discretion to halt or suspend trading in any of the Issuer's listed securities with or without notice, or to delist any such securities, provided that the Exchange will give the Issuer an opportunity to be heard before delisting any securities.
  6. The Issuer agrees to release and indemnify the Exchange and its directors, officers, employees, partners and agents from and against all claims, suits, demands, actions, costs, damages and expenses, including legal fees, that may be incurred by the Exchange as a result of or in connection with the enforcement by the Exchange of any provision of this agreement or any of its requirements.
  7. This agreement shall be governed by and construed in accordance with the laws of Barbados.

NAME OF ISSUER:

DATE:

---

SIGNATURE OF AUTHORIZED OFFICER

Officer's name:

Officer's title:

DATE

---

SIGNATURE OF AUTHORIZED OFFICER

Officer's name:

Officer's title:

**ISM LISTING SPONSOR RULES**  
**Series 6000**

<b>Rule No.</b>	<b>Rule</b>
<b>6000.</b>	<b>QUALIFICATIONS FOR APPROVAL OF LISTING SPONSORS</b>
6001.	<b>Criteria for Approval</b>
6001.1	To be approved by the Exchange as a listing sponsor an applicant must:
	1) be a fit and proper person to be a listing sponsor;
	2) have an adequate financial position, in the opinion of the Exchange;
	3) have adequate directors and officers insurance;
	4) have adequate errors and omissions insurance;
	5) have an independent auditor to audit its financial accounts annually;
	6) possess sufficient knowledge, skill and experience in public offerings of securities products or listing on securities exchanges; and
	7) employ or contract for professional staff who are suitably qualified to perform the functions performed by a listing sponsor.
6010.	<b>Fit and Proper Persons</b>
6010.1	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:
	1) is of sound reputation and character;
	2) 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;
	3) has ever been found in violation of any law, rule, regulation or code of conduct that it is or has been subject to; and
	4) has the ability to effectively perform the responsibilities of a listing sponsor under the ISM rules.
<b>6100.</b>	<b>APPLICATIONS AND APPROVALS</b>

6101.	<b>Application</b>
6101.1	An applicant must file the ISM listing sponsor application form. <ul style="list-style-type: none"> <li>• The application form is in Appendix 6 A.</li> </ul>
6101.2	The Exchange may require an applicant to provide additional information or documents.
6101.3	An applicant must pay the listing sponsor application fee set by the Exchange. Application fees are non-refundable.
6101.4	In making application to be a listing sponsor, an applicant agrees to comply with the ISM listing sponsor rules if its application is approved.
6110.	<b>Approval of Listing Sponsors</b>
6110.1	The Exchange may approve or disapprove an application in its discretion.
6110.2	The Exchange may approve a listing sponsor subject to any terms, conditions or restrictions that it considers appropriate.
6110.3	The Exchange may change or impose additional terms, conditions or restrictions, at any time by written notice to a listing sponsor.
6110.4	A listing sponsor may sponsor an application for the listing of any type of securities or issuer accepted by the ISM, unless the Exchange notifies the listing sponsor of conditions that limit the types of listings or issuers that it may sponsor.
6120.	<b>Disapproval of Applications</b>
6120.1	If the Exchange does not approve an application, the Exchange shall notify the applicant of its decision in writing, with the reasons for its decision, within 30 days of making the decision.
6120.2	If the Exchange does not approve an application, an applicant may appeal the decision to the board.
6120.3	An applicant may appeal a decision by the Exchange to impose any terms, conditions or restrictions on its approval to the board.
6120.4	An appeal of a decision of the Exchange to the board must be made in accordance with the rules of the Exchange. <ul style="list-style-type: none"> <li>• The rules of the Exchange on appeals of a decision are in Appendix 6 C.</li> </ul>
<b>6200.</b>	<b>LISTING SPONSOR'S OBLIGATIONS</b>
6201.	<b>Compliance</b>

