

**RULES****-of-****THE GUYANA ASSOCIATION OF SECURITIES COMPANIES AND  
INTERMEDIARIES INC.****CHAPTER 1****INTERPRETATION**

## Rule

- 1.01-1.04 Definitions
- 1.05 Validity
- 1.06 Introduction

**CHAPTER 2****ADMINISTRATION**

- 2.01 The Board
- 2.02-2.03 Functions of the Board
- 2.04-2.08 Committees
- 2.09-2.10 Proceedings of committees
- 2.11-2.14 General Manager

**CHAPTER 3****MEMBERSHIP**

- 3.01 Classes of membership
- 3.02 Qualifications for membership
- 3.03 Application for membership
- 3.04 Admission to membership
- 3.05 Refusal of membership
- 3.06 Resignation
- 3.07-3.10 Representatives
- 3.11 Liability to expulsion
- 3.12 Change in articles, by-laws, directors or shareholders of member
- 3.13 Responsibility of members

- 3.14 Registered address
- 3.15 Voluntary liquidation

## **CHAPTER 4**

### **CODE OF CONDUCT**

- 4.01 Member to comply with relevant legislation
- 4.02 Independence
- 4.03 Material interest
- 4.04 Inducements
- 4.05 Fair and clear communication
- 4.06 Customers' understanding of risk
- 4.07 Information about member
- 4.08 Representatives of member
- 4.09 Where customer agreement required
- 4.10 Customer agreements
- 4.11 Customer rights
- 4.12 Suitability
- 4.13 Charges
- 4.14 Periodic information
- 4.15 Customer order priority
- 4.16 Timely execution
- 4.17 Best execution
- 4.18 Timely allocation
- 4.19 Fair allocation
- 4.20 Front running
- 4.21 Churning
- 4.22 Insider dealing
- 4.23 Safeguarding of customer investments
- 4.24 Complaints
- 4.25 Compliance
- 4.26 Supervision
- 4.27 Customer confidentiality
- 4.28 Unsolicited calls
- 4.29 Cessation of business
- 4.30 Member to observe decisions of the Board
- 4.31 Member to refrain from activities detrimental to GASCI
- 4.32 Member to act in best interests of customer
- 4.33 Member to report to GASCT in certain circumstances

## **CHAPTER 5**

### **FINANCIAL AND ACCOUNTING REQUIREMENTS**

- 5.01 Obligation to comply with financial and accounting requirements
- 5.02 Increase in net capital and liquidity margin requirements
- 5.03 Member's duty to notify inability to comply
- 5.04 Power of Board to take action
- 5.05 Duty to keep accounting records
- 5.06 Records to be kept up to date
- 5.07 Audit trail
- 5.08 Retention of records
- 5.09 Customer money
- 5.10 Customer bank accounts
- 5.11 Members to keep separate accounts for every customer
- 5.12 Annual financial statements
- 5.13 Availability of accounts for inspection
- 5.14 Quarterly Reporting Statements
- 5.15 Submission of annual accounts
- 5.16 GASCI 's right to demand documents
- 5.17 Power of GASCI to make spot checks
- 5.18 Power of person authorised by GASCI

## **CHAPTER 6**

### **LISTING**

- 6.01-6.06 Introduction
- 6.07 Admission to Official List
- 6.08 Application for admission to Official List
- 6.09-6.10 Listing Undertaking
- 6.11 Listing fees
- 6.12 Authorised representatives
- 6.13 Suspension of listing by GASCI
- 6.14 Request by company for suspension
- 6.15 Lifting of suspension
- 6.16 Delisting by GASCI
- 6.17-6.18 Membership of Listing Committee
- 6.19 Functions of Listing Committee
- 6.20-6.21 Proceedings of Listing Committee
- 6.22-6.27 Meetings of Listing Committee

6.28	Disclosure of interest
6.29	Confidentiality
6.30	Powers of Board
6.31	Qualifications for admission to Official List
6.32-6.43	Equity securities
6.44-6.48	Corporate debt securities
6.49	Debt securities other than corporate debt securities

## **CHAPTER 7**

### **TRADING RULES AND OPERATIONS**

7.01	General rules
7.02	Trading limited to members and representatives
7.03	On-floor trading
7.04	Off-floor trading
7.05	Single price opening auction
7.06	Imbalance in Orders
7.07	Indicated opening price
7.08	Execution of "Market Opening Orders"
7.09	Execution of limit orders
7.10-7.12	Pre-trade and post-trade publication by GASCI
7.13	Cross trades
7.14-7.15	Block trades
7.16	Trade reports
7.17	Trade confirmation
7.18	Rescission
7.19- 7.21	Transaction contracts and broker transfer form
7.22	Settlement of transactions
7.23	Procedures for enforcement of transactions
7.24	Ex-dividends, ex-rights, etc

## **CHAPTER 8**

### **DISCIPLINE**

8.01	Meaning of member in this Chapter
8.02	Establishment of Disciplinary Committee
8.03	Co-operation of member required
8.04	Powers of Disciplinary Committee
8.05	Power of Board to expel or suspend

- 8.06 Institution of disciplinary proceedings
- 8.07 Jurisdiction of Disciplinary Committee
- 8.08 Secretary
- 8.09 Statement of the allegations of fact and law
- 8.10 Exchange of evidence
- 8.11 Notice of hearing
- 8.12 Admission of charges
- 8.13 Attendance
- 8.14 Standard of proof
- 8.15 Evidence and directions
- 8.16 Conduct of hearing
- 8.17 Record of hearing
- 8.18 Decision
- 8.19 Costs
- 8.20 Right of appeal against finding charge is proved
- 8.21 Right of appeal on penalty or costs
- 8.22 Time for appeal
- 8.23 Notice of appeal
- 8.24 Appeal proceedings by written submissions
- 8.25 Powers of the Council
- 8.26 Finality
- 8.27 Disputes between members

## **CHAPTER 9**

### **PAYMENT OF FEES LEVIES AND CHARGES**

- 9.01-9.02 Fees, levies and charges
- 9.03 Amount
- 9.04 Revision
- 9.05 General Notice

#### **FIRST SCHEDULE: Listing Undertaking**

#### **SECOND SCHEDULE: Listing Fees**

#### **THIRD SCHEDULE: Format of Order Board**

#### **FOURTH SCHEDULE: Change History**

## **CHAPTER I INTERPRETATION**

### **Definitions**

- 1.01 In these rules, unless the context otherwise requires –
- "Act" means the Securities Industry Act 1998;
- "backwardation" means that the bid price of a stock is above the offered price;
- "best bid/offer" means the highest price at which a stock may be sold and the lowest price at which stock may be bought;
- "best execution" means dealing for a customer at the best available price;
- "block trade" means a trade of abnormally large size as defined by the Board;
- "Board" means the board of directors of GASCI;
- "chief executive" means a person who either alone or together with one or more persons is responsible under the immediate authority of the Board of directors for the conduct of the business of the issuer;
- "contract note" means the document produced by a member as a trade confirmation to a customer, as record of the customer's obligation to settle the trade with the member, and as a record of the member's obligation to settle the trade with the counterpart member;
- "Council" means the Securities Council established by section 4 of the Act;
- "cross-trade" means a trade in which a member is acting as an agent for both buyer and seller (an agency cross) or in which a member is acting as a principal on its own account in a trade with a customer (a principal cross) ;

