

# **Listing Regulations – Section I**

**All Issuers of Equity, Collective  
Investment Vehicles and Depository  
Receipts**

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# Chapter 1. Interpretations

## Definitions

**1.1** In these regulations, unless the context otherwise requires:-

**“associate”** means, in relation to:

- (1) an individual, that individual’s immediate family, the trustees of any trust, acting in their capacity as such trustees, of which any such persons are beneficiaries or discretionary objects and any company which the individual controls or of which the individual is a substantial shareholder (and its holding company and subsidiary companies); and
- (2) a company, that company’s holding company, its subsidiary companies, any fellow subsidiary companies of its holding company and any other company which is controlled by it;

**“Authority”** means the Bermuda Monetary Authority;

**“business day”** means any day upon which the Exchange is open for business;

**“BSD”** means the Bermuda Securities Depository service operated by the Exchange;

**“clear business days”** means in relation to the submission of draft documents to the Exchange, that period of business days excluding the day when the draft document is received by the Exchange and any intended date of publication;

**“constitution”** means all documents which individually or collectively govern and regulate the objects and internal conduct of a legal entity and the rights, powers, privileges and responsibilities of its shareholders, partners, beneficiaries, directors, officers, partners, trustees, members, managers or other persons entitled to a financial interest in it. Without limitation: in the case of a company its written constitution, whether comprising a memorandum of association, bye-laws, articles of association, or otherwise; in the case of a unit trust its trust deed and any supplemental deeds; and, in the case of a limited partnership, its partnership deed and any other documents constituting the partnership;

**“CEO”** means the Chief Executive Officer for the time being of the Exchange or such other persons as the CEO may designate to act in his absence from time to time;

**“collective investment vehicle”** means a collective investment scheme whether structured as a company, a unit trust, limited partnership or other legal entity which engages in the investment of capital;

**“Companies Act”** means the Companies Act 1981 of Bermuda;

**“control”** means ownership, either direct or indirect, of more than one half of the voting power of a legal entity or the right to control, either directly or indirectly, the financial and operating policies of the legal entity;

**“convertible debt securities”** means debt securities convertible into or exchangeable for other securities, property or assets;

**“convertible equity securities”** means shares convertible into or exchangeable for other securities, property or assets;

**“consolidated net tangible assets or trading profits”** means the consolidated net assets or trading profits, as the case may be, as shown in the latest set of audited accounts of the group;

**“Council”** means the Council for the time being of the Exchange;

**“dealing”** means any sale or purchase, or agreement to sell or purchase any securities of an issuer and the grant, acceptance, acquisition, disposal, exercise or discharge of any option of whatever kind or other right or obligation, present or future, conditional or unconditional, to acquire or dispose of securities, or any interest in securities of the issuer and “deal” shall be construed accordingly;

**“debt securities”** means debenture or loan stock, debentures, bonds, notes and other securities or instruments acknowledging, evidencing or creating indebtedness, whether secured or unsecured and includes options, warrants or similar rights to subscribe, exchange, convert, purchase or sell any of the foregoing and convertible debt securities;

**“derivative warrants”** means a security which gives its holder the right (but not the obligation) either to purchase from or sell to the issuer at a predetermined price a specific number of securities issued by a legal entity other than the issuer or any of its subsidiaries, or any other assets, indices or other specified valuables or to receive a cash payment calculated by reference to the value of the securities, assets, indices or other specified valuables;

**“director”** includes any person who occupies the position of a director, by whatever name called;

**“dissemination by the Exchange”** means the dissemination to the public of information given to the Exchange, by way of the Exchange’s electronic information systems, newspapers, television, radio, facsimile or other electronic broadcast or by way of a database/library service which is available to the public or by such other mechanisms as the Exchange may specify from time to time;

**“distributed to the public”** means made available in hard copy form and free of charge for a period of not less than 10 consecutive business days to the public, in sufficient numbers to satisfy public demand, at:

- (1) the issuer’s registered office; and
- (2) the offices of the sponsor, authorised representative or paying agent, as appropriate, in Bermuda;

**“domestic issuer”** means a legal entity which is incorporated or otherwise established in Bermuda but which is not an exempted company;

**“equity securities”** means shares including preference shares, units or partnership interests of an issuer and includes convertible equity securities and options, warrants or similar rights to subscribe, purchase or sell shares or convertible equity securities;