6201.1	A listing sponsor must comply with:
	1) these ISM listing sponsor rules;
	2) all decisions or directions issued by the ISM or the Exchange relating to listing sponsors;
	3) the code of conduct for listing sponsors in Part 6500.
6210.	<b>Filings to the Exchange</b>
6210.1	A listing sponsor must file with the Exchange:
	1) a notice of its primary representative to the Exchange for performance of its functions as a listing sponsor. The representative must be a director, officer or partner of the firm;
	2) a copy of its audited financial statements within four months of its financial year-end;
	3) a copy of its insurance certificate and policy as of its annual renewal;
	4) any other information that the Exchange may from time to time require, in the prescribed form;
	5) payment of the annual listing sponsor fee set by the Exchange.
6220.	<b>Notifications to the Exchange</b>
6220.1	A listing sponsor must notify the Exchange immediately of:
	1) any change in its ownership or control, whether direct or indirect, of more than 10% of its equity or shares;
	2) any change or event that may adversely affect its ability to meet its obligations as a listing sponsor;
	3) the resignation, removal or retirement of any senior executive;
	4) the appointment of any new senior executive, including the information about such person required to be filed by the Exchange;
	5) Any disciplinary action taken against it or any of its officers or directors by any relevant professional associations, securities exchange, self-regulatory organization, or securities regulator.
	6) any change in its insurer or auditor;
	7) any new business other than that of listings sponsor that it intends to engage in.
6230.	<b>Financial Resources</b>

6230.1	A listing sponsor must maintain adequate financial resources at all times.
6230.2	A listing sponsor must notify the Exchange of any material change in its financial resources, and must file a current report of its assets and liabilities on the request of the Exchange.
<b>6300.</b>	<b>SPONSORING APPLICATIONS FOR LISTINGS ON ISM</b>
<b>6301.</b>	<b>Responsibilities</b>
6301.1	A listing sponsor must:
	1) advise and ensure that an applicant and its directors and officers understand the ISM's application process, the listing requirements, and their obligations under the listing rules;
	2) act as the primary point of contact between the applicant and the Exchange during the application review process;
	3) based on a proper due diligence review and discussions with the applicant, ensure that an applicant is suitable for listing on ISM and meets all applicable listing requirements;
	4) Based on a proper due diligence review and discussions with the applicant, ensure that a draft listing document and prospectus is filed with the Exchange, the Commission and other regulatory authorities in Barbados as required that complies with the listing rules and applicable law, and that clearly discloses all information necessary for an investor to make an informed decision about investing in the security. (This clause is not applicable if a listing document or prospectus is not required for a listing.)
	5) Ensure that all information and documents that must be filed with the listing application are filed with the Exchange.
	6) Guide the applicant through the listing application process, and ensure that each step of the process is completed in a timely fashion.
	7) File a listing sponsor review and recommendation form with the Exchange with each listing application. <ul style="list-style-type: none"> <li>• The review and recommendation form is in Appendix 6 B.</li> </ul>
6301.2	A listing sponsor must not recommend a listing on the ISM to a client unless it has taken reasonable steps to educate the directors and officers of the client on the nature of a public issuer on the ISM and on the specific obligations of a listed issuer of the type of securities to be listed, including its obligations under the listing rules and other regulatory requirements.
6301.3	A listing sponsor must inform the Exchange or the FSC of any additional information or issues about an issuer or a security to be listed which would reasonably be considered to be relevant in considering approval of the prospectus, issuance of the security or listing of the security.