"director" includes any person who occupies the position of a director, by whatever name called;

"financial year" means the period in respect of which any profit and loss account of an issuer laid before its members in general meeting is made up, whether that period is a year or not;

"GASCI" means The Guyana Association of Securities Companies and Intermediaries Inc. ;

"General Manager" means the General Manager of GASCI for the time being appointed by the Board;

"issuer", in relation to securities, means the person by whom they have been or are to be issued;

"limit opening order" is an order entered into a single price opening auction at a limit price which, coincidentally, equates with the price achieved at the auction;

"limit order book" means the record of unexecuted orders entered by members of GASCI, such record being a physical book, or wall display, or electronic display;

"Listing Committee" means the Listing Committee appointed by the Board;

"market contract" means the document prepared by GASCI confirming a trade between members;

"market opening order" means an order entered into a single price opening auction without any price limit but which (subject to availability or demand) will execute at the price achieved at the auction;

"member" means a securities company or securities intermediary who has been admitted to membership of GASCI;

"Listing Undertaking" means the undertaking (in the form set out in First Schedule to these rules) by an issuer to GASCI specifying the continuing disclosure obligations which the issuer undertakes to comply with as a condition of admission to the Official List;

"new applicant" means, in the case of equity securities, an applicant for listing none of whose equity securities is already admitted to the Official List, and in the case of debt securities, means an applicant for listing none of whose equity or debt securities is already admitted to the Official List;

"opening process" means a single price auction to establish an opening price;

"order board" means the wall display maintained during open-outcry trading;

"regulated market" means any stock exchange, over the counter market or other organised securities market that is regulated, operates regularly and is recognised by the Council;

"reporting issuer" has the same meaning as in the Act;

"representative" means an individual who is accredited to a member under the provisions of the Securities Industry (Registration of Market Participants) Regulations 2002;

"securities" has the same meaning as in the Act;

"securities company" has the same meaning as in the Act; and

"securities intermediary" has the same meaning as in the Act.

- 1.02 For the purpose of these rules, a company is a "subsidiary" of another company, its "holding company", if that other company –
- (a) holds a majority of the voting rights in it, or
  - (b) is a member of it and has the right to appoint or remove a majority of its board of directors, or
  - (c) is a member of it and controls alone, pursuant to an agreement with other shareholders or members, a majority of the voting rights in it, or if it is a subsidiary of a company which is itself a subsidiary of that other company.
- 1.03 Where the context so permits or requires, words importing the singular number include the plural and vice versa and words importing the masculine gender include the feminine and neuter genders and vice versa.



- 1.04 These rules shall be interpreted, administered and enforced by GASCI. GASCI may issue practice notes and guidance notes, from time to time, to assist issuers or their advisers in interpreting and complying with these rules.
- 1.05 If any section or part of these rules is in violation of the Act or any subsidiary legislation made in accordance with the Act it should be considered removed without affecting the validity of the remaining document.
- 1.06 GASCI is responsible for the enforcement of its own rules. Breaches of the Act or Regulations made under the Act are for the GSC to investigate and sanction. However, GASCI must notify the GSC of any and every known or suspected breach of the Act or the Regulations made under the Act forthwith.

## **CHAPTER 2**

### **ADMINISTRATION**

#### **The Board**

- 2.01 The management and control of GASCI shall be vested in the Board.

#### **Functions of the Board**

- 2.02 The Board shall have the power to administer, manage, formulate and give directions in relation to the affairs of GASCI.
- 2.03 Without prejudice to rule 2.02 the following powers shall be vested in the Board, to be exercised in such manner, on such terms and at such times as it shall see fit -
- (a) to determine applications for membership of GASCI;
  - (b) to appoint any person to be a member of a committee formed for general or specific tasks for such duration as it sees fit, and to remove him there from;
  - (c) to give directions to the General Manager and any committee in accordance with these rules;
  - (d) to vary, supplement or discharge, whether wholly or in part, any decisions that may be reached by the General Manager or any of the committees on such terms as it sees fit;

- (e) to delegate any of its powers to any person including the General Manager and any of the committees and to revoke such delegation;
- (f) to interpret any provision in these rules and the validity of any act made pursuant thereto in the event of any dispute or difference over such rules;
- (g) to give and issue directions in the form of circulars to members from time to time for the purpose of enforcing or implementing the articles and these rules;
- (h) to order an investigation into the affairs of any member or an representative suspected of having violated any of the provisions of these rules and for this purpose, to inspect and demand the production of all books, accounts, records and any other documents which it may deem necessary and to engage an accountant or any other person to assist in the investigation;
- (i) to reprimand, fine, suspend or expel any member or representative and to exercise such other disciplinary measures as are provided in these rules;
- (j) to suspend all or part of any trading activity in the event of an emergency and to take such remedial action as it thinks fit;
- (k) to grant, suspend or revoke the trading privileges of any member or representative;
- (l) to appoint or remove the General Manager;
- (m) to enforce any directions given by the Council or an authorised officer of the Council;
- (n) to determine the admission of securities to the Official List;  
and
- (o) to exercise such other powers as are necessary to enforce these rules.

### **Committees**

- 2.04 The Board may establish such committees, standing or ad hoc, as it sees fit.
- 2.05 The Board may appoint any person to be a member of a committee whether that person is a member or not; provided that at least one member shall be appointed in respect of every committee.

- 2.06 All members of a committee shall vacate office one year after their appointment unless they are re-appointed by the Board.
- 2.07 The Board may fill any casual vacancies that may occur in a committee by reason of resignation, retirement or otherwise.
- 2.08 Any reference or assignment to a committee and every appointment under rule 2.05 or 2.07 may be withdrawn or revoked by the Board at any time, and no such reference or appointment shall prevent the performance by the Board of any of its functions.

### **Proceedings of committees**

- 2.09 A committee may elect any of its members to be chairman and may regulate its own procedure and business; in the exercise of its powers a committee shall be subject to and act in accordance with any direction given to it by the Board.
- 2.10 Meetings of a committee shall be held at such times and places as the chairman of that committee may, subject to rule 2.09, determine.

### **General Manager**

- 2.11 The General Manager, who shall not be a member or an officer or employee of a member, shall be appointed by the Board and shall hold office upon such terms as may be prescribed by the Board. The General Manager shall have the general supervision of and be responsible for the day to day management of GASCI and supervision of members as provided in these rules.
- 2.12 The General Manager shall carry out the directions, orders and decisions of the Board or of any of the committees.
- 2.13 The General Manager shall, subject always to the overriding right and power of the Board, hold and exercise all such powers vested in the Board and committees as shall not have been conferred upon and expressly required to be exercised by the Board.
- 2.14 Without prejudice to rule 2.13 and any other provisions in these rules expressly conferring power upon the General Manager, the General Manager shall have such powers as the Board or any

committee may confer upon him including, in particular, the following powers:

- (a) to supervise trading activities, the clearing and settlement of trades, and to take all necessary steps to maintain orderly and efficient trading in accordance with these rules, and to suspend trading in any issue of securities or by any member as provided for in these rules or as directed or authorised by the Board, any committee or the Council;
- (b) to be responsible for the employment of staff of GASCI;
- (c) to report periodically to the Board on all matters concerning GASCI or on such occasions as may be expedient;
- (d) to scrutinise and manage all matters relating to membership, including applications for membership;
- (e) to ensure good order and behaviour in GASCI premises and for this purpose, to refuse entry to any person and to remove, or deny access to, any person from GASCI premises or trading systems; and
- (f) to attend all meetings of the committees.