**“Exchange”** means The Bermuda Stock Exchange and any other market operated by The Bermuda Stock Exchange;

**“Executive Management Committee”** means the Executive Management Committee for the time being of the Exchange;

**“executive officer”** means the chairman, chief executive officer, president, chief financial officer, general manager, secretary or any other equivalent senior executive;

**“free transferability”** means that the securities may not be subject to any transfer restrictions or arbitrary compulsory purchase or redemption unless:

- (1) the acquisition or holding of the securities by certain pre-defined persons or groups of persons which are more particularly set out in the issuer's constitution and prospectus may result in regulatory, pecuniary, legal, tax or other material disadvantage for the issuer or the holders of its securities as a whole; or
- (2) the issuer wishes to restrict the maximum holding per holder of its securities to a pre-defined percentage which is more particularly set out in the issuer's constitution and prospectus;

**“group”** means the issuer and its subsidiaries, if any;

**“holding company”** means a company or other legal entity which has one or more subsidiaries;

**“immediate family”** means, in relation to an individual, a spouse and any other individual who resides in the same home as that individual and with whom that individual is living in a conjugal relationship outside marriage or who is related to that individual as a parent or sibling, and that individual's children under 21 years old;

**“insider dealing”** means dealing in securities by an insider while in possession of unpublished price sensitive information with the intention of making a profit or avoiding a loss and includes providing such information to another person for profit making or loss avoidance purposes and dealings in securities by such other person if he or it knowingly obtained the unpublished price sensitive information. For the purposes of these Listing Regulations “unpublished price sensitive information” is any information in relation to securities which is not generally known to persons who are accustomed or would be likely to trade or deal in those securities but which, if known, would be likely to have a material effect on the price or other trading aspects of such securities;

**“insider”** means:

- (1) the directors, and executive officers of an issuer or any individual who performs functions for an issuer similar to those performed by an individual occupying any such office and any other individuals whose relationship with that issuer means that they are in possession of or have access to confidential information on the activities of that issuer;
- (2) any shareholder holding at least five percent (5%) of the issued voting share capital of any class of securities of any issuer;
- (3) the staff of any trading member or listing sponsor of the Exchange who, due to their position, are in possession of or have access to such confidential information;
- (4) the staff of the Exchange who, due to their position, are in possession of or have access to such confidential information;
- (5) any associate of those persons described herein;

**"issuer"** means any legal entity, any class of whose securities are already listed or are, or are proposed to be, the subject of an application for listing;

**"Issuer's Undertaking"** means the undertaking (in the form set out by the Exchange, and published on the Exchange's website from time to time, which is relevant to the applicable section of the Listing Regulations) given by an issuer to the Exchange specifying the continuing obligations which the issuer undertakes to comply with as a condition of being granted a listing;

**"limited partnership"** means a partnership which includes one or more limited partners in accordance with the Limited Partnership Act 1883 of Bermuda or equivalent legislation in another jurisdiction;

**"listing"** means the grant of a listing of, and permission to deal in, securities on the Exchange and "listed" shall be construed accordingly;

**"Listing Committee"** means the Listing Committee for the time being of the Exchange as appointed by the Executive Management Committee;

**"Listing Regulations"** means these regulations governing the listing of securities on the Exchange which have been made with the approval of the Authority, as amended;

**"local company"** has the same meaning as in Section 2 of the Companies Act;

**"members"** means, in relation to an issuer, the holders of its listed securities from time to time;

**"mutual fund company"** means a company limited by shares whose object is to invest its capital wholly or mainly in a portfolio of investments with the intention of spreading investment risk and managing its portfolio for the mutual benefit of shareholders, and includes both closed-ended and open-ended mutual funds;

**“new applicant”** means an applicant for listing, none of whose securities are already listed on the Exchange;

**“open-end mutual fund”** means a mutual fund company that has the power to redeem or purchase for cancellation, its shares, without reducing its authorised share capital;

**“partnership committee”** means the highest decision making body/committee within a partnership and may be or include the General or Managing Partner;

**“person”** means any natural person, company, association, body of persons or other legal entity, whether corporate or unincorporated and whether regarded as a separate legal entity for tax purposes in any jurisdiction or not;

