



# Joining DCSX

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## **1. DCSX - Introduction**

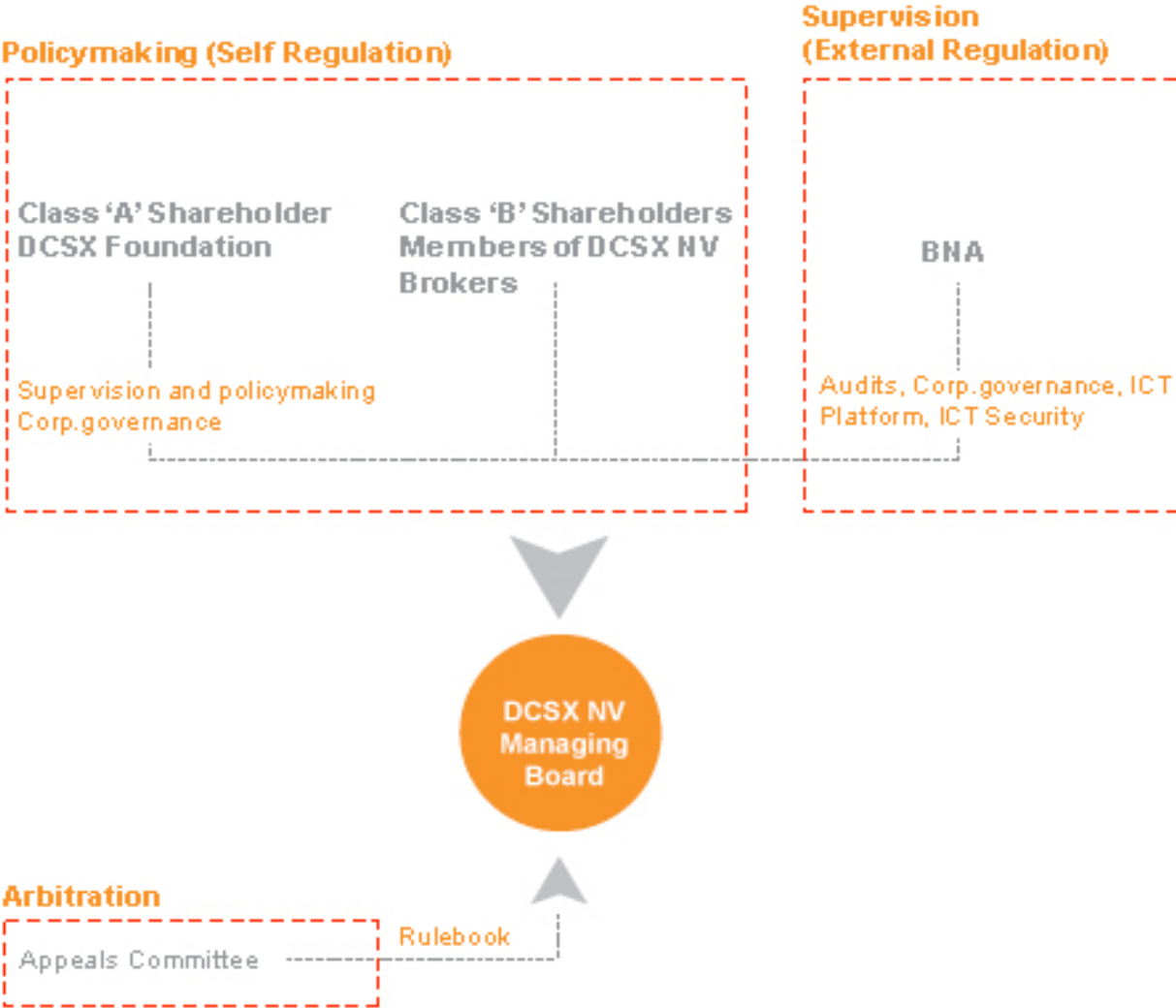
The Dutch Caribbean Securities Exchange (DCSX) was officially launched on March 5<sup>th</sup> 2010 when the exchange obtained its license from the Minister of Finance of the Netherlands Antilles. On that date, an important step was taken towards the realization of the long awaited exchange of the Dutch Caribbean.