## **CHAPTER 3**

### **MEMBERSHIP**

#### **Classes of membership**

3.01 There shall be two classes of member, namely Individual Members and Corporate Members.

#### **Qualifications for membership**

- 3.02 (1) The qualifications of an applicant for admission as an Individual Member shall be that –
- (a) he holds 1 fully-paid share in GASCI;
  - (b) he is registered by the Council as a securities intermediary under Part IV of the Act;
  - (c) he is a person of good character and integrity; and
  - (d) he is able to comply with such other requirements for

membership, including financial and other resource requirements, as the Board may from time to time prescribe.

- (2) The qualifications of an applicant for admission as a Corporate Member shall be that –
  - (a) it holds 1 full-paid share in GASCI;
  - (b) it is registered by the Council as a securities company under Part IV of the Act;
  - (c) the only business carried on by it is securities business and those activities which are normally ancillary to such business;
  - (d) it is of good financial standing and integrity; and
  - (e) it is able to comply with such other requirements for membership, including financial and resource requirements, as the Board may from time to time prescribe.

#### Application for membership

- 3.03 Any person who wishes to apply for membership of GASCI shall –
  - (a) apply to the General Manager in writing in such form as the Board may determine;
  - (b) in the case of a body corporate, submit an updated copy of its Articles of Incorporation and by-laws;
  - (c) provide proof to the satisfaction of the Board that his financial position is such as would enable him, at the time of making application, to comply with any capital requirement; and
  - (d) provide the Board with any such further information as the Board may require.

#### Admission to membership

- 3.04 (1) Where the Board is satisfied that an applicant is qualified to be a member under rule 3.02 the Board shall admit the applicant to membership subject to section 38(2) and (3) of the Act.
- (2) Fair representation of each member in the administration of GASCI's affairs is achieved by virtue of the requirement that each member holds 1 fully paid share in GASCI, which, subject to paragraph (3), entitles them to one vote at meetings of shareholders.
- (3) All shareholders who are part of the same financial group are only entitled to vote one share between them.

### Refusal of membership

- 3.05 The Board shall, before refusing admission to, or imposing conditions on, membership, comply with section 38(4) of the Act and hence there will be an opportunity for the applicant to be heard in accordance with the GASCI disciplinary procedures.

### Resignation

- 3.06 (1) A member who wishes to resign from membership of GASCI shall serve on the Board advance written notice of not less than 30 days to that effect, a copy of which shall be posted by GASCI on the notice board of GASCI.
- (2) Notice of resignation, or resignation, shall not operate so as to avoid or affect the validity or enforceability of any agreement, transaction or arrangement (as to which these rules shall continue to apply) in relation to the member's dealing in securities prior to the notice, and shall not prejudice the institution or continuation of any disciplinary proceedings under these rules.

### Representatives

- 3.07 A member is required to have all his representatives registered with GASCI.
- 3.08 Every individual wishing to become registered as a representative by GASCI shall make an application in writing in the form prescribed by the Board from time to time and agree to abide by these rules and the rulings of the Board and if his application is approved, his name shall be placed upon the Register of Representatives kept by GASCI.
- 3.09 The qualifications of an applicant to be registered by GASCI as a representative are that -
- (a) he is recommended by the member to whom he is accredited and who will be liable for all transactions made on his behalf by the representative;
  - (b) he is registered by the Council as a representative under the Securities Industry (Registration of Market Participants) Regulations 2002; and
  - (c) he has passed the hands-on practice examination of GASCI training programme and such other examinations as the

Board or the Council may require.

- 3.10 GASCI shall have full power to investigate the conduct and integrity of any applicant for registration as a representative and shall have absolute discretion to withhold or to withdraw approval. Before withholding or withdrawing approval the Board will provide an opportunity for the applicant or representative to be heard in accordance with the GASCI disciplinary procedures.

#### Liability to expulsion

- 3.11 (1) A member who fails to continue to satisfy or comply with rule 3.02 shall be expelled by the Board from membership.
- (2) Before expelling a member the Board will provide an opportunity for the member to be heard in accordance with the GASCI disciplinary procedures. Where the Board acts in accordance with section 38(6) of the Act the member will be suspended until the hearing is completed.
- (3) Where a member is expelled from membership; the member shall cease to be a member of GASCI with the consequent loss of rights and privileges of membership, but any right of the other members against such a member accrued prior to such expulsion shall remain unimpaired.
- (4) The Board shall notify the Council and the public that the member concerned has ceased to be a member of GASCI.

#### Change in articles, by-laws, directors or shareholders of member

- 3.12 In the case of a Corporate Member–
- (a) prior approval of the Board shall be required for any change in its articles or by-laws, or in the directors, of the member; and
  - (b) subsequent approval of the Board shall be required for any change in the shareholders of the member.

#### Responsibility of members

- 3.13 (1) A member shall be responsible for all acts done, or omitted to be done, and contracts entered into by his representatives and any

other employees.

- (2) A member shall ensure that all his representatives and employees are suitable, adequately trained, qualified as necessary and properly supervised and duly authorised.

#### Registered address

- 3.14 A member shall only carry on a business of dealing in securities at an address registered with GASCI, and the member shall notify GASCI forthwith in writing of any change in such address.

#### Voluntary liquidation

- 3.15 A member shall not go into voluntary liquidation without giving the Board not less than 30 days advance written notice of its intention to do so.

## **CHAPTER 4**

### **CODE OF CONDUCT**

#### Member to comply with relevant legislation

- 4.01 All members shall strictly comply with and adhere to the Act, any regulations made under the Act, and these rules, and shall at all times act according to the principles of best practice and, in particular, shall -
- (a) act honestly and fairly;
  - (b) observe high standards of market conduct;
  - (c) seek from customers information about their circumstances and investment objectives which might reasonably be expected to be relevant in enabling them to fulfil their responsibilities to their customers;
  - (d) take reasonable steps to give every customer they advise, in a comprehensible and timely way, any information needed to enable customers to make a balanced and informed investment decision;
  - (e) give first priority to the best interests of their customers;
  - (f) take all reasonable steps to protect and secure customers' funds for which they are properly responsible;
  - (g) maintain adequate financial resources to meet their business commitments and withstand the risks to which their business is



- subject;
- (h) avoid any conflict of interest with their customers;
  - (i) not recommend a transaction to a customer unless they have taken reasonable steps to enable the customer to understand the nature of the risks involved;
  - (j) when buying or selling on their own account, inform the customer of this fact;
  - (k) deal with customer and own account orders fairly and in due turn;
  - (l) when they have agreed to effect or arrange a customer order, effect or arrange the execution of the order as soon as reasonably practicable in the circumstances;
  - (m) provide best execution for their customers;
  - (n) ensure that every transaction they execute is promptly allocated;
  - (o) where they have aggregated an order for a customer transaction with an order for an own account transaction, or with another order for a customer transaction, then in the subsequent allocation they must not give unfair preference to themselves or to any of those for whom they have dealt; and if all orders cannot be satisfied, they must give priority to satisfying orders for customers transactions;
  - (p) take reasonable steps to ensure that they do not make any personal recommendation to a customer, or effect or arrange a discretionary transaction with or for a customer, unless the recommendation or transaction is suitable for him having regard to the facts about that customer of which they are, or reasonably ought to be, aware;
  - (q) where they effect a sale or purchase of securities with or for a customer, ensure that the customer is sent with due dispatch a note containing the essential details of the transaction.