<b>6400</b>	<b>ONGOING SPONSORSHIP OF LISTED ISSUERS</b>
<b>6401.</b>	<b>Responsibilities</b>
6401.1	A listing sponsor that is appointed to provide ongoing sponsorship to a listed issuer on the ISM must:
	1) act as the primary point of contact between the listed issuer and the Exchange;
	2) maintain ongoing contact with the issuer about its business and affairs;
	3) ensure that the listed issuer and its directors and officers are knowledgeable about their ongoing obligations;
	4) ensure that the issuer complies with its ongoing obligations under the listing rules;
	5) ensure that the issuer meets all filing requirements of the Exchange, the Commission and other regulatory authorities in Barbados, and responds to requests for information from the Exchange; and
	6) advise the Exchange of any material issues relating to the issuer's compliance with the listing rules and its eligibility for continued listing on the ISM.
<b>6500</b>	<b>CODE OF CONDUCT FOR LISTING SPONSORS</b>
<b>6501.</b>	<b>Standards of Conduct</b>
6501.1	A listing sponsor must meet the following standards at all times in carrying out its functions and in its dealings with the Exchange, other regulatory authorities, applicants for listing on ISM and listed issuers on ISM:
	1) act honestly and fairly;
	2) act with due skill, care and diligence;
	3) ensure that all officers and staff involved in listing sponsor functions are fit and proper persons to perform their roles, are knowledgeable about the obligations of a listing sponsor, are sufficiently trained to carry out their responsibilities, and are properly supervised;
	4) obtain from clients all information necessary to effectively carry out its responsibilities as a listing sponsor and to ensure compliance with the ISM's listing rules and other applicable laws and regulations;
	5) prevent any conflicts of interest from arising with any client, or if a conflict cannot be prevented, ensure that the conflict is fully disclosed to the client and the client agrees that the Sponsor may continue to act for it; and
	6) Not act as a sponsor of any issuer that it is an associate of, or has any material interest

	in, except with the written permission of the Exchange after full disclosure is made of the relationship to the Exchange
	7) maintain complete and appropriate records of its activities and its dealings with the Exchange, the Commission, other regulatory authorities, applicants for listing on ISM, and listed issuers on ISM. The records must be sufficient to demonstrate compliance with the listing sponsor rules.
6510.	<b>Manuals and Records</b>
6510.1	A listing sponsor must maintain an operations manual covering its policies and procedures for the functions that it is responsible for. The manual must:
	1) cover all of a listing sponsor's obligations under the listing sponsor rules, including this code of conduct;
	2) be kept up-to-date and cover all current rules and regulations.
6510.2	A listing sponsor must make all records and documents relating to its activities as a listing sponsor available to the Exchange and the FSC on request.
6510.3	A listing sponsor must retain all records and documents relating to its activities as a listing sponsor for a minimum of seven years.
<b>6600</b>	<b>COMPLIANCE</b>
6601.	<b>Investigations and Inspections</b>
6601.1	The Exchange may review or investigate any possible breach of the ISM listing sponsor rules or other misconduct by a listing sponsor.
6601.2	A listing sponsor must provide the Exchange with any information, documents or statements that it requests for purposes of a review or investigation of possible breaches of the ISM rules.
6601.3	The Exchange may at any time conduct a routine or cause inspection of the operations of a listing sponsor.
6610.	<b>Disciplinary Actions</b>
6610.1	If the Exchange determines that a listing sponsor has failed to comply with the ISM listing sponsor rules, including the code of conduct, or has engaged in any other form of misconduct, the Exchange may:
	1) Take disciplinary action against the listing sponsor; or
	2) Provide the listing sponsor with an opportunity to remedy its failure to comply in any manner the Exchange considers appropriate, within a set period of time. If in the opinion of the Exchange the listing sponsor fails to remedy its failure to comply, the Exchange may then take disciplinary action against it.