The DCSX is an international electronic exchange for the listing and trading in domestic- and international securities. Key to its success is that the exchange provides a time- and cost-efficient listing procedure, ensuring a smooth listing process for local as well as international companies, and investment funds.

Membership of the DCSX is available to reputable financial institutions that apply the highest level of integrity and are in good standing. The DCSX has developed listing rules for its participants, tailored to the needs of the market. Emphasis lies on the disclosure of vital information through an efficient listing application process that courts the issuer through the administrative procedures in a timely manner. The DCSX ensures transparency to the investor and guarantees visibility for the issuer at all times whilst its listing fees are highly competitive.

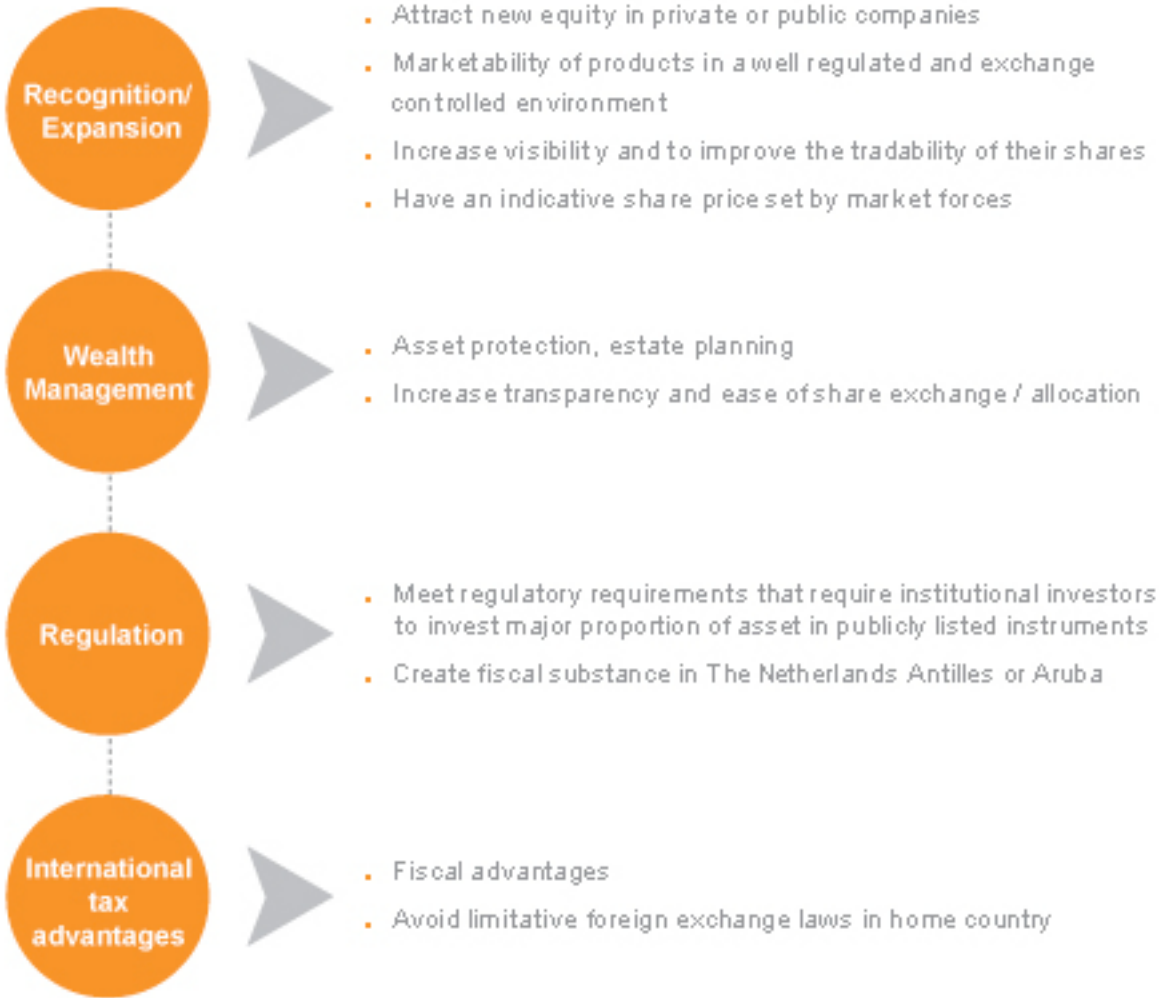
The DCSX is a SRO, a Self-Regulatory Organization, membership-owned and supervised by a board of experienced professionals broadly representing the financial services industry in the Dutch Caribbean. The DCSX is licensed by the Minister of Finance, supervised by the Central Bank of the Netherlands Antilles and fully cooperating with the Authorities. A one-tier Management Board represents the exchange with executive and non-executive members.