**“Primary Regulatory Exchange”** means the overseas stock exchange and any statutory securities regulatory body or listing authority in that jurisdiction which the issuer and the Exchange have agreed has the primary responsibility for regulating the listing, trading and dealing in the issuer’s securities and ensuring the observation by the issuer of its continuing obligations as an issuer of publicly traded securities;

**“prospectus”** means the document referred to in Regulation 2.12;

**“published in the newspapers”** means published in a daily newspaper which is circulated generally in Bermuda;

**“Qualified Investor”** means an investor who has truthfully completed an investor suitability declaration, in the form prescribed by the Exchange from time to time or in such other form as the Exchange may approve, and either:

- (1) makes an investment of not less than \$100,000 in the issuer; or
- (2) otherwise meets one of the suitability tests set out in the declaration;

**“restricted marketing”** means the issuer must restrict investment in its listed securities to Qualified Investors in a manner acceptable to the Exchange. This means, *inter alia*, that the securities may only be marketed to Qualified Investors and may only be traded on the Exchange between Qualified Investors;

**“subsidiary”** has the same meaning as in Section 86 of the Companies Act;

**“substantial shareholder”** means, in relation to an issuer, a person who is entitled to either directly or indirectly exercise, or control the exercise of, ten percent (10%) or more of the voting power at any general meeting of the issuer; and

**“unit trust”** means any trust which provides for investors to participate as beneficiaries under the trust in profits or income arising from the investment of the capital held by the trust and which has the power to redeem its units at the option of the investor.

- 1.2** In these Listing Regulations, references to a document being certified means certified to be a true copy or extract (as the case may be) by a director, the secretary or other authorised representative of the issuer or by the issuer’s auditors or solicitors.

- 1.3 Where the context so permits or requires, words importing the singular number include the plural and vice versa and words importing the masculine gender include the feminine and neuter genders and vice versa.
- 1.4 References to writing shall include typewriting, printing, lithography, photography and other modes of representing or reproducing words in a legible and non-transitory form and electronic mail received by the Exchange's e-mail systems.
- 1.5 The headings shall not affect the interpretation of these Listing Regulations, including the Appendices.
- 1.6 References to statutes include reference to such statutes as they may be amended or re-enacted from time to time.
- 1.7 In these Listing Regulations, the dollar sign "\$" refers, in respect of domestic issuers, to Bermuda Dollars and otherwise to US Dollars.
- 1.8 The listing rules shall be interpreted, administered and enforced by the Exchange. Any decision of the Exchange regarding the interpretation, administration or enforcement of these listing rules shall be final, conclusive and binding. The Exchange may issue policy notes or notes of interpretation, from time to time, to assist issuers or their advisers in interpreting and complying with these rules. The Exchange reserves the right to amend or add to these listing rules, from time to time, subject to the prior approval of the Authority.

## Chapter 2. General

### Introduction

- 2.1** These Listing Regulations have been made by the Exchange pursuant to the authority vested in it under Section 11 of The Bermuda Stock Exchange Company Act 1992 and have been approved by the Authority under Section 12 of that Act.
- 2.2** The principal function of the Exchange is to provide a fair, orderly and efficient market for the trading of securities issued by both domestic and international issuers. In furtherance of this, these Listing Regulations prescribe the requirements for obtaining and maintaining a listing of securities on the Exchange. These comprise both requirements which have to be met before securities may be granted a listing on the Exchange (such as the minimum requirements for listing, application procedures and fees payable, the contents of any prospectus published by the issuer and the requirement for a new applicant to be sponsored) and continuing obligations with which an issuer must comply once a listing has been granted and also the powers of the Exchange with regard to the suspension and/or cancellation of a listing or the censure of an issuer or any of its directors.
- 2.3** It is emphasised that the Listing Regulations are not exhaustive and that the Exchange, may impose additional requirements or make listing subject to special conditions whenever it considers it appropriate. Conversely the Exchange may waive, modify or not require compliance with the Listing Regulations either generally or to suit the circumstances of a particular case, as a variety of circumstances may exist which require it to make ad hoc decisions.
- 2.4** The Listing Regulations may be amended or added to by the Exchange from time to time, subject to the prior approval of the Authority.
- 2.5** Suitability for listing depends on many factors. Applicants for listing should appreciate that compliance with the Listing Regulations may not of itself ensure an applicant's suitability for listing. The Exchange retains a discretion to accept or reject applications and in reaching its decision it will pay particular regard to the general principles outlined in Regulation 2.7. Prospective issuers and their sponsors are therefore encouraged to contact the Exchange to seek informal and confidential guidance as to the eligibility of a proposed application for listing at the earliest possible opportunity.
- 2.6** These Listing Regulations shall not apply to any debt securities issued by the Government of Bermuda or the Authority, any request for the listing of which will be considered by the Exchange on an ad hoc basis as and when required.

