

COLLAS DAY | COMMERCIAL

# The Channel Islands Stock Exchange

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## 1. Introduction

1.1 The Channel Islands Stock Exchange (CISX), which is based in Guernsey, commenced operations in October 1998, since when it has approved over 3,000 securities for listing with a total market capitalisation of over US\$ 50 billion. The CISX offers a highly personalised approach and fast track processing of listing applications within a well regulated and innovative marketplace.

## 2. Benefits of a CISX Listing

2.1 Some of the benefits of a CISX listing are:

- 2.1.1 Competitive pricing, with no VAT or stamp duty charged in Guernsey.
- 2.1.2 A responsive and approachable Market Authority that meets daily to consider applications for listings.
- 2.1.3 International standards of issuer regulation.
- 2.1.4 Funds established in jurisdictions outside Guernsey may apply for listing, and this does not require the consent of the local regulator, the Guernsey Financial Services Commission.
- 2.1.5 The listing rules do not contain any investment restrictions, other than requiring a spread of risk.
- 2.1.6 The CISX is flexible with accounting standards (e.g. US GAAP is permitted). In this regard, it is worth noting that the EU Prospectus Directive does not apply in Guernsey.
- 2.1.7 The listing rules do not differentiate between local and non Guernsey funds, e.g. in relation to accounting procedures for netting off losses.

## 3. Overseas Recognition

3.1 The CISX has the following overseas recognitions:

- 3.1.1 It has been designated as a “recognised stock exchange” by HM Revenue & Customs under the UK Income and Corporation Taxes Act 1988. This means, amongst other things, that UK investments such as ISAs, PEPs and SIPPs can invest in CISX-listed funds. This is particularly relevant to the listing of property unit trusts established under Guernsey law and regulated by the Guernsey Financial Services Commission. The benefits of such a listing are widely recognised for its investment potential for SIPPs. Being a recognised stock exchange also makes it suitable for the listing of UK REITs.

3.1.2 It has been designated by the FSA as a “designated investment exchange” under the UK Financial Services and Markets Act 2000. This facilitates trading by UK authorised firms as under certain FSA rules they may treat transactions effected on a designated investment exchange in the same way as transactions on a recognised investment exchange.

3.1.3 It has been designated by the US Securities and Exchange Commission as a “designated offshore securities market” for the purposes of Regulation S of the Securities Act of 1933.

3.1.4 In July 2000 it was officially recognised by the Australian Stock Exchange.

3.1.5 In October 2003, the CISX was approved as an Affiliate Member of the International Organisation of Securities Commissions (IOSCO).

3.1.6 In August 2005, it became an Associate Member of the International Capital Market Services Association (ICMSA).

3.1.7 It is registered with the World Federation of Exchanges as a “corresponding market”.

3.1.8 It is a member of the European Securitisation Forum.

4. For more information about the CISX, please see [www.cisx.com](http://www.cisx.com)

5. Collas Day has an in-house listing sponsor that sponsors listings on the CISX. We would be happy to advise on the benefits and procedures for listing on the CISX.

For more information, please contact:

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