



Guide to Listing on the International Stock Exchange

CONTENTS

| | |
|----------------------------------|---|
| PREFACE | 1 |
| 1. Introduction | 2 |
| 2. International Recognition | 2 |
| 3. Advantages of Listing on TISE | 3 |
| 4. Securities Listed on TISE | 3 |
| 5. Procedure for Listing | 4 |

PREFACE

This client guide explains the wide international recognition enjoyed by the International Stock Exchange (**TISE**), the process for listing on TISE, and the advantages of listing on TISE.

We recognise that this Guide will not completely answer detailed questions which clients and their advisers may have; it is not intended to be comprehensive. If any such questions arise in relation to the contents, they may be addressed to any member of the team, using the [contact information](#) provided at the end of this Guide.

Appleby
July 2018

1. INTRODUCTION

The International Stock Exchange (TISE) provides recognised facilities for the listing and trading of debt instruments and securities issued by companies and other forms of investment vehicles. It originated in 1998 as the Channel Islands Stock Exchange, was restructured as the Channel Islands Securities Exchange in December 2013, and in March 2017 changed its name to The International Stock Exchange. It was developed to complement the corporate services provided by Channel Islands' finance businesses, allowing these businesses to diversify by creating a market for local and international trading companies, investment funds and debt securities. The intention is to broaden the scope of financial services available in order to provide a one-stop-shop for all financial products and services, thereby increasing the Channel Islands' overall competitiveness as an international finance centre.

TISE is authorised to operate as an investment exchange under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 and is regulated and supervised by the Guernsey Financial Services Commission and is active in Guernsey, Jersey and the Isle of Man.

TISE is operated and regulated by The International Stock Exchange Authority Limited (TISEA). TISEA's board is the principal decision-making forum, which carries out the day-to-day listings and market surveillance functions of TISE. TISEA is a 100% subsidiary of The International Stock Exchange Limited.

TISE enjoys the support of a growing number of prestigious local and international organisations. In addition to the traditional type of stock exchange member, TISE's membership includes banks, insurance companies, investment fund managers, fund administrators, as well as law firms and accountancy firms.

TISE's approach is unique within the European time zone. There is a clear differentiation between it and other regulated and non-regulated Exchanges in Europe. Its efficient and personalised approach continues to attract new issuers and promoters. Special listing procedures have been put into place to address the needs of fund promoters and participants in the international debt market for a speedy and efficient listing service.

TISE listing fees are very competitive (current fees may be found on [TISE website](#)). In addition, cost savings may arise as, under the Listing Rules of TISE, existing documentation may be utilised to form part of the Listing Document.

The Listing Rules of TISEA are easy to understand and, in keeping with the existing high standards that have been imposed by TISE's regulatory authority, comply with international standards. Market data and prices are available through TISE's Market Update pages on its website.

Appleby Securities (Channel Islands) Limited is a full listing member of TISE, wholly owned by the Appleby Group, and can act as a sponsor for listing purposes. Appleby Securities (Channel Islands) Limited, working together with Appleby law firm, are able to provide high quality, cost-effective professional services in all aspects of structuring and documenting debt and equity issues, from initial inception to public offerings and listings.

2. INTERNATIONAL RECOGNITION

TISE has been internationally recognised.

TISE is a "recognised stock exchange" (**Recognised Stock Exchange**) by the United Kingdom's Her Majesty's Revenue and Customs pursuant to section 1005 of the Income Tax Act (2007). Shares listed on TISE are therefore "qualifying investments" within an ISA, PEP or SIPP and, as a result, an increasing number of closed-ended funds are listed on TISE.

The tax treatment of Eurobonds is also positively enhanced by TISE's status as a Recognised Stock Exchange. Interest paid on a qualifying quoted Eurobond does not have to be withheld for UK tax purposes if it is listed on TISE.

In December 2013, TISE was approved as an Affiliate Member of the International Organisation of Securities Commissions; it later was approved as an Affiliate Member of the World Federation of Exchanges and it was officially recognised by the Australian Securities Exchange.

The Bailiwicks of Jersey and Guernsey are within OECD jurisdictions and OECD conventions apply. Both Jersey and Guernsey are 'Designated Territories' under Section 270 of The Financial Services and Markets Act 2000.

Guernsey and Jersey were recognised as 'Qualified Intermediary' jurisdictions by the US Internal Revenue Service in September 2000.

Other recognitions include the German securities regulator, BaFin, and the Australian Securities Exchange.

3. **ADVANTAGES OF LISTING ON TISE**

The key strengths of TISE may be summarised as follows:

- because TISE is a Recognised Stock Exchange, interest paid on certain qualifying securities does not have to be withheld for UK tax purposes if such securities are listed on TISE;
- because TISE is not part of the European Union, issuers issuing certain qualifying securities do not have to comply with the European Union Market Abuse Regulation (Regulation 596/2014);
- because TISE is not part of the European Union, issuers issuing certain qualifying securities do not have to comply with the EU Prospectus Directive (2003/71/EC);
- TISE is within the same time zone as the UK and the Channel Islands are an English speaking jurisdiction;
- personalised approach with speedy turnaround time and consistency of response;
- competitive pricing and cost effectiveness;
- responsive and approachable;
- international standards of issuer regulations;
- enhanced marketability and added value service;
- premier locations; and
- a pragmatic approach to disclosure requirements.