DCSX organizational structure:



## 2. Why join a public market?

Companies list their shares for reasons that are unique to the particular structure and needs of each company, its shareholders and management. A company may seek a listing because its shareholders would like to sell part or all of their shares; it enables the company to expand its business and markets in which it operates. It also adds to the company's prestige and profile. Whatever a company's reasons for listing, a listing status offers the following advantages:



### 3. Listing with DCSX

#### 3.1. General.

Undertaking equity financing and becoming a publicly traded company is a major milestone for any company. It is a decision that requires careful considerations, expert advice, guidance and increased legal responsibilities. The DCSX is established on Curaçao, the principal island of the Dutch Antilles. Curaçao gives the DCSX the privilege of operating in a stable and highly developed financial services environment; a sophisticated financial center with a long standing reputation that dates back to the early 1930's. Curaçao's Civil Law system rhymes with the Dutch Civil Law model and enables the DCSX to offer an excellent alternative to the Anglo-Saxon legal and regulatory framework of the regional exchanges in its jurisdictions. The highest legal recourse for the Dutch Antilles is with the Supreme Court in The Hague, Netherlands. The DCSX characteristics are:



### **3.2. Why list Bonds?**

- To get access to an important source of capital for financing long term projects and expanding business by issuing debt securities to multiple institutional or private investors;
- To create a primary and secondary market for bond trading;
- To have a transparent platform where the investor can buy and sell the bonds at a price determined by supply and demand;
- To avoid share dilution for corporations as a result of further share emissions;
- To have an independent, trusted party, the DCSX, publish the initial offerings and ensure supervision on good governance and periodical reporting to investors.

### **3.3. Why list Equities?**

- To increase transparency and ease of share allocation/ distribution;
- To achieve a share price determined by market forces;
- To distribute ownership over a broader group of investors (protection against nationalization);
- To offer privacy in ownership – shares registered in the name of a custodian;
- To provide banks the collateral they require for financing;
- To achieve international exposure;
- To access liquidity to finance expanding operations.

### **3.4. Why list Funds?**

- To increase the fund's potential investor base. Legal or regulatory constraints may mean that institutional investors are either restricted in part or prohibited at all from investing in unlisted securities or securities which are not listed on a regulated stock exchange;
- To allow investors to market their fund investment to market: Many institutional investor's accounting systems require publicly quoted stock exchange prices for the investments;
- To provide publicly available information for investors: All Net Asset Values, NAV's, notifications and announcements made by listed funds are reported through an information dissemination system and will be published on the DCSX website and made available to the media;
- To offer a greater level of transparency and third party oversight to a fund;
- To establish a neutral pricing source to potential and existing investors who seek the governance comfort of a securities exchange.

