

**BAHAMAS INTERNATIONAL SECURITIES EXCHANGE
LIMITED**

BISX PRIVATE MARKET RULES

**SECTION 2: PRIVATE ISSUER'S CONTINUING
OBLIGATIONS**

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OBLIGATIONS**

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Subsection 1: General Obligations

1.1 Introduction

This Section sets out the continuing obligations that a Private Market Issuer (Issuer) is required to observe once its securities are listed.

1.2 Authorised representatives

A Private Market Issuer's authorised representative acts as the issuer's principal channel of communication with the Exchange on an ongoing basis in respect to compliance with its continuing obligations or any other matters concerning its listing on the Exchange.

1.3 General duty of disclosure to investors and notification to the Exchange

1. An issuer shall notify information to the Exchange by the method laid down by the Exchange from time to time.
2. The issuer shall keep the Exchange and its investors apprised of all material events impacting the issuer.
3. Information released by a Private Market issuer must:
 - (i) include all material facts;
 - (ii) not be misleading;
 - (iii) not omit price-sensitive information; and
 - (iv) present a balanced view of the issuer's activities.

Subsection 2: Disclosure Of Certain Events

2.1 Notifiable events

An issuer must notify the Exchange and their investors without delay of any material change in its affairs, including but not restricted to, the following matters:

- (i) any proposed change in its capital structure, including the structure of its listed debt securities, except that an announcement of a new issue may be delayed while marketing or underwriting is in progress;
- (ii) where an issuer has listed debt securities, any new issues of debt securities, and any guarantee or security in respect of them;
- (iii) any change in the rights attaching to any class of listed securities (including any change in loan terms or in the rate of interest carried by a debt security) or to any securities into which any listed securities are convertible;
- (iv) the notification of the record date for the distribution of any payment to investors, and in any case, not less than five days prior to the date of record.
- (v) any purchase, sale, drawing or redemption by the issuer of its listed securities;

- (vi) the effect, if any, of any issue of further securities on the terms of the exercise of rights under options, warrants and convertible securities;
- (vii) the results of any new issue of listed securities or of an additional offering of existing securities;
- (viii) details of changes in shareholdings of Officers, Directors, and any other insider as defined under the Securities Industry Act, 2024;
- (ix) changes in its directors, including appointments, resignations, removals or when any important functions or executive responsibilities of a director are changed, and the notification must state the effective date of the change or if it is with immediate effect, and, in the case of an appointment whether the position is executive or non-executive and the nature of any specific function or responsibility; and
- (x) any changes relating to the identity, name or location of the trustees or paying agents acting in respect to the issuer's securities.

2.2 Definition of "material information"

For the purposes of this Rule the definition of "material information" contained in the Act shall apply.

Subsection 3: Treatment Of Holders Of Securities

3.1 Equality of treatment

The issuer shall ensure equality of treatment for all holders of securities of the same class who are in the same position. Issuers must not provide material information to select investors without making that same information available to all holders of that class of security via the Exchange

3.2 Communication with shareholders

In the first instance, all communications with shareholders should be via electronic means.

The issuer shall inform all security holders of meetings they are entitled to attend, giving these security holders a reasonable advance notice of the meeting.

3.3 Access to Information

Shareholders will have access to copies of prior financial statements, constitutive documents and the shareholder register in a method agreed upon by the Exchange.

3.4 Annual General Meetings

Private Market issuers must either have an Annual General Meeting or if due to their corporate structure an Annual General meeting is not required, then they must detail any other way by which shareholders are able to exercise their shareholder rights.

Companies holding AGMs must provide adequate notice and proxy information as relevant. This information be provided to all shareholders and to the Exchange.

Subsection 4: Miscellaneous Obligations

4.1 Prior review of documents by the Exchange

In addition to the specific requirements set out in the Rules, the issuer shall submit to the Exchange for review and approval before they are issued:

- (i) copies of drafts of any announcements relating to the issue of new or further securities;
- (ii) copies of drafts of any circulars and of any documents issued in connection with takeovers, mergers or demergers; and
- (iii) copies of drafts of the relevant documentation and the draft notice of any meeting concerning any proposed amendments to its memorandum and articles of association or other constitutive documents, or any deed or other instrument constituting debt securities.