### General Principles

- 2.7** The Listing Regulations reflect currently accepted international standards and seek to achieve an appropriate balance between providing issuers with access to the market at the earliest opportunity and providing investors both with certain safeguards and with sufficient and timely information for the purpose of enabling them to

make an informed decision as to the value and merits of listed securities. In particular, they are intended to ensure that investors have and can maintain confidence in the market and that:-

- (1) applicants are suitable for a listing;
- (2) the issue and marketing of securities is conducted in a fair, open and orderly manner and that potential investors are given sufficient information to enable them to make a properly informed assessment of the applicant, and of the securities for which listing is sought;
- (3) investors and the public are kept fully informed by listed issuers, and in particular that immediate disclosure is made of any information that might reasonably be expected to have a material effect on market activity in, or the prices of, listed securities;
- (4) all holders of listed securities are treated fairly and equally; and
- (5) directors of a listed issuer act in the interests of the holders of securities as a whole, particularly where the public represents only a minority of the shareholders or where securities are non-voting.

**2.8** It should be recognised that these Listing Regulations are not statutory rules and the Exchange expects issuers and their advisers to comply with the spirit as well as the letter of the regulations.

## Sponsorship

**2.9** Normally a new applicant for listing must be sponsored by a Listing Sponsor of the Exchange which is on the approved list of sponsors maintained by the Exchange. In the case of an issuer seeking a primary listing on the Exchange for its equity securities or seeking a listing of securities which are open to the public, only a Premium Listing Sponsor of the Exchange may act as a sponsor. The sponsor must ensure that the issuer receives fair and impartial guidance and advice as to the application of these Listing Regulations and that all necessary documents supporting an application are lodged with the Exchange and must be responsible for communicating with the Exchange during the application process. The sponsor must submit a Sponsor's Declaration Form to the Exchange, , before trading in the issuer's securities can commence on the Exchange.

## Authorised Representatives or Ongoing Sponsorship

**2.10** Every listed issuer shall EITHER appoint authorised representatives OR its sponsor to act at all times as the issuer's principal channel of communication with the Exchange. If the issuer chooses to appoint authorised representatives, there must be two authorised representatives who are both members of the issuer's senior management AND both must be ordinarily resident in Bermuda. However, if the issuer has its primary listing on another stock exchange which is recognised for this purpose by the Exchange a resident representative appointed in accordance with Section 130 of the Companies Act may act as the issuer's sole authorised representative.

## Application for Listing

### 2.11

- (1) Issuers seeking a listing for their securities on the Exchange must submit an application that complies with Chapter 5 of the relevant Section of these Listing Regulations.
- (2) The Exchange will normally process all applications and deliver listing decisions within seven (7) business days of the submission of all the information and supporting documentation requested by the Exchange, in acceptable form.

## Prospectus

- 2.12 Issuers seeking a listing for their securities on the Exchange must issue a prospectus which must comply with the content requirements set out in Chapter 5 and Appendix 2 of the relevant Section of these Listing Regulations, unless otherwise agreed with the Exchange.

## Issuer's Undertaking

- 2.13 Issuers seeking a listing for their securities on the Exchange are required to enter into an Issuer's Undertaking with the Exchange to comply with the continuing obligations of the Exchange as set out in Chapter 6 of the relevant Section of these Listing Regulations.
- 2.14 The form of Issuer's Undertaking required is set out and published on the Exchange's website from time to time, and applicable to the relevant Section of these Listing Regulations.

## Types of Securities Eligible for Listing

- 2.15 The Exchange is prepared to list most types of equity and debt securities, collective investment vehicles, depository receipts, insurance related products and derivative warrants carrying rights based on, or rights to acquire, other securities, an index or some other asset.