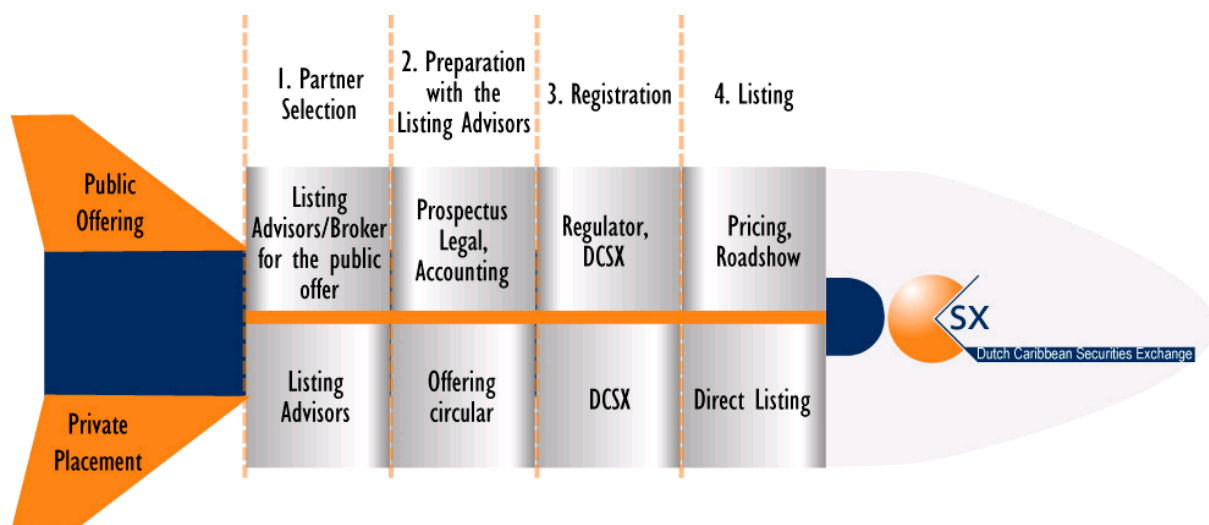
### 3.5. The listing process

Any company, regardless of its industrial sector or country of origin, may request a listing on the DCSX. However, any company or fund that seeks to list on the exchange must appoint a Listing Adviser (LAD), licensed by the DCSX, for both the process of the listing and throughout its life as a DCSX listed entity. The LAD is the coordinator between the issuer and the exchange at all times. The LAD will be accountable for the correctness of information and ensures that an issuer fulfils all its duties with regard to transparency and information requirements. With the LAD coordinating the whole listing process, a company can issue its shares for a public or a private placement.

A public placement can take place only after all regulatory requirements of the DCSX for an Initial Public Offering (IPO) in the primary market or the sale of a secondary distribution of listed stock have been complied with.

A private placement refers to the sale of securities or other investments products to a limited number of investors. Although the rules are less stringent than that of a public offering, here again the placement can be completed only after all regulatory requirements of the DCSX have been met by the issuer.

The flow of the listing process:



#### 4. Conclusion.

The decision to take a company or fund public is obviously a very significant one and in most cases a stepping-stone to further growth. The event marks a major milestone, representing a source of new businesses, organizational opportunities as well as international awareness.

Listing on the DCSX provides a multitude of advantages. The listing process is effectively managed, both in terms of time and costs. The DCSX meets international standards and is able to offer a transparent and well-regulated marketplace for companies and funds of all types and sizes to list its securities.

The DCSX Membership is open to all local and international institutions that are in good standing with their financial services industry and supervisory authorities. The member firm will enjoy the rights and privileges of membership.

To apply for the status of a LAD, the company must have a thorough understanding of the listing process and be able to set-up a team of specialists that will assist the issuing party to get its security listed.

In short, DCSX has all the regulatory processes and a robust trading platform in place to set the stage for the successful listing of Funds, Companies and Exchange Traded Funds (ETF's), consequently adding substantial market awareness for your organization. For more information, please refer to the website [www.dcsx.an](http://www.dcsx.an).