### Independence

- 4.02 Where a member is advising or acting for a customer it shall ensure that any claim it makes as to its independence or impartiality adequately includes any limitation that there may be on either.

### Material interest

- 4.03 Where a member has a material interest in a transaction to be entered into with or for a customer, or a relationship which gives rise to a

conflict of interest in relation to such a transaction, the member shall not knowingly either advise, or deal in the exercise of discretion, in relation to that transaction unless it has –

- (a) disclosed that material interest or relationship, as the case may be, to the customer; or
- (b) taken reasonable steps to ensure that neither the material interest nor relationship adversely affect the interests of the customer.

### Inducements

4.04 A member must take reasonable steps to ensure that neither it nor any of its representatives, employees or agents either offers or gives, or solicits or accepts, any inducement that is likely to conflict with any duties owed to customers.

### Fair and clear communication

4.05 A member shall take reasonable steps to ensure that any agreement, written communication, notification or information that it gives or sends to customers to whom it provides securities services is presented fairly and clearly.

### Customers' understanding of risk

4.06 A member shall not –

- (a) recommend a transaction to a customer, or effect a discretionary transaction with or for him, unless it has taken all reasonable steps to enable the customer to understand the risks involved;
- (b) knowingly mislead a customer as to any advantages or disadvantages of a contemplated transaction; or
- (c) promise a return unless such return is contractually guaranteed.

### Information about member

4.07 A member shall take reasonable steps to ensure that a customer to whom it provides securities services is given adequate information about its identity and business address and the identity and status within the member's firm of employees and other relevant representatives with whom the customer has contact.

### Representatives of member

- 4.08 (1) A member shall satisfy itself on reasonable grounds and on a continuing basis that any representative it appoints is fit and proper to act for it in that capacity.
- (2) The member shall also satisfy itself on reasonable grounds and on a continuing basis that it has adequate resources to monitor and enforce compliance by its representatives with high standards of business conduct.

### Where customer agreement required

- 4.09 (1) No member shall undertake –
- (a) the discretionary management of a portfolio;
  - (b) transactions in futures and options; or
  - (c) any other type of business that is prescribed by the Council,
- except under a written agreement between the member and the customer duly signed by the customer and returned to the member.
- (2) The Council may from time to time prescribe special procedures relating to the operation of discretionary accounts and every member shall follow such special procedures or shall secure that such special procedures are followed.

### **Customer agreements**

- 4.10 (1) Where a member provides securities services to a customer on written contractual terms (whether pursuant to rule 4.09 or otherwise), the agreement shall set out in adequate detail the basis on which those services are provided.
- (2) A court of competent jurisdiction may, if it considers it just and equitable to do so, by order set aside or vary an agreement entered into in contravention of this rule, but no such order affects any dealing or transaction entered into or carried out by the member on behalf of the customer.

### **Customer rights**

- 4.11 (1) A member shall not, in any written communication or agreement, seek to exclude or restrict –
- (a) any duty or liability to a customer which it has under any law or under any rules made by the Council;
  - (b) any other duty to act with skill, care and diligence that is owed to a customer in connection with the provision to him of securities services;
  - (c) any liability owed to a customer for failure to exercise the degree of skill, care and diligence that may reasonably be expected of it in the provision of securities services.
- (2) A purported exclusion or restriction prohibited by this rule shall be void and of no effect.

### **Suitability**

- 4.12 A member shall take all reasonable steps to ensure that it does not give securities advice to, nor effect a discretionary transaction with or for, a customer unless that advice or transaction is suitable for him having regard to the facts disclosed by that customer and other relevant facts about the customer of which the member is or ought reasonably to be aware.

**Charges**

- 4.13 (1) A member's charges shall not be unfair in their incidence or unreasonable in their amount having regard to all relevant circumstances.
- (2) Before a member provides securities services to a customer it shall disclose to him the basis or amount of its charges for the provisions of those services and the nature of and amount of any other remuneration receivable by it and attributable to them.

**Periodic information**

- 4.14 Where a member acts as an investment manager for a customer, it shall ensure that the customer is sent at suitable intervals a report stating the value of the portfolio or account at the beginning and end of the period, its composition at the end and, in the case of a discretionary portfolio or account, changes in its composition between those dates.

**Customer order priority**

- 4.15 A member shall always give priority to outstanding customer orders.

**Timely execution**

- 4.16 Where a customer order has been received, or a member has decided in its discretion to effect a customer order, it shall effect the execution of the order without delay.

**Best execution**

- 4.17 Where a member deals for a customer, it shall deal on the terms which are the best available to the customer.

**Timely allocation**

- 4.18 A member shall ensure that a transaction it executes is allocated forthwith.

**Fair allocation**

- 4.19 Where a member has aggregated an order for a customer transaction with an order for an own account transaction, or with an order for another customer transaction, then in the subsequent allocation –
- (a) it shall not give unfair preference to itself or to any of those for whom it dealt; and
  - (b) if all orders cannot be satisfied, it shall give priority to satisfying orders for customer transactions.

**Front running**

- 4.20 Where a member has a large customer order to execute, or where it intends to publish to customers a price-sensitive recommendation or research or analysis, it shall not knowingly effect an own account transaction in the securities concerned or in any related securities until the large order has been executed or until the customers for whom the publication was principally intended have had, or are likely to have had, a reasonable opportunity to react to it.

**Churning**

- 4.21 A member shall not -
- (a) deal or arrange a deal in the exercise of discretion for any customer; or
  - (b) advise a customer to deal,
- if the dealing could in the circumstances reasonably be regarded as too frequent or too large.

**Insider dealing**

- 4.22 A member shall take reasonable steps to ascertain if any of its customers are insiders, and shall maintain records accordingly to assist in the monitoring of insider dealing as may be prescribed by the Council or GASCI.

### **Safeguarding of customer investments**

- 4.23 A member who has custody of a customer's securities in connection with or with a view to securities business shall –
- (a) keep safe, or arrange for the safekeeping of, any documents of title, or documents evidencing title, relating to them; and
  - (b) ensure that any securities that it buys or holds for a customer are properly registered in his name or, with the written consent of the customer, in the name of an appropriate nominee.

### **Complaints**

- 4.24 A member shall have internal procedures to ensure the proper handling of complaints from customers and to ensure that any appropriate remedial action on those complaints is promptly taken.