## Methods of Issuing Securities to be Listed

- 2.16 Securities may be brought to listing on the Exchange by any one of the methods described in Regulations 2.17 to 2.23, except where otherwise indicated.

## Offer for Subscription

- 2.17 An offer for subscription is an offer to the public by an issuer of securities for subscription.

## Offer for Sale

**2.18** An offer for sale is an offer to the public by or on behalf of the holder(s) or allottee(s) of securities already in issue or agreed to be subscribed.

## Placing

**2.19** A placing is the obtaining of subscriptions for or the sale of securities by an issuer or its intermediary from or to persons selected or approved by the issuer or its intermediary, otherwise than by way of an offer to the public.

## Rights Issue

**2.20** A rights issue is an offer by way of rights to existing holders of listed securities which enables those holders to subscribe for further securities in proportion to their existing holdings.

## Capitalisation Issue

**2.21** A capitalisation issue (or bonus issue) is an allotment of further securities to existing holders, credited as fully paid up out of the issuer's reserves or profits, in proportion to their existing holdings without any monetary payment.

## Introduction

**2.22** An introduction is the grant of a listing for existing securities which are already issued.

## Other Methods

**2.23** Securities may also be brought to listing on the Exchange by the issuance of securities through:-

- (1) the exercise of options, warrants or similar rights to subscribe for or purchase securities where the grant of the rights was supported by a prospectus and was approved by the Exchange;
- (2) the exercise of options granted to or for the benefit of executives and/or employees of a listed issuer where the grant of the options was approved by the Exchange;
- (3) a dividend reinvestment plan, approved by the Exchange, to the issuers securities holders;
- (4) such other methods as the Exchange may from time to time approve.

## Suspension and Cancellation of Listing

- 2.24** Listing is always granted subject to the condition that where the Exchange considers it necessary for the protection of investors or the maintenance of an orderly market, it may at any time suspend trading in any securities or cancel the listing of any securities in such circumstances and subject to such conditions as it thinks fit, whether requested by the issuer or not. The Exchange may do so where:-
- (1) an issuer fails, in a manner which the Exchange considers material, to comply with the Listing Regulations or its Issuer's Undertaking (including a failure to pay on time any fees or levies due to the Exchange);
  - (2) the Exchange considers there are insufficient shares of the issuer in the hands of the public, unless the issue is restricted to Qualified Investors only;
  - (3) the Exchange considers that the issuer does not have a sufficient level of operations or sufficient assets to warrant the continued listing of its securities on the Exchange; or
  - (4) the Exchange considers that the issuer or its business is no longer suitable for listing.
- 2.25** A short suspension of trading may be requested by an issuer upon the occurrence of a material event which requires immediate disclosure under these Listing Regulations, provided that an announcement of the material information is made forthwith. The Exchange may accept or reject the request for suspension in its absolute discretion and may from time to time issue policy statements regarding the circumstances in which the Exchange is prepared to suspend trading at the request of the issuer.
- 2.26** Where an issuer itself seeks suspension, the request for approval of the suspension must be made to the Exchange by an authorised representative or its sponsor (as the case may be) and confirmed in writing. In all cases, the request must be supported by specific reasons and the nature of the proposed announcement and the current state of events must be disclosed to the Exchange, so that the Exchange can assess the need for and appropriate duration of the suspension.
- 2.27** Where trading has been suspended, the procedure for lifting the suspension will depend on the circumstances and the Exchange reserves the right to impose such conditions as it considers appropriate. Where a suspension is made at the issuer's request, the issuer will be required to announce the reason for the suspension and, where appropriate, the anticipated timing of the lifting of the suspension. In some cases (for example a short suspension pending an announcement) the suspension will be lifted as soon as possible after the announcement is made. In other cases the suspension will be continued until any relevant requirements have been met. The continuation of a suspension for a prolonged period without the issuer taking adequate action to obtain restoration of trading may lead to the Exchange cancelling the listing.
- 2.28** There may be cases where a listing is cancelled without a suspension intervening. Where the Exchange considers that an issuer or its business is no longer suitable for a listing an announcement naming the issuer and specifying the period within which the issuer must have remedied those matters which have rendered it unsuitable for a listing will be published in a newspaper in Bermuda and disseminated by the Exchange. Where

appropriate the Exchange will suspend trading in the securities of the issuer. If the issuer fails to remedy those matters within the period set out in the announcement the Exchange will cancel the listing.

