

Listing on the local stock exchange

Trading your shares on a public market.

Finance can be raised from the capital markets by listing the shares of a business on a stock exchange, such as The International Stock Exchange (TISE) which has an office in Jersey.

Listing a business on a stock exchange has traditionally been seen as the preserve of multinational organisations. However, TISE provides a more cost-effective option which allows businesses to list at an earlier stage in their lifecycle.

Why List?

The owners of a business may seek to list its equity on an exchange for a number of reasons:

- enhanced prestige and profile for the owners and their business.
- enhanced standards of transparency and governance which is attractive to many investors and is the reason that some investors can only invest in listed companies.
- access to a new pool of capital. Listing widens the potential investor base and this capital can help take the business to the next stage of its development.
- succession planning and/or a route to exit. As with any equity financing, listing on a stock exchange is likely to involve relinquishing at least some ownership but this can range from retaining majority control to a full exit.

Why The International Stock Exchange (TISE)?

TISE has an office in Jersey which is able to assist local companies wishing to list.

TISE offers a regulated market and internationally recognised stock exchange providing access to investors from around the world. This combines with a regime which is cost-effective and proportionate to the size of the business.

The [Listing Rules](#) set out the full criteria but the main requirements for listing are:

- The company must be must be worth at least £1 million.
- At least 25% of shares must be in 'public hands', i.e. not those of Directors, thereby creating a market.
- The availability of three years' audited annual accounts, although this does not apply if the company has been operating for a shorter period.
- Directors must provide a statement certifying that the company has sufficient working capital for at least 12 months.

Exceptions to these requirements are available, subject to a suitable rationale being provided.

How to list

Businesses wishing to list equity must first appoint a category 3 [TISE Listing Member](#) to act as a Sponsor. A business must have a Sponsor appointed at all times during the listing application process and while it is listed. The Sponsor acts as an intermediary between the business, known as the issuer, and the Exchange.

There are two stages along the path to listing:

1. The issuer, via the Sponsor, files an initial submission in draft. The application is reviewed and a comments letter is then released, subject to payment of a listing application fee.
2. Taking into account the comments received, the issuer, via the Sponsor, submits final, signed

documents. Once approved, a grant of listing letter is released, subject to payment of the first annual listing fee.

The equity securities of the business are then admitted to the Official List of the Exchange. Once listed, the Sponsor is also responsible for ensuring that the issuer adheres to its [continuing obligations](#) of being listed.

Fees

Based on one business listing one class of equity, [TISE's fees](#) comprise a one-off application fee of £6,000 and a recurring annual fee of £6,000 per annum. Fees from advisers involved with the listing will also apply.

Fund raising / Trading

Channel Islands based businesses, such as financial services group PraxisIFM, are already taking advantage of this alternative for raising capital. They are eligible to enter TISE's Channel Islands segment, which provides these businesses with enhance visibility to investors.

It may be that owners are not yet ready to list a business. However, it is important to take any potential future listing into consideration as part of a longer term strategy for the business, not least in order to ensure that the minimum criteria for listing are met at the time at which a listing is under consideration.

For more information visit: www.tisegroup.com

Relevant Links

- [TISE Group](#)

- [Listing Rules Fees](#)

- [Listing Members](#)

- [Continuing obligations](#)



> Financial Plan Development

> Raising Funds

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> Guide to Writing a Business Plan

> Business Plan Template

> Jersey Financial Services Commission

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