### **Compliance**

- 4.25 (1) A member shall take reasonable steps, including the establishment and maintenance of procedures, to ensure that –
- (a) its officers, employees and other representatives are aware of their obligations under the Act and regulations made under the Act, and that they act in conformity with them; and
  - (b) sufficient information is recorded and retained about its securities business and compliance with the Act and regulations made under the Act.
- (2) Records required to be maintained by the Council shall be kept available, for a period of not less than 6 years, by the member for inspection by any person duly authorised by the Council.

### **Supervision**

- 4.26 A member shall establish and maintain procedures -

- (a) for the supervision of each of its officers, employees and other representatives; and
- (b) for ensuring that each such person does not give advice or provide services of such a nature as is beyond his competence to give or to provide.

### **Customer confidentiality**

- 4.27 (1) Subject to paragraph (2), all information in the possession of a member relating to a customer shall be kept confidential by it.
- (2) A member may disclose information relating to a customer when properly required to do so by the Council or GASCI, or if it is ordered to do so by a court of competent jurisdiction.

### **Unsolicited calls**

- 4.28 (1) Subject to paragraph (2), no member shall, for the purpose of soliciting business, make an unsolicited telephone call, or attend at any address without first being invited by an occupant.
- (2) Paragraph (1) does not apply in relation to existing customers.

### **Cessation of business**

- 4.29 Where a member decides to withdraw from securities business it shall -
- (a) forthwith notify GASCI, the Council and each of its customers of such decision;
  - (b) ensure to the satisfaction of GASCI and the Council that any such business which is outstanding is properly completed or transferred to another member.

### **Member to observe decisions of the Board**

- 4.30 Members shall accept as final and binding and abide by all decisions, rulings and directions of the Board and any other person or body of persons authorised by the Board in the lawful execution of its powers pursuant to these rules, provided that in all cases where the ruling is covered by the Act or subsidiary legislation made in accordance with the Act the member shall have the right of appeal to the Council. .



**Member to refrain from activities detrimental to GASCI**

4.31 A member shall not do or cause to be done any act, matter or thing which would adversely affect the goodwill or public image of GASCI or its members.

**Member to act in best interest of customers**

4.32 A member shall at all times act and procure or ensure that his representatives and other employees act in the best interests of his customers.

**Member to report to GASCI in certain circumstances**

4.33 A member shall report in writing to GASCI any breach, infringement of or non-compliance with any of these rules or where it has reason to suspect any such breach, infringement or non-compliance whether by itself or by any other member giving particulars of and/or the reasons for suspecting such breach, infringement or non-compliance and all other relevant information and documents.

**CHAPTER 5****FINANCIAL AND ACCOUNTING REQUIREMENTS****Obligation to comply with financial and accounting requirements**

5.01 Every member shall at all times strictly comply with and adhere to the Act, regulations made under the Act and these rules with regard to financial and accounting requirements.

**Increase in net capital and liquidity margin requirements**

5.02 Notwithstanding any minimum net capital requirement prescribed by the Council, the Board may increase the minimum net capital and liquidity margin requirements in respect of any member to suit the

circumstances of a particular case if the Board deems that the circumstances so justify.

### **Member's duty to notify inability to comply**

- 5.03 (1) A member shall notify GASCI and the Council immediately if it becomes aware of any inability by it to comply with the net capital and liquidity margin requirements.
- (2) In addition to giving notice under paragraph (1), the member shall cease dealing in securities otherwise than for the purpose of giving effect to any agreement or arrangement entered into before the time when it became so aware.
- (3) A member shall be deemed to have been aware of such inability under paragraph (1) if it would, with the exercise of reasonable diligence, have been aware of such inability.

### **Power of Board to take action**

5.04 Where the Board becomes aware of any inability by a member to comply with the net capital or liquidity margin requirements, it may, whether or not notice has been given under rule 5.03(1) take any action as it thinks fit, including but not limited to an order for the member to cease trading immediately. In the event the Board has taken any action against a member or ordered a member to cease trading the Board will provide an opportunity for the member to be heard in accordance with the GASCI disciplinary procedures. The Board's action or cease trading order shall remain in effect until the hearing is completed.

### **Duty to keep accounting records**

- 5.05 (1) A member shall keep accounting records which conform to International Accounting Standards or are deemed to be appropriate by the Council to show and explain its securities transactions (whether effected on its own behalf or on behalf of others) and which shall –
- (a) disclose with reasonable accuracy the financial position of the member at that time;
- (b) enable the member to prepare a balance sheet and profit and loss account as at any time and which comply with the

requirements of these rules.

- (2) Without prejudice to the generality of paragraph (1), accounting records shall, in particular, contain -
- (a) entries from day to day of all sums of money received and expended by the member, and the matters in respect of which the receipt and expenditure takes place;
  - (b) a record of all assets and liabilities of the member including any commitments or contingent liabilities;
  - (c) entries from day to day of all purchases and sales of securities made by the member distinguishing those which are made by the member on his own account and those which are made by the member on behalf of others;
  - (d) entries from day to day of the receipt and dispatch of documents of title, or documents evidencing title, to securities which are in the possession or control of the member.
  - (e) entries from day to day of -
    - (i) all money which is paid into or out of a customer bank account maintained for the purpose of rule 5.10
    - (ii) receipts and payments of customer money not passed through a customer bank account, identifying the persons to or from whom such receipts and payments are made;
  - (f) a record of -
    - (i) aggregate balances on customer bank accounts;
    - (ii) individual customer's balances stating the name of each customer and the amount held or received for that customer;
  - (g) sufficient information to explain the member dealings with each customer bank account;
  - (h) details of all securities -
    - (i) which are the property of the member; and
    - (ii) which are not the property of the member but for which the member is accountable showing for whom they are held;
  - (i) any other particulars from time to time required by GASCI or the Council to be reflected in the accounts or records of the member.

**Records to be kept up to date**

- 5.06 (1) The obligations of members under these rules are continuing obligations and continuous performance of them is required to ensure that accounts and records are updated daily.
- (2) If such accounts and records are not kept sufficiently up to date, as required by these rules, GASCI may require the member at his own expense to appoint a professional accountant, approved by GASCI, immediately to take such action as is necessary to bring the accounts and records sufficiently up to date.

**Audit trail**

- 5.07 (1) Information required by these rules to be recorded shall be recorded in such a way as to enable a particular transaction to be identified at any time and traced through from initiation of the order to final settlement.
- (2) All records shall be filed, indexed and cross referenced so as to permit prompt access to any particular record.
- (3) A member shall request proof of a customer's identity before dealing on their behalf and shall record details of the identification used eg National ID card number or passport number.

**Retention of records**

- 5.08 A member shall retain all books of account and other records required to be kept under these rules for a period of not less than 7 years from the date on which they are made, together with every contract note received by the member and a copy of every contract note issued by the member.

**Customer money**

- 5.09 (1) For the purpose of these rules customer money is money of any currency which, in the course of carrying on securities business, a member holds or receives on behalf of a customer or which it owes to a customer.

- (2) Customer money shall be held by the member on trust for and on behalf of the respective customers for whom that customer money is received or held according to their respective shares in it.
- (3) Customer money shall not form part of the assets of the member for any purpose and, except as legally allowed, shall not be available in any circumstances for payment of any debt of the member.