6610.2	Any disciplinary action taken by the Exchange shall follow the disciplinary process set out in the rules of the Exchange, except that any penalty imposed on a listing sponsor found to be in violation of its obligations is limited to any one or more of the following:
	1) termination of approval as a listing sponsor;
	2) suspension from listing sponsors status for a period up to six months;
	3) payment of a fine up to \$US 50,000.00; and
	4) imposition of a reprimand.
6610.3	“Misconduct” by a listing sponsor means any of the following:
	1) failure to comply with any terms, conditions or restrictions imposed by the Exchange on the listing sponsor;
	2) failure to comply with any decision or direction issued by the Exchange;
	3) providing or filing any false or inaccurate information with the Exchange, or making any material misstatement in information provided to the Exchange, whether relating to a listing application or the listing sponsor itself;
	4) failure to provide information requested by the Exchange;
	5) failure to pay, within one month of the due date, any fee, charge or fine payable to the Exchange;
	6) any conduct that, in the opinion of the Exchange, indicates that a listing sponsor is not a fit and proper person to remain a listing sponsor; and
	7) any conduct detrimental to the interests of the Exchange.
<b>6700</b>	<b>TERMINATION OF APPROVAL OF A LISTING SPONSOR</b>
<b>6701.</b>	<b>Resignation</b>
6701.1	A listing sponsor may resign its status by providing three months written notice to the Exchange.
<b>6710.</b>	<b>Termination by the Exchange</b>
6710.1	A listing sponsor’s status is terminated immediately if:
	1) an order is made to wind-up the company or firm,
	2) the company or firm passes a resolution to wind-up, or
	3) the listing sponsor’s approval is terminated under the Exchange’s disciplinary process,

	or by agreement with the Exchange.
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## **APPENDIX 6 A - APPLICATION FORM FOR APPROVAL AS A LISTING SPONSOR**

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### **BARBADOS STOCK EXCHANGE INTERNATIONAL SECURITIES MARKET**

#### **APPLICATION FOR LISTING SPONSOR STATUS ON THE ISM**

##### **Instructions**

1. An applicant for approval as a listing sponsor on the ISM under the ISM listing sponsor 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  
[address]

Email:

2. An applicant must file all the information and documents listed in the exhibits to this application form, as prescribed below.
3. 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.
4. The Exchange may require an interview with senior executives of the applicant, and may require the applicant to file additional information or documents.
5. Incomplete applications will be returned and cannot be processed until completed.
6. An applicant that files misleading information, or that attempts to mislead the Exchange by filing incomplete, false or inaccurate information, will be denied approval.
7. In making application for approval as a listing sponsor, an applicant agrees to comply with the ISM listing sponsor rules if its application is approved.

#### **APPLICATION FOR LISTING SPONSOR STATUS ON THE ISM**

**Name of Applicant:**

Date:

##### **APPLICANT'S DECLARATION**

5. We apply to be a listing sponsor for the Exchange's International Securities Market (ISM).
6. We have read and understand the ISM listing sponsor rules and the ISM listing rules, as well as the role

and responsibilities of a listing sponsor on the ISM.

7. We undertake that, if this application is approved, we, our employees and our agents will abide by all of the provisions of the ISM listing sponsor rules and all decisions and directions of the Exchange relating to our role as a listing sponsor.
8. We hereby confirm that:
  - 8.1 The information disclosed in this application is complete and accurate, to the best of our knowledge and belief.
  - 8.2 We meet and are in compliance with all of the requirements for approval as a listing sponsor for the ISM, to the best of our knowledge and belief.
  - 8.3 There are no additional facts or matters that are material to the Exchange's consideration of our application to become a listing sponsor 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:

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## DOCUMENTS FILED WITH THIS APPLICATION

1. Applicant's Information
2. Applicant's Ownership and Governance
3. Listing Sponsor 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 listing sponsor 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:
  - v) Details of issued share capital or partnership.
  - vi) Transferability of ownership interests, including details of public trading of any securities of the applicant.
  - vii) If the applicant is part of a corporate group, a diagram illustrating the ownership structure for the group and the applicant.
  - viii) Name, address and full particulars for each person or entity that controls the Applicant, directly or indirectly. Include the percentage ownership position for each person or entity, in terms of both equity ownership and voting.
    - "Controls" means a person or entity that owns, directly or indirectly, more than 30% of the voting shares of the applicant, more than 30% of the partnership units of the applicant, or is a general partner of the applicant.
  - ix) Names and addresses for each person or entity that owns 10% or more of the shares, partnership units or similar of the applicant.
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**

#### **LISTING SPONSOR QUALIFICATIONS AND PLAN**

The applicant must file a business plan that sets out:

1. Description of the applicant's current business.
2. Description of the applicant's experience during the last 5 years in supporting public offerings of securities or listing of securities on securities exchanges, including:
  - i) Identities of clients and issues of securities
  - ii) Names of securities exchanges, if any
  - iii) Information on types of securities involved and the applicable regulatory regimes
  - iv) Names of the applicant's personnel responsible for each of the transactions.
3. Types and sources of listings the applicant aims to sponsor (including types of products to be listed, geographic origin and types of industries or investment funds).
4. Identify any firms outside of Barbados that are affiliated with the applicant or that the applicant has a formal contractual relationship with that will support identification of potential listings on the ISM and carrying out listing sponsor functions.
5. Systems, tools and procedures in place to support the management and administration of the listing sponsor functions.
6. Does the applicant intend to engage the services of an agent or agents to support the performance of its listing sponsor functions? If yes, provide details of the agents and the functions to be delegated.
7. Names and qualifications of personnel to be assigned to listing sponsor duties.
8. List any other qualifications to perform the listing sponsor function.

### **EXHIBIT 4**

#### **PERSONAL INFORMATION FORM FOR DIRECTORS AND SENIOR OFFICERS**

14. Each director and officer of the applicant must complete and submit this form.
15. Full name
16. Address (home)
17. Address (office)
18. Date of birth
19. Place of birth
20. Citizenship
21. Country of residence

22. Position with applicant
23. Main responsibilities of position
24. 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?
25. Have you, or has any organisation with which you are or have been associated:
- b) ever been censured, penalized, or disciplined?
  - c) ever been the subject of a court order or official investigation?
  - d) ever failed to satisfy your/its debts?
  - e) ever been the subject of bankruptcy/insolvency proceedings?
  - f) ever been convicted of an offence involving embezzlement, fraud, theft or other dishonesty?
  - g) ever been found in violation of any financial services statute or regulation, or of any professional standards or code of conduct?
26. 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 listing sponsor 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:

\_\_\_\_\_

\_\_\_\_\_

## **APPENDIX 6 B - LISTING SPONSOR'S REVIEW AND RECOMMENDATION DECLARATION FORM**

### **DECLARATION TO THE BARBADOS STOCK EXCHANGE AND RECOMMENDATION FOR LISTING ON THE ISM**

Date

Listing sponsor

Applicant for listing

Security to be listed

Contact information for the listing sponsor's representative responsible for this listing application:

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#### **DECLARATION**

1. I am a director, officer or partner of the listing sponsor.
2. I am authorised by the firm to provide this declaration and am familiar with the activities we have carried out as the listing sponsor for this listing application.
3. We as the listing sponsor responsible for this listing application have carried out a due diligence review of the applicant, and have made due enquiries of the applicant about all information and documents filed with the application, as well as all material facts, events and circumstances relating to application.
4. We as the listing sponsor for this application have fulfilled all of our responsibilities under the ISM listing sponsor rules.
5. We have satisfied ourselves to the best of our knowledge and belief that:
  - 5.1. All information and documents required by the listing rules to be filed with this application for listing have been filed with the Exchange;
  - 5.2. All the applicable requirements for listing of the applicant and other requirements of the listing rules have been complied with;
  - 5.3. There are no other material facts, events or circumstances relating to the applicant that the Exchange should reasonably consider in considering the application, other than those disclosed in the application for listing;
  - 5.4. The directors of the applicant understand the nature of their responsibilities as a listed issuer on

the ISM;

5.5. The applicant can be expected to comply with their obligations under the listing rules;

5.6. The applicant is currently in compliance with the listing rules.

6. If we as listing sponsor become aware of any change in the information filed with the Exchange, or of any other material facts, events, or circumstances relating to the applicant that the Exchange should reasonably consider in reviewing the application, we will immediately notify the Exchange.