## Other Sanctions

**2.29** If the Exchange considers that an issuer has contravened these Listing Regulations it may, in addition to or instead of a suspension in trading or cancellation of a listing:

- (1) censure the issuer; and
- (2) publish the fact that the issuer has been censured.

**2.30** If the Exchange considers that a contravention of these Listing Regulations by an issuer is due to a failure by all or any of its directors to discharge their responsibilities it may do one or more of the following:

- (1) censure the relevant director;
- (2) publish the fact that the director(s) has been censured; and
- (3) state publicly that in its opinion the retention of office by the director(s) is prejudicial to the interests of investors.

## Voluntary Withdrawal of Listing

**2.31** An issuer whose primary listing is on the Exchange may voluntarily withdraw its listing if it gives the Exchange at least ninety (90) calendar days notice and if EITHER:

- (1) the issuer has an alternative listing on another stock exchange for its listed securities; OR
- (2) the issuer has obtained the approval of the holders of each class of its listed securities either by way of:
  - i. a three quarters majority vote at duly convened meetings of those holders; or
  - ii. by obtaining the prior written approval of at least three quarters of the holders of each class of its listed securities. Such form of written approval must be pre-cleared by the Exchange and sent, together with a notice containing the reasons for withdrawal of the listing, to all holders of each class of the issuer's listed securities. If in the opinion of the Exchange, there is a reason why an actual meeting should be held, the use of written consents will not be approved.

**2.32** An issuer whose primary listing is on another stock exchange may voluntarily withdraw its listing if it gives the Exchange at least sixty (60) calendar days notice.

- 2.33 In the case of time limited securities (such as redeemable securities, debt securities, convertible debt and equity securities and derivative warrants), an issuer must provide the Exchange with at least ten (10) consecutive business days notice of the upcoming maturity, redemption or conversion so as to provide the Exchange with an opportunity to implement the change and delist the security on the applicable maturity, redemption or conversion date, if necessary.
- 2.34 An issuer may voluntarily withdraw its listing by such other method as the Exchange may from time to time approve.

## Fees

- 2.35 An issuers that applies for a listing and whose securities may be granted a listing on the Exchange are required to pay such fees , at the time of making the application and on an ongoing basis, as may from time to time be prescribed by the Exchange and published on the Exchange's website. .

## Notice

- 2.36 Any notice referred to in these Listing Regulations must be submitted to the Exchange in writing.

## Bermuda Securities Depository

- 2.37 Once the Exchange determines that an issuer's listed securities are eligible for deposit and holding within the BSD, the issuer shall comply with the requirements of the Bermuda Securities Depository Regulations of the Exchange.
- 2.38 Unless otherwise agreed with the Exchange, issuers whose securities are granted a listing on the Exchange are required to ensure that their bye-laws do not preclude their listed securities from being eligible for deposit and holding within the BSD.

## Chapter 3. Stock Exchange Procedures

### Delegation of Powers

- 3.1 The Council has arranged for its powers and functions in respect of all listing matters to be delegated to the Executive Management Committee, subject to Regulation 3.15.
- 3.2 The Executive Management Committee has arranged for most of these powers and functions to be discharged by the Listing Committee, the CEO and the staff of the Exchange, subject to the appeals procedures set out in this Chapter.
- 3.3 In the first instance all matters concerning these Listing Regulations and an application for listing will be dealt with by the listing staff of the Exchange.

### Listing Committee

#### Composition of the Listing Committee

- 3.4 The Listing Committee shall consist of six (6) members of which five (5) shall be appointed by the Executive Management Committee. Of those five (5) members of the Listing Committee, at least three (3) members shall be independent of the trading members of the Exchange. Of those three (3) members, one shall be a director or secretary of a listed issuer, one shall be a representative of collective investment vehicles and the other shall be a representative of sponsors or lawyers or accountants or other professional advisers who provide advice in connection with applications for listing on the Exchange. The CEO shall be the sixth member of the Listing Committee. The Executive Management Committee shall appoint the chairman of the Listing Committee. The Executive Management Committee may appoint alternates to stand in for a member of the Listing Committee who has a disclosable interest, or who is otherwise unavailable to review any application coming before the committee.
- 3.5 All members of the Listing Committee other than the CEO, shall vacate office annually upon the appointment of their successor unless they are re-appointed.