### **Customer bank accounts**

- 5.10
- (1) A member who receives or holds customer money shall open one or more customer bank accounts with a bank licensed under the Financial Institution Act 1995 and which is approved by the Council for the purpose of these rules.
  - (2) A customer bank account shall be kept segregated from any account holding money belonging to the member.
  - (3) A member shall forthwith pay into a customer bank account all customer money coming into its hands for or on behalf of a customer.
  - (4) A member shall keep records of -
    - (a) all amounts paid into a customer bank account kept by the member, specifying the persons on whose behalf the amounts are held and the dates on which they were paid into the account;
    - (b) all withdrawals from the customer bank account, the dates of those withdrawals, and the names of the persons on whose behalf the withdrawals are made; and
    - (c) such other particulars (if any) as may be prescribed by the Board.

### **Members to keep separate accounts for every customer**

- 5.11 A member shall keep separate accounts for every customer in respect of its business of dealing in securities.

**Annual financial statements**

- 5.12 (1) A member shall prepare for each of its financial years annual financial statements which shall consist of-
- (a) a balance sheet as at the last day of the financial year; and
  - (b) a profit and loss account for the financial year.
- (2) The balance sheet shall give a true and fair view of the state of affairs of the member as at the end of the financial year.
- (3) The profit and loss account shall give a true and fair view of the profit or loss of the member for the financial year.
- (4) A member shall submit its externally and independently audited annual financial statements to GASCI within 4 months after the end of the financial year to which they relate together with its auditors report.
- (5) The accounts submitted in accordance with subsection (4) shall be signed by a director with a statement from the director as to the propriety, disclosure and accuracy of the statements.

**Availability of accounts for inspection**

- 5.13 Every member shall make all books of account and other records required to be kept under the Act available to GASCI and the Council for inspection, or audit by any auditor appointed by GASCI or the Council, when required by GASCI or Council to do so.

**Quarterly Reporting Statements**

- 5.14 (1) Every member shall within 30 calendar days of the end of each quarter of its financial year, unless such time period is extended in writing by GASCI, submit to GASCI a Quarterly Reporting Statement in the form prescribed by GASCI: provided that if requested by the Board, a member shall submit a Quarterly Reporting Statement to GASCI within such shorter period as the Board may stipulate (not being less than 14 days) after the end of the quarter.

- (2) When submitting the Quarterly Reporting Statement under paragraph (1) the member shall also provide a declaration, signed by a director, in the form prescribed by GASCI, stating, inter alia, that it has at all times during the relevant period complied with the financial requirements referred to in rules 5.01 and 5.02, together with a signed declaration in the prescribed form by the accounting or other officer responsible for the preparation of the Quarterly Reporting Statement.
- (3) The Quarterly Reporting Statement shall be signed by the principal of the member with a statement from the principal as to the propriety, disclosure and accuracy of the Quarterly Reporting Statement.

### **Submission of annual accounts**

5.15 A member shall, in respect of the financial year beginning before and ending after the day on which the member commences its business of dealing in securities, and in respect of each subsequent financial year, submit an audited profit and loss account and a balance sheet made up to the last day of the financial year to the Board not later than 3 months after the end of the financial year together with a signed auditor's report thereon which report shall comply with the requirements of regulation 18 of Regulation No. 6 of 2002 of the Securities Industry Act (Accounting and Financial Statements) Regulations 2002).

### **GASCI's right to demand documents**

5.16 Every member shall within 14 days, or such other period as GASCI may specify, of the receipt of a written demand from GASCI, submit to it such statements, books, records, accounts and other documents as GASCI may demand. GASCI may at the request of the Council make such documents available to the Council for inspection. Where GASCI exercises this discretion, the authority is deemed to have been given by the member concerned.

### **Power of GASCI to make spot checks**

5.17 (1) Officers or employees of GASCI or persons appointed by GASCI may from time to time inspect the books maintained by the member relating to its business and financial position. Every member shall provide or allow such officers or employees or

appointed persons access to its premises, accounts, books, documents, papers and records necessary for the discharging of its duty, with or without prior notice.

- (2) Any expenses incidental to or consequential upon an inspection ordered under paragraph (1) by GASCI shall be borne by the member concerned, unless GASCI otherwise determines.
- (3) A member shall not be entitled to claim against GASCI, officers or employees of GASCI or any appointed person for any loss or damages whatsoever relating to an inspection ordered under this rule.

### **Power of person authorised by GASCI**

- 5.18 (1) Any person appointed under rule 5.17 shall be deemed to have been authorised by the member concerned to obtain direct from such member's auditor reporting on the accounts any information or explanation which it may consider necessary for the purpose of carrying out his duties.
- (2) In any case where the information obtained under paragraph (1) or any other matter arising out of his enquiries leads the person appointed under rule 5.17 to consider that further information should be obtained by GASCI regarding the member's state of affairs, it shall be deemed to be authorised to report accordingly to GASCI.
- (3) All accounts and other information obtained by the person appointed under rule 5.17 shall be retained by GASCI and shall be regarded as confidential, and disclosure of information contained or derived there from shall not be made to any body or persons except that GASCI may at the request of the Council furnish a copy of its report to the Council and the authority for doing so is deemed to have been given by the member concerned. The member shall have the right to obtain a copy of such report.

## **CHAPTER 6**

### **LISTING**



## **Introduction**

- 6.01 A principal function of GASCI is to provide a fair, orderly and efficient market for the trading of securities. In furtherance of this the Board, with the approval of the Council, has made these rules prescribing the requirements for the admission of securities to the Official List.
- 6.02 GASCI will maintain two lists of securities for the purpose of admission to dealing, namely -
- (a) the “Official List” which includes the securities of all reporting issuers which have applied to, and have been approved by, GASCI for admission to the Official List; and
  - (b) the “Secondary List” which includes all securities registered with the Council under section 57 of the Act which are not included in the Official List.
- 6.03 It is emphasized that these rules are not exhaustive and that GASCI, with the approval of the Council, may impose additional requirements or make the admission of securities to the Official List subject to special conditions whenever it considers it appropriate. Conversely GASCI, with the approval of the Council, may waive, modify or not require compliance with these rules either generally or to suit the circumstances of a particular case, as a variety of circumstances may exist which require it to make ad hoc decisions.
- 6.04 Suitability for admission to the Official List depends primarily on meeting the requirements set out in Rules 6.32-6.43. GASCI retains a discretion to accept or reject applications. Applicants are therefore encouraged to contact GASCI to seek confidential guidance as to the eligibility of a proposed application for admission to the Official List at the earliest possible opportunity.
- 6.05 GASCI may issue guidance notes and practice notes from time to time to assist issuers or their advisers with regard to the admission of securities to the Official List.
- 6.06 These rules do not apply to debt securities issued by the Government of Guyana or the Bank of Guyana whose debt securities will be admitted automatically to the Official List on the request of the issuer.

### **Admission to Official List**

6.07 Issuers seeking the admission of securities to the Official List must submit, through a member of GASCI, an application in writing to GASCI in such form as GASCI may determine and in accordance with rule 6.08.

### **Application for admission to Official List**

6.08 An application made by an issuer to GASCI for the admission of securities to the Official List of any securities issued or to be issued by that issuer shall comply with the rules and requirements of GASCI (except to the extent that compliance is waived or not required by GASCI) and any provision of law applicable and shall contain such particulars and information which, according to the particular nature of the issuer and the securities for the listing of which application is being made, is necessary to enable an investor to make an informed assessment of the activities, assets and liabilities and financial position, of the issuer at the time of the application and its profits and losses and of the rights attaching to such securities and such application shall also -

- (a) state the name of the applicant;
- (b) give particulars of the numbers, classes and denominations of the securities which are the subject of the application;
- (c) give particulars of the proposed manner of issue of the securities, whether by offer for sale, public subscription, placing, introduction or otherwise;
- (d) state the name and address of any person who at the time of the application is a substantial shareholder of the issuer or of another company of which it is a subsidiary, and the extent of his shareholding in the applicant or that other company;
- (e) provide such information as is necessary to establish to the satisfaction of GASCI that the issuer and its securities meet the qualifications prescribed by these rules for admission to the Official List.

- (f) give particulars of the qualifications and experience of the directors and chief executive of the applicant;
- (g) specify the purpose for which the proceeds (if any) of the issue or sale of the securities to which the application relates, or the portion thereof to be received by the company, are intended to be used by the issuer; and
- (h) specify the qualifications of any person whose opinion as an expert is referred to in any document included in the application.

### **Listing Undertaking**

- 6.09 Issuers seeking the admission of securities to the Official List are required to enter into a Listing Undertaking with GASCI.
- 6.10 The form of Listing Undertaking required is set out in the First Schedule to these rules.

### **Listing fees**

- 6.11 (1) Issuers whose securities are admitted to the Official List shall pay to GASCI listing fees at the rates specified in the Second Schedule.
- (2) GASCI may, with the prior written approval of the Council, vary from time to time the rates of listing fees specified in the Second Schedule.

### **Authorised representatives**

- 6.12 Every reporting issuer shall appoint an authorised representative who will act at all times as the issuer's principal channel of communication with GASCI. The authorised representative must be either a director or the secretary of the issuer.

### **Suspension of listing by GASCI**

- 6.13 Listing is subject, in the case of both the Official List and the Secondary List, to the condition that where GASCI considers it necessary for the protection of the investor or the maintenance of an orderly market, it may at any time suspend dealings in any securities in such circumstances and subject to such conditions as it thinks fit. The issuer may have the right to appeal to the Council to have it set aside.

### **Request by company for suspension**

- 6.14 Where an issuer itself seeks suspension, the request for suspension must be made to GASCI by its authorised representative, and in all cases must be supported by specific reasons. The Board may accept the request for suspension in its absolute discretion.

### **Lifting of suspension**

- 6.15 Where dealings have been suspended, the procedure for lifting the suspension will depend on the circumstances, and the Board reserves the right to impose such conditions as it considers appropriate. Where the suspension was at the issuer's request, the issuer will have been required to announce the reason for the suspension and, where appropriate, the anticipated timing of the lifting of the suspension. In some cases (for example a temporary suspension pending an announcement) the suspension will be lifted as soon as possible after the announcement is made. In other cases the suspension will be continued until any relevant requirements have been met. The continuation of a suspension for a prolonged period without the issuer taking adequate action to obtain restoration of listing may lead to GASCI delisting. Where the issuer does not agree with any relevant requirements they have the right to appeal to the Council to have them amended or set aside.

### **Delisting by GASCI**

- 6.16 The Board may delist securities, in accordance with an Order made by the Council, where –
- (1) an issuer fails, in a manner which the Board considers material, to comply with the Listing Rules or its Listing Undertaking;
  - (2) the Board considers there are insufficient shares of the issuer in the hands of the public;



- (3) the Board considers that the issuer does not have a sufficient level of operations or sufficient assets to warrant the continued listing of its securities;
- (4) the Board considers that the issuer or its business is no longer suitable for listing;
- (5) the Board considers that there is insufficient information available upon which investors may make an informed assessment of the issuer's securities; or
- (6) where the issuer requests that it be delisted.

### **Membership of Listing Committee**

- 6.17 The Listing Committee shall consist of 3 individuals appointed members by the Board from amongst members or representatives of members of GASCI, provided that GASCI may co-opt outside persons where it considers it appropriate in a particular case.
- 6.18 All members of the Listing Committee shall vacate office one year after their appointment unless they are re-appointed.

### **Functions of Listing Committee**

- 6.19 The Listing Committee shall have the following functions –
- (a) to examine, in the light of these Listing Rules, the eligibility and suitability of applications made to GASCI for admission to the Official List; and
  - (b) to submit a written report to the Board on each such application together with a recommendation as to whether the applicant should be admitted or refused admission to the Official List.

### **Proceedings of Listing Committee**

- 6.20 The Listing Committee may elect any of its members to be chairman and vice chairman respectively and may regulate its own procedure and business; in the exercise of its powers under this rule the Listing

Committee shall be subject to act in accordance with any direction given to it by the Board for the purposes of this rule.

- 6.21 The Board shall appoint a Secretary to the Listing Committee who shall act at the direction of the chairman of the Listing Committee in exercising the functions of that Committee.

### **Meetings of Listing Committee**

- 6.22 Meetings of the Listing Committee shall be held as often as may be considered necessary by the chairman and at such times and places as the chairman, subject to rule 6.20, determine.
- 6.23 At a meeting of the Listing Committee –
- (1) the chairman shall chair the meeting; or
  - (2) if the chairman is not present, the vice-chairman shall chair the meeting.
- 6.24 The quorum for a meeting of the Listing Committee shall be 2 members.
- 6.25 Each member of the Listing Committee present at a meeting shall have a vote.
- 6.26 Every question for decision at a meeting of the Listing Committee shall be determined by a majority of votes of the members present and, in the event that voting is equally divided, the chairman of the meeting shall have a casting vote.
- 6.27 The Listing Committee may act notwithstanding a vacancy among its members.

### **Disclosure of interest**

- 6.28 (1) A member of the Listing committee who has any direct or indirect personal or pecuniary interest in any listing application coming before the Listing Committee shall on each and every occasion declare his interest and thereafter, unless otherwise directed by the chairman of the meeting, shall withdraw from

the meeting and take no further part in the proceedings of the Listing Committee in relation to that application or vote in respect of it.

- (2) A declaration, withdrawal or direction referred to in paragraph (1) shall be recorded.
- (3) Unless the chairman of the meeting shall otherwise direct, any decision reached by the Listing Committee on a listing application in respect of which a member has declared an interest in accordance with paragraph (1) shall be recorded in the normal way save that the proceedings of the Listing Committee prior to the making of a decision shall be recorded separately and that record shall be provided only to those members of the Listing Committee who were present at those proceedings.
- (4) Without prejudice to the generality of paragraph (1), a member of the Listing Committee has a disclosable interest if –
  - (a) he is a director or officer of the applicant;
  - (b) he is a substantial shareholder of the applicant or of the holding company of the applicant;
  - (c) he is a substantial shareholder of a competitor of the applicant;
  - (d) he is, or is a director or officer of a company that is, a major customer or major supplier of the applicant;
  - (e) he is, or is a director or officer of a company that is, a creditor or debtor of the applicant; or
  - (f) he is, or is a director or officer of a company that is, a landlord or a tenant of the applicant.