7. We as listing sponsor recommend the applicant for a listing on the ISM.

EXECUTED ON BEHALF OF

[Name of listing sponsor]

Date

By \_\_\_\_\_

Title:

[Director, officer or partner of the listing sponsor]

Contact information for signatory to this Declaration:

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

## **APPENDIX 6 C - RULES OF THE BARBADOS STOCK EXCHANGE ON APPEALS OF DECISIONS**

### **Article 3**

#### ***3.02.0 Notice of Particulars***

- (1) Whenever the Exchange proposes:
- (a) to commence disciplinary proceedings;
  - (b) to decline the granting unconditionally of an Exchange approval;
  - (c) to revoke, suspend or amend a previously granted Exchange approval;
  - (d) to decline to grant unconditionally the admission of a person to be a Member;
  - (e) to revoke, suspend or amend any of the rights or privileges of a Member, or
  - (f) to revoke, suspend or amend any of the rights or privileges of a seat-holder or of a holder of the right to use a seat,

the Exchange must serve at least ten days in advance of a hearing of the matter, a Notice of Particulars on any person who is directly affected by the proposal.

- (2) A Notice of Particulars must contain:
- (a) a statement of the date, time and place of the hearing of the matter;
  - (b) a reference to the authority under which the hearing will be held;
  - (c) the facts alleged and intended to be relied upon by the Exchange; and
  - (d) the provisions of subsections (3), (4) and (5).
- (3) A person served with a Notice of Particulars shall, within ten days from the date of service, serve on the Exchange a Reply signed by the person or by an individual authorized to sign on behalf of the person that specifically denies, with a summary of the supporting facts and arguments, any or all of the facts alleged.
- (4) The Board or a committee of the Board may accept as having been proven any facts alleged in the Notice of Particulars that are not specifically denied, with a summary of the supporting facts and arguments, in the Reply.
- (5) If a person served with a Notice of Particulars fails to:
- (a) serve a Reply in accordance with subsection (3) , or
  - (b) attend the hearing specified in the Notice of Particulars, notwithstanding that the person has served a Reply in accordance with subsection (3),

the Exchange may proceed with the hearing of the matter on the date and at the time and place set out in the Notice of Particulars without further notice to and in the absence of the person, and the Board or a committee of the Board may proceed to make a determination in his absence.

#### ***3.02.1 Hearings***

- (1) A person who has been served with a Notice of Particulars is entitled at the hearing of the matter:
  - (a) to attend and be heard in person except where the parties all agree that the hearing may take the form of the Exchange of documents whether in written form or by electronic means;
  - (b) to be represented by an attorney-at-law or other individual;
  - (c) to call and examine witnesses and to present arguments and submissions; and
  - (d) to conduct cross-examinations of witnesses at the hearing reasonably required for a full and fair disclosure of the facts in relation to which they have given evidence.
- (2) The Board, or the committee of the Board that presided at a hearing, shall, if requested by a person served with a Notice of Particulars, give reasons for the decision of the hearing.
- (3) The Board, or the committee of the Board, shall give in writing and send by registered mail the decision of the hearing and, if reasons have been requested under subsection (2), the reasons for the decision, to each person entitled to be served with a Notice of Particulars.

### ***3.02.2 Offer of Settlement***

- (1) Subject to subsection (5), the person served with a Notice of Particulars may submit an Offer of Settlement to the Exchange.
- (2) An Offer of Settlement must be consented to by the parties to the dispute and
  - (a) be in writing;
  - (b) be signed by the parties consenting to the Offer of Settlement or by the individuals authorized to sign on behalf of the parties; and
  - (c) contain:
    - (i) the provisions of any of the Exchange requirements that have been contravened, as agreed upon by the Exchange and the parties entering into the Offer of Settlement;
    - (ii) a statement of the facts agreed upon by the Exchange and the parties to the Offer of Settlement;
    - (iii) the disposition of the matter, including any penalty to be imposed, as agreed upon by the Exchange and the person submitting the Offer of Settlement; and
    - (iv) a waiver by the consenting party of all rights under the By-Laws to a hearing or to an appeal if the Offer of Settlement is accepted.
- (3) Subject to subsection (4) an Offer of Settlement shall be submitted to the Board or to a committee of the Board appointed to hear the matter, and the Board or a committee of the Board, as the case may be, shall either accept or reject the Offer of Settlement.
- (4) An Offer of Settlement in respect of a matter described in paragraph (a) of section 3.02.0(1) may be submitted to the Secretary of the Exchange for review where the penalty to be imposed is a reprimand, a sum not exceeding \$5,000.00, or both, and upon being submitted, the Secretary shall
  - (a) accept the Offer of Settlement ;
  - (b) reject the Offer of Settlement; or