#### Functions

- 3.6 The Listing Committee shall have the following functions:-
  - (1) to examine the eligibility and suitability of applications made to the Exchange for a listing;
  - (2) to apply, interpret and enforce these Listing Regulations;
  - (3) to recommend changes to these Listing Regulations to the Executive Management Committee; and

- (4) to decide on the suspension of trading on the Exchange or cancellation of a listing.

## Procedures

- 3.7** Meetings of the Listing Committee shall be held as often as may be considered necessary by the chairman and at such times and places as the chairman may determine. Meetings may be held in person or by means of a conference telephone call. In between meetings, to ensure a rapid response, decisions of the Listing Committee may be made by the affirmative vote of a majority of the Committee, following the circulation of a request for a decision by the staff of the Exchange and a telephone poll of those members who are available at that time. Written resolutions signed by all the members of the Listing Committee are as valid and effective as if the resolution had been passed at a duly constituted meeting.
- 3.8** The quorum for a meeting of the Listing Committee shall be three (3) members.
- 3.9** Each member of the Listing Committee present at a meeting shall have a vote.
- 3.10** Every question for decision at a meeting of the Listing Committee shall be determined by a majority of votes of the members present and, in the event that voting is equally divided, the chairman of the meeting shall have a second and casting vote.
- 3.11** The Listing Committee may act notwithstanding any vacancy among its members.

## Disclosure of Interests

**3.12**

- (1) A member of the Listing Committee who has any direct or indirect personal or pecuniary interest in any application coming before the Listing Committee shall on each and every occasion declare his interest and thereafter, unless otherwise directed by the chairman of the meeting, shall withdraw from the meeting, take no further part in the proceedings of the Listing Committee in relation to that application or vote in respect of it.
- (2) A declaration, withdrawal or direction referred to in paragraph (1) shall be recorded in the minutes.
- (3) Without prejudice to the generality of paragraph (1), a member of the Listing Committee has an interest that must be disclosed if he is a:-
- i. director or officer of the applicant;
  - ii. substantial shareholder of the applicant or a substantial shareholder of the controlling shareholder of the applicant;
  - iii. director, officer, employee or substantial shareholder of any of the applicant's sponsor, its advisors or an underwriter of the applicant's issue;

- iv. substantial shareholder of a competitor of the applicant;
- v. a major customer or major supplier of the applicant;
- vi. a material creditor or debtor of the applicant; or
- vii. a landlord or a tenant of the applicant.

- (4) If a quorum cannot be formed in respect of an application due to the disclosure of interests, the application will be dealt with by the Executive Management Committee.

## Confidentiality

- 3.13** No member of the Listing Committee shall disclose, except to the extent that its disclosure is required by law or strictly necessary for the proper discharge of his functions as a member of the Listing Committee, any information which is not generally known to the public and which has come to his knowledge in the performance of his functions as a member of the Listing Committee.

## Appeals

- 3.14** A decision of the Listing Committee to:

- (1) reject an application for listing by a new applicant;
- (2) reject an application by a listed issuer to lift a suspension of trading which has been in effect for more than twenty (20) business days; or
- (3) cancel the listing of a listed issuer,

may be appealed to the Executive Management Committee. Subject to Regulation 3.15, the decision of the Executive Management Committee in any such matter shall be final and binding on all parties and the Executive Management Committee shall not be required to disclose the reason for its decision on appeal.

- 3.15** A decision of the Executive Management Committee to cancel the listing of a listed issuer may be appealed to the Council. The decision of the Council in any such matter shall be final and binding on all parties and the Council shall not be required to disclose the reason for its decision on appeal.

- 3.16** In every case an appellant must give notice of its appeal to the Exchange within twenty (20) business days of the date of notification of the Exchange's decision. In making its determination, the body hearing an appeal may confirm or reverse the Exchange's earlier decision or, in the case of a rejection of an application for listing, may approve the application subject to the applicant complying with such conditions as the appeals body may see fit to impose. As part of any appeal, the relevant issuer shall be given an opportunity (by means of written representation to, or appearance before, the relevant appeals body, or both) to set out the grounds for its appeal.



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