4. **SECURITIES LISTED ON TISE**

The instruments which can be listed include:

- shares, units or other interests in investment funds;
- debt instruments;
- equities issued by trading companies;
- equities and debt issued by companies engaged in extractive industries and by special purpose acquisition vehicles;
- warrants;
- depository receipts.

TISE envisages that it will eventually expand its products and services to include the listing and trading of other products such as derivatives (other than warrants) and insurance-related instruments.

5. PROCEDURE FOR LISTING

The first stage in the making of any application for admission to the Official List is the appointment of a sponsor. The applicant must have a sponsor at all times while making the application. Once listed, the sponsor facilitates compliance with ongoing obligations. Appleby Securities (Channel Islands) Limited is a full listing member able to sponsor the listing of securities.

The listing procedure consists of four steps:

Step 1: Satisfying Listing Conditions

Before a security is considered for admission to the Official List certain conditions must be met. These conditions are vetted by the sponsor.

The standards for trading companies, open-ended funds, closed-ended funds, Special Purpose Vehicles (SPVs) debt issues, and special purpose acquisition companies, are very different.

Step 2: The Application for Listing

The applicant must submit certain documents to TISE as required by TISE Listing Rules. The documentation consists of a Listing Document, which can take the form of an existing published prospectus, offering memorandum, scheme particulars and the like, together with supporting documentation such as accounts, when necessary, and various standard application forms which TISE provides within its Listing Rules. Normally, updating information is included within a “wrapper” that forms part of the Listing Document.

TISE Listing Rules are available on TISE website. There are ten Chapters of which Chapters I to V are generic and applicable to all listings on TISE. Chapters VI to X (sometimes known as the **Product Chapters**) only apply to specific types of products or securities as follows:

- **Chapter VI:** Equities (other than equities issued by investment companies and special purpose acquisition vehicles) issued by Trading Companies;
- **Chapter VII:** Investment Vehicles;
- **Chapter VIII:** Specialist Securities;
- **Chapter IX:** Equities and Corporate Debt Securities issued by Extractive Industries; and
- **Chapter X:** Equities issued by Special Purpose Acquisition Companies.

The Appendices to TISE Listing Rules, which follow the above chapters, relate to the various standard forms and listing document disclosure requirements, which are product specific.

The listing document disclosure requirements for Chapter VIII Specialist Securities are set out in Appendix IX, Part D of TISE Listing Rules. There are 28 disclosure items, the majority of which are fundamental items such as the details of the terms and the conditions of the issue in question.

Step 3: Approval

All applications for listing will be processed by the staff of TISE Listing Department. Once they are satisfied with an application they will submit a report, including their recommendations to TISE’s Listing and Membership Committee to be considered at a meeting of the Listing and Membership Committee.

Step 4: Listing

If the Listing and Membership Committee approves the application, the Listing Document is then filed and the securities are admitted to the Official List.

TISE also provides a facility for the secondary listing of a company's securities and funds which are already listed on one or more other recognised stock exchanges.

The listing process is generally the same for a secondary listing as for a primary listing. TISE will, however, permit an issuer to use the previous listing document approved by the issuer's primary exchange to obtain a listing on TISE and certain information necessary for a primary listing may not be required to be submitted to TISE. TISE may, however, ask that additional documentation be prepared if the documents supplied prove to be inadequate.

For more specific advice on listing on TISE, we invite you to contact one of the following:



Jersey

Andrew Weaver

Partner | Corporate

+44 (0)1534 818 230

aweaver@applebyglobal.com



Guernsey

Jeremy Berchem

Group Partner* | Group Head, Guernsey

Corporate

+44 (0)1481 755 601

jberchem@applebyglobal.com



Jersey

James Gaudin

Partner | Corporate

+44 (0)1534 818 337

jgaudin@applebyglobal.com



Isle of Man

Kyle Sutherland

Partner | Corporate

+44 (0)1624 647 653

ksutherland@applebyglobal.com

For the convenience of clients in other time zones, a list of contacts available in each of our jurisdictions may be found [here](#).

*Not admitted in Guernsey

The term "Partner" is a title referring to a member, shareholder, director, employee or consultant of equivalent standing and qualifications of one of the partnerships, limited liabilities companies and other entities which are for the time being authorised by Appleby Global Group LLC to carry on the business of legal practices under the Appleby name. A list of the Partners of any Appleby partnership, members of any Appleby limited liability partnership, or of the members, shareholders or directors of any Appleby limited company and of any other non-shareholders who are termed "Partners" of any legal practice is available for inspection upon request. Appleby is an organisation of separate entities and legal practices comprising both corporate and partnership for, each established to provide legal services under the Appleby name from the numerous jurisdictions in which it is based.

This publication is for general guidance only and does not constitute definitive advice
© Appleby Global Group Services Limited 2018