

The International Stock Exchange - new Listing Rules

News - 28/07/2021

The International Stock Exchange Authority Limited (**TISEA**) has published its updated Listing Rules, which will be effective from Monday 2 August 2021.

The material changes are summarised as follows:

- TISEA has created separate rulebooks for debt and equities securities and has established a dedicated Qualified Investor Bond Market (**QIBM**). The QIBM is a familiar concept within European debt capital markets and enables listings for eligible bonds being marketed to 'qualified investors' (as defined in the QIBM Listing Rules - formerly the debt listing rules). Separate listing fee schedules have also been created for bonds and equities to correlate with the relevant rulebooks.
- Timing and the TISE Guarantee - TISEA has introduced the TISE Guarantee, a '3+1' review timeframe. TISEA has committed to conduct an initial review of listing applications within three business days of the first submission and within 1 business day of subsequent submission(s). In addition, TISEA will continue to facilitate same day approval where an application for approval has been received by 12 noon (GMT).
- TISEA's comments letter will no longer be contingent on the payment of the initial application fee. Instead the initial application fee, first annual fee and formal notice fee or lifetime fee invoice (as applicable) must be settled by 12 noon (GMT) on the required application approval/listing date.
- Disclosure Checklists - TISEA has introduced new disclosure obligations checklists to be completed by listing agents/sponsors in order to demonstrate where the relevant requirements of the Listing Rules are met.
- All applications currently in progress, and those submitted prior to 2 August 2021, will not be required to submit revised documents. However, all new applications submitted to TISEA from 2 August 2021 must comply with the new Listing Rules.

QIBM

- The historic financial information to be provided by an issuer (where applicable) has been reduced from three years to two years.
- The expected principal amount of bonds to be listed has been reduced from being at least £1 million (aggregate) to at least £200,000 (non-aggregate).
- The application process has been streamlined through the introduction of a consolidated TISE 1 Form (a single listing application form required to be completed by the issuer) and the initial and final application documents to be submitted have been reduced (for example, constitutional documents of the issuer, board minutes approving the issue and listing and director declarations are no longer required for listings on the QIBM).
- Programmes – TISEA has introduced the concept of the TISE passport service, a pan-European fast track listing service available for those bond programmes already approved by a national competent authority within the EEA or UK. TISEA will accept a pre-vetted bond programme where it has been 'wrapped' with its own TISE Passport Letter. The completed TISE Passport Letter and corresponding bond programme together constitute a TISE passport programme listing document for the purposes of listing on TISE. This initiative complements the existing TISE approved programme service for bond programmes which are not submitted under the TISE passport service.
- TISEA has also included rules in relation to the listing of derivative bonds, together with a bespoke regime in respect of the listing of sovereign and other public bonds.
- Listing fees - TISEA has maintained the existing fee structure and rates for high yield corporate bonds, private equity debt securities and specialist debt securities, to provide stability and continuity in these key business streams.

Issuers of certain types of debt securities (such as sovereign and other public bonds, derivative bonds, issues in relation to securitisation transactions and other corporate bonds (which includes plain vanilla bank and company bonds (investment grade/non high yield)) can opt to pay either a lifetime fee (encompassing all initial application, annual and formal notice fees, as well as any early delisting fees that may become applicable) or fees charged in the traditional manner. In order to increase TISEA's competitive position in respect of bonds issued under programmes, lifetime fees will be charged which will vary according to specific circumstances.

Equity Market

- To align with developing market trends in the US and the UK in relation to the listing of Special Purpose Acquisition Companies (**SPACs**) and notably where there may be an institutional investor base, the following specific amendments have been made:

- dual share class structures (and founder shares) are permitted, subject to certain provisions and disclosure requirements;
 - issuers seeking to complete qualifying acquisitions must give shareholders the option to redeem, or otherwise acquire the shares from the shareholders for a pre-determined value or price per share;
 - a SPAC issuer may not need to obtain prior shareholder approval for the completion of a qualifying acquisition, subject to certain exemption provisions;
 - any proposed qualifying acquisition must be announced to the market within three business days; and
 - there is no requirement for a SPAC issuer to suspend dealings in its securities upon an announcement being made in relation to a proposed qualifying acquisition.
- Listing fees - The fee structure and rates for equities securities remains unchanged.

If you have any queries in relation to the revised Listing Rules please do not hesitate to contact the Ogier Corporate Finance Limited (OCFL) listing team (listingnotifications@ogier.com) or your regular contact at Ogier.

OCFL

OCFL is one of the leading listing agents in the offshore listing market and was a founder member of TISE when it launched over twenty years ago.

In addition:

- OCFL is an active member of TISEA's rules committee, which reviews TISEA's Listing Rules on an ongoing basis in order to improve TISE's offering and the listing process;
- OCFL's listings team includes former TISE listing and technical managers, who maintain excellent working relations with TISEA and provide exceptional technical knowledge and insight to assist our clients; and
- as part of OCFL's full service offering we provide an ongoing post-listing service to issuers, providing advice and assistance in relation to TISEA's Listing Rules and compliance with the continuing obligations applicable to listed issuers.

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to all our clients. We regularly win awards for the quality of our client service, our work and our people.

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