4.2 Filing of circulated documents

The issuer must forward electronically to the Exchange a copy of every document sent to security holders, as well as copies of all resolutions passed by the issuer in general meeting within 14 days after the relevant general meeting.

4.3 Directors Declarations

1. As soon as practicable after the appointment of a new director, but in any case within 14 days of his appointment, each new director must sign and lodge with the Exchange a declaration and undertaking in the form prescribed by the Exchange from time to time.
2. If there are changes to any of the details set out in a director's declaration and undertaking lodged with the Exchange an issuer must ensure that such details are submitted to the Exchange as soon as practicable, and in any event not later than 14 days after such change.

4.4 Further issues of securities

The issuer shall apply for the listing of any further securities that are of the same class as securities already listed, prior to their issue, and shall not issue such securities unless it has applied for the listing of those securities.

4.5 Board decisions

The issuer shall notify the Exchange immediately after approval by or on behalf of its Board of:

1. any decision to declare, recommend or pay any dividend or to make any other distribution on its listed securities and the rate and amount of the dividend or distribution;
2. any decision to withhold any dividend or interest repayment on any of the issuer's securities;
3. any decision not to declare recommend or pay any dividend which would otherwise have been expected to have been declared, recommended or paid in due course;
4. any proposed change in the capital structure, including any redemption of its listed securities; and
5. any decision to change the general character or nature of the business of the issuer or group.

4.6 Changes to officers, auditors etc

The issuer shall notify the Exchange immediately of any changes in its secretary, auditors or registered address.

4.7 Annual listing fees

An issuer must pay the annual listing fee as published by the Exchange from time to time.

4.8 Response to enquiries from the Exchange

The issuer shall respond promptly to any enquiries made by the Exchange concerning unusual movements in the price or trading volume of its listed securities or any other matters raised by the Exchange by giving such relevant information as is available to the issuer or, if appropriate, by issuing a statement to the effect that the issuer is not aware of any matter or development that is or may be relevant to the situation.

4.9 Additional requirements and information

The Exchange shall be entitled to require the publication of further information by and impose additional continuing obligations requirements on the issuer where it considers that circumstances so justify, but will allow representations by the issuer, following proper notice being provided to the issuer by the Exchange, before imposing any additional requirements on it which are not imposed on listed companies generally.

Subsection 5: Annual Report and Accounts, Preliminary Results and Interim Reporting

5.1 Requirement to produce and distribute annual report and accounts

1. An issuer must issue an independently audited annual report and accounts and ensure that a copy of the annual financials are made available to every holder of its securities within a reasonable time and in any event before a general meeting of shareholders
2. Issuers may be exempted from this requirement based upon representations to the Exchange on a case-by-case basis.
3. Annual reports and/or accounts shall be made available to shareholders and The Exchange no later than 150 days after the end of the issuers financial year.

5.2 Standards for annual reporting

The annual report and accounts must:

1. have been prepared in accordance with the issuer's relevant applicable laws.
2. be in consolidated form if the issuer has subsidiaries, unless the Exchange otherwise agrees;
3. if they do not give a true and fair view of the state of affairs, profit or loss and cash flows of the group, they should provide additional and more detailed information; and
4. be lodged with the Exchange on or before the same day as they are sent to shareholders.

5.3 Interim reports

1. An issuer which has listed securities on the Exchange must prepare a report on a group basis where relevant, on its activities and financial status in accordance with an internationally recognized accounting standard for interim financial reporting for the period ending six months following its financial year end.
2. The interim report must be made available to security holders within 60 days of the end of the period to which it relates, however, in exceptional circumstances the Exchange may grant an extension to this time limit.
3. The issuer must also supply the Exchange with a copy of the interim report at a time no later than its distribution.

Subsection 6: Share Transfers, Share Registers And Certificates

A register of the holders of each class of securities that have been issued by the company must be maintained in electronic form or other form agreed with the Exchange.

The Company shall ensure that it or its duly appointed Transfer Agent and Registrar keeps its register accurate and up-to-date and maintains records relating to registered ownership changes that will allow a backward audit trail of up to 2 years.

Share Transfers must be carried out in accordance with the BISX Procedures for transfer of Private Market Listings.

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