### **Confidentiality**

- 6.29 No member of the Listing Committee shall disclose, except to the extent that its disclosure is strictly necessary for the proper discharge of his functions as a member of the Listing Committee, any information that has come to his knowledge in the performance of his functions as a member of the Listing Committee.



## **Powers of Board**

- 6.30 In default of the appointment of a Listing Committee, or in the event that the Listing Committee is not quorate for any reason, the Board may itself act as the Listing Committee.

## **Qualifications for admission to Official List**

- 6.31 Rules 6.32 to 6.48 set out the basic conditions which have to be met as a pre-requisite to the admission of equity and debt securities to the Official List. They apply to every method of listing and to both new applicants and listed issuers, except where otherwise stated. It is to be noted that these requirements are not exhaustive and GASCI may impose additional requirements from time to time after consultation with the Council.

## **Equity securities**

- 6.32 The issuer must be incorporated under the Companies Act 1991, be a reporting issuer and must continue to be so registered to remain on the Official List or, if the issuer is not incorporated in Guyana but in a foreign country, the issuer must be listed on a regulated market in that country of incorporation. The securities for which admission to the Official List is sought must be registered with the Council under section 57 of the Act.
- 6.33 Both the issuer and its business must qualify with the requirements set out by GASCI in its Rules to be suitable for admission to the Official List.
- 6.34 A new applicant must have an adequate trading record under substantially the same management which must be of known character and integrity. This will normally mean that the issuer should have a trading record of not less than 3 years; however GASCI may accept a shorter period in exceptional cases.
- 6.35 A new applicant must produce audited accounts for the 3 financial years preceding the application for admission to the Official List. In exceptional cases GASCI may accept a shorter period.

- 6.36 There must be an adequate market in the securities for which admission to the Official List is sought. This means that GASCI must be satisfied that there will be sufficient public interest in the business of the issuer and in the securities for which listing is sought.
- 6.37 There must be an open market in the securities for which admission to the Official List is sought. This means that –
- (1) the minimum percentage of securities in public hands (i.e. persons who are not a director, chief executive or substantial shareholder of the company or an associate of any of them) must be 20%, with a minimum of 100 shareholders; or
  - (2) the greater of the issuer's market value or shareholders' funds must be not less than 500 million dollars, with not less than 100,000 shares held by a minimum of 50 shareholders.
- 6.38 The 20% public shareholding criterion specified in rule 6.37 (1) may be relaxed by GASCI to permit an initial minimum public shareholding of 15% provided that the issuer undertakes to increase this to 20% not later than the end of the third year of listing.
- 6.39 Further issues of securities of a class already listed are not subject to these limits. In exceptional cases, a lower expected market capitalisation may be acceptable where GASCI is satisfied as to marketability.
- 6.40 (1) GASCI must be satisfied that there is no conflict between the interests of the shareholders of the issuer and any private or competing interests of its directors.
- (2) GASCI must be satisfied that there is no reason to believe that the independence of the directors of the issuer is prejudiced by the existence of any person who exercises control over them
- 6.41 The securities for which admission to the Official List is sought must be freely transferable.
- 6.42 Where application for admission to the Official List is made in respect of any class of security –
- (1) if none of the securities of that class is already listed, the application must relate to all securities of that class issued or proposed

to be issued; or

(2) if some of the securities of that class are already listed, the application must relate to all further securities of that class issued or proposed to be issued.

- 6.43 Admission to the Official List must be sought for all further issues of securities of a class already listed prior to the further issue of securities.

### **Corporate debt Securities**

- 6.44 The issuer must be incorporated under the Companies Act 1991, be a reporting issuer and must continue to be so registered to remain listed or, if the issuer is not incorporated in Guyana but in a foreign country, the issuer must be listed on a regulated market in that country of incorporation. The securities for which admission to the Official List is sought must be registered with the Council under section 57 of the Act.
- 6.45 If the shares of the issuer are not listed, both the issuer and its business must, in the opinion of GASCI, be suitable for admission to the Official List.
- 6.46 A new applicant must produce audited accounts for the 3 financial years preceding the application for admission to the Official List. In exceptional cases GASCI may accept a shorter period.
- 6.47 If the shares of the issuer are not admitted to the Official List, the issuer must have net tangible assets of at least 1,000 million dollars, and the nominal amount of each class of debt securities for which listing is sought must be at least the smaller of 10% of the issuer's net tangible assets or 200 million dollars or such other amount as GASCI may from time to time determine. Further issues of debt securities which are uniform in all respects with debt securities of a class already listed are not subject to these limits. In exceptional cases, a lower minimum nominal amount may be accepted where GASCI is satisfied as to marketability. In the case of options, warrants or similar rights to subscribe or purchase debt securities, the same limits will apply as would apply to the underlying debt securities to be subscribed or purchased.

- 6.48 The debt securities for which admission to the Official List is sought must be fully negotiable and freely transferable.

### **Debt securities other than corporate debt securities**

- 6.49 In the case of debt securities other than corporate debt securities, the qualifications for admission to the Official List shall be determined by GASCI on an ad hoc basis.

## **CHAPTER 7**

### **TRADING RULES AND OPERATIONS**

#### **General rules**

- 7.01 (1) The time of opening of the trading facility for the receipt of orders and the location, days and times upon which trading will take place and the time during which the trading facility may accept corrections to reported trades shall be specified by the Board on not less than three days' notice.
- (2) The Board may suspend trading at a particular session, and reduce, extend, or otherwise alter the duration and number of trading sessions.
- (3) The Board may issue Administrative Notices on the operation of the market under a general authority granted by the Council. Requirements in respect of the location of the market, opening and closing hours, and the format of information displays and documents shall be specified by such Notices.
- (4) All securities issued by issuers registered with the Council shall be traded by members of GASCI according to these rules.
- (5) Permission for members of GASCI to execute trades in private, unregistered and overseas registered securities shall be subject to application to the Board.
- (6) All customer orders must be executed by time and price priority

according to the order in which they have been received from the customer, unless the Board has invoked a Single Price Opening.

- (7) All customer orders shall be executed in accordance with the requirements of best execution and this overrides limit order requirements. (If a better price than that stipulated in a limit order is available, members are committed to execute at that price.)
- (8) Orders submitted “at market” with no price limit have priority over limit orders except where the Board has invoked a Single Price Opening.
- (9) If the Board does not intend to open the trading facility for the receipt of orders or trading within one month of the previous opening it will inform the Council.

### **Trading limited to members and representatives**

7.02 Only members and registered representatives of members may participate in open-outcry trading, or execute orders against the Limit Order Book, or enter orders for a Single Price Opening auction.

### **On-floor trading**

- 7.03 (1) (a) The Limit Order Book shall be maintained on the Local Area Network on the GASCI premises.
- (b) Orders may only be posted by members during a session and at such other periods as shall be declared specified by the Market Official prior to the opening of a trading session.
  - (c) The Limit Order Book shall show bids and offers in respect of all customer orders which have not yet been executed, with the exception of block orders.
  - (d) All bids and offered shall be recorded on the Order Book and a summary display shall be maintained in the format prescribed in the Third Schedule.
  - (e) Special trade conditions relating to a bid or offer shall be shown