



The Cayman Islands Stock Exchange ("CSX" or "Exchange") provides a platform for the listing and trading of shares, debt securities issues and other instruments issued by trading companies, investment funds and other investment vehicles.

The CSX offers a unique and convenient service and structure in the US time zone and has become the exchange of choice for a growing number of international issuers.

### **Why use the CSX?**

The key strengths of the CSX are:

- **High Quality and High Value** – speedy turnaround time and consistency of response from an experienced and highly qualified team that understands the complexities of transactions and is dedicated to meeting the issuers' deadlines.
- **Internationally Recognised** – the CSX is an affiliate member of IOSCO, the International Organisation of Securities and Exchange Commissions, and recognised by UK HM Revenue & Customs, meaning that CSX-listed securities benefit from the Quoted Eurobond Exemption which allows interest to be paid without the deduction of withholding tax.
- **No requirement to appoint a listing agent** – this means that the Issuer or its advisers may deal directly with the CSX's approachable and responsive listing department. This helps to reduce costs and improve time efficiencies, particularly where the adviser is familiar with the listing process.
- **Competitive pricing and cost effectiveness** – CSX listing fees are significantly less than other major exchanges (initial fees are US\$2,500 for standalone issues).
- **Existing Documentation Can Support Listing** – for example, prospectus, offering memorandum, scheme particulars, pricing supplements may be used, with the addition of a wrapper, to form the Listing Document.
- **Proficient and Proportionate Listing Rules** – the CSX Listing Rules meet international standards and are based on IOSCO disclosure requirements, which are widely regarded as international best practice and are easy to understand.
- **EU Directives Do Not Apply** – no EU directives apply (for example: EU Market Abuse Regime Regulation (MAR), EU Directive on criminal sanctions for market abuse (CSMAD), Prospectus Directive and Transparency Directive) to CSX listings making the regulatory burden less onerous than on other major exchanges.
- **Straightforward listing process** – carried out into two stages (i) initial stage and (ii) final stage.

### **General principles for listing on the CSX**

The CSX Listing Rules (the "**Listing Rules**") are designed to ensure that investors have and maintain confidence in the securities market.



**In particular:**

- the securities for which application is made must be suitable for listing.
- the issue and marketing of the equity securities must be conducted in a fair and orderly manner.
- Investors must be given sufficient information to enable them to make an informed assessment of the issuer and the securities.
- after listing, there must be sufficient disclosure of information to investors to ensure that they are kept fully informed of all factors which might affect their interests and in particular that immediate disclosure is made of any information which might reasonably be expected to have a material effect on market activity and prices of the listed securities.
- all holders of listed securities must be treated fairly and equally.
- directors of an issuer must act in the interests of shareholders as a whole.
- holders of securities must be given adequate opportunity to consider in advance and vote upon major changes in the issuer's business operations and matters of importance concerning the issuer's management and constitution.

**Specific Information for Listing Funds on the CSX**

- single listing regime and single user friendly rulebook geared towards sophisticated market participants.
- no separate rules in relation to a minimum subscription level (although additional rules will apply for retail funds).
- No restrictions on investment policy and principal investment objectives. Investment policies can be changed provided that the mechanism is disclosed in the listing document (other stock exchanges insist that a fund can not materially change its principal objectives and policies as set out in its Listing Document for a minimum period of 3 years from the date of its listing other than with the consent of a majority of holders).
- the CSX does not insist on any prescribed degree of investment diversification (e.g. can list currency or commodity fund).
- corporate directors are allowed.
- for funds which have been in existence for less than twelve months, the CSX requires an audited statement of the net asset value of the fund and its portfolio of investments. Newly incorporated funds are not required to produce financial statements.
- Synergies from listing on an exchange in the leading domicile in the world for investment funds and structured debt products, providing access to the full range and top calibre of service providers in a jurisdiction that has fashioned its legislative, regulatory and administrative approach to enable the utmost efficiency in specialist product operations.

**CSX Approach to Listing**

The CSX is a leading, globally focused specialist exchange, which offers a personalized approach to listing applications within a highly regulated and innovative marketplace.

The CSX's tailored approach to listing extends to the disclosures required by issuers and their debt securities in a Listing Document. Disclosure requirements are intended to provide investors with enough information to enable them to make an informed assessment as to whether or not to invest in the listed securities, but without imposing onerous demands on the issuer. The CSX listing team can provide guidance at an early stage to seek informal and confidential guidance on the suitability of a proposed listing application.



**CSX Listing Capability and Products are as follows:**

**Our Products**

- Corporate debt
- Specialist debt
- Retail debt
- Investment funds
- Equities
- Derivative warrants

**Industry-specific Listing Capabilities**

- Specialist companies
- Retail funds
- Exchange traded funds
- Property funds
- Forestry funds
- Shipping companies

**Open communication**

CSX operates an open-door policy and is happy to answer any query, however big or small in order to assist potential issuers.

*The information contained in this memorandum is necessarily brief and general in nature and does not constitute legal or taxation advice. Appropriate legal or other professional advice should be sought for any specific matter. This guide is therefore designed as a starting point for a more detailed and comprehensive discussion.*