- (c) refer the matter to the Board or to a committee of the Board for review.
- (5) An Offer of Settlement may not be entertained in respect of a matter described in paragraph (b) to (f) inclusive of section 3.02.0(1).
- (6) The negotiating of an Offer of Settlement must not adversely affect the position of the Exchange or that of any other persons involved in the negotiations. The negotiations may not be used as evidence or referred to in any proceedings.
- (7) If an Offer of Settlement is accepted by the Board, a committee of the Board or the Secretary of the Exchange,
  - (a) the matter becomes final;
  - (b) there can be no appeal of the matter; and
  - (c) the disposition of the matter agreed upon in the Offer of Settlement is to be included in the permanent record of the Exchange in respect of the parties who consented to the Offer of Settlement.
- (8) If an Offer of Settlement is rejected by the Board, a committee of the Board or the Secretary of the Exchange, the Exchange may proceed with a hearing of the matter.

### ***3.02.3 Appeals***

- (23) A decision of the Board after a hearing of the matter, to which the decision relates, under Rule 3.02.1, may be appealed to the FSC by any person directly affected by the decision.
- (24) A decision of the Board committee of the Board, after a hearing of the matter to which the decision relates, under Rule 3.02.1, may be appealed to the Board by a Member of the Board or by any person directly affected by the decision.
- (25) The Board shall, within five (5) Business Days, give its Order and written decision.
- (26) The written decision shall set out clearly the reasons for the decision and the Order.
- (27) The Exchange shall within five (5) Business Days of the date on which the Order and written decision of the Board or committee of the Board is given send by registered mail to the Member or person directly affected by the decision a copy of the Order and written decision of the said Board or hearing committee.
- (28) An appeal pursuant to subsection (1) is commenced by serving on the Secretary of the Exchange, and each of the persons entitled to appeal the decision, a written Notice of Appeal that specifies the grounds with a summary of the supporting reasons for the appeal, within thirty days from the date of the Order.
- (29) Within twenty days from the date of receipt by the Secretary of the Exchange of a Notice of Appeal, the Secretary shall in writing notify all persons who have appealed, of the date, time and place for the hearing of the appeal. The date for the hearing of the appeal must be within forty-two days from the date of the filing of the appeal.
- (30) Members of the committee of the Board who sat on the hearing of the matter to which the appeal relates, cannot participate in the review of the decision of the Board.

- (31) On an appeal of the decision of the Board, the Board shall consider the record of the hearing and may consider any new evidence that the Board determines appropriate under the circumstances.
- (32) Upon an appeal or review of the decision of the Board, the Board may confirm, reject or vary the decision;
- (33) Upon holding an appeal or review of the decision of the Board, the Board shall give in writing and send by registered mail to each person that appealed the decision, copies of the decision of the appeal or review and, if requested by a person entitled to appeal the decision of the hearing, reasons for the decision of the appeal or review, if any.

#### ***3.02.4 Report to Board***

- (1) Any committee of the Board that has conducted a hearing shall report to the Board on the hearing upon the expiration of the time periods for appeal if no appeal of the decision of the hearing has been commenced.
- (2) Any committee of the Board or any officer of the Exchange that or who has reviewed and accepted an Offer of Settlement shall report to the Board on the Offer of Settlement.

#### ***3.02.5 Powers and Remedies***

- (1) Where, after a hearing conducted in accordance with 3.02.1, it has been decided that a person under the jurisdiction of the Exchange has:
  - (a) contravened any Exchange Requirement, or
  - (b) engaged in any conduct, business or matter that is unbecoming or inconsistent with just and equitable principles of trade or detrimental to the interests of the Exchange or the public, or
  - (c) is not in compliance with any Exchange Requirement,
 the Board or a committee of the Board may impose any one or more penalties or remedies against the person.
- (2) The penalties or remedies to be imposed pursuant to subsection (1) may be one or more of the following:
  - (w) a reprimand;
  - (x) the suspension as a Member for the period and/or upon the terms and conditions, if any, determined by the Board or a committee of the Board;
  - (y) the revocation, suspension or amendment of the terms and conditions of a Membership;
  - (z) the imposition of any terms and conditions, determined by the Board or a committee of the Board, that a person must satisfy prior to being fully restored as a Member;
  - (aa) the expulsion as a Member;
  - (bb) the forfeiture of a seat or a right to use a seat;

- (cc) revocation of license of an Approved Trader;
- (dd) restrict from acting as an officer or director of a Trading Member;
- (ee) the making of restitution to any person who has suffered a loss as a result of the acts or omissions of a person under the jurisdiction of the Exchange;
- (ff) a fine not exceeding \$100,000.00; or
- (gg) any other penalty or remedy available by law.

### ***3.02.6 Interim Orders***

- (1) Notwithstanding any provisions in the by-laws or the rules, as the case may be, to the contrary, where
  - (a) the Board determines that a person under the jurisdiction of the Exchange
    - (i) has engaged in or might engage in any course of conduct,
    - (ii) has carried on or might carry on business in a manner, or
    - (iii) has otherwise acted in a manner
 that is detrimental to the interests of the Exchange or the investing public; and
  - (b) the Board considers it necessary for the protection of the interests of the investing public,

the Board may without notice of a hearing impose one or more of the interim orders described in subsection (2) against that person.

- (2) The interim orders to be imposed are:
  - (a) the suspension of the rights and/or privileges of trading for a period upon terms and conditions, if any, determined by the Board; or
  - (b) the suspension or amendment of the terms and conditions of a previously granted Exchange Approval;
- (3) Upon the imposition of an interim order by the Board pursuant to subsection (1), the Exchange shall commence an investigation pursuant to sections 2.02.1 and 2.02.2.
- (4) An interim order issued by the Board pursuant to subsection (1) expires fifteen days after the date on which the interim order was made, unless
  - (a) a hearing is held within that period of time to confirm or set aside the interim order; or
  - (b) the person against whom the interim order is made consents to an extension of the interim order until a hearing of the matter is held.

### ***3.02.7 Responsibility of Members and Others***

- (1) A Member may be found liable by the Exchange for the conduct, business or affairs of an authorized representative or an employee of the Member and may be made subject to penalties as if the Member had engaged in the conduct, business or affairs.
- (2) Notwithstanding subsection (1), the imposition of any penalties against a Member does not prevent the imposition by the Exchange of any penalties against the authorized representative or employee of the Member.

### ***3.02.8 Partners and Directors of Members***

- (1) Any partner or director of a Member may be found liable by the Exchange for the conduct, business or affairs of the Member, if he had responsibility for the Member, and may be made subject to any penalties as if he had engaged in that conduct, business or affairs.
- (2) Notwithstanding subsection (1), the imposition of any penalties against any partner or director of a Member does not prevent the imposition by the Exchange of any penalties against the Member.

### ***3.02.9 Service***

- (1) Subject to any provision of the by-laws or rules, as the case may be, to the contrary, any document required by this section to be served:
  - (a) on the Exchange must be served by personal service on or by registered mail addressed to the registered office to the attention of the Secretary of the Exchange; or
  - (b) on any person other than the Exchange must be served by personal service or by registered mail to the attention of that person and addressed to the last residence or business address shown in the records of the Exchange for that person.
- (2) If service of a document cannot be effected by personal service pursuant to the requirements of subsection (1)(b), the Board may prescribe any other manner likely to bring the document to the attention of the person.
- (3) An affidavit of an employee or agent of the Exchange attesting that subsection (1)(b) has been complied with is sufficient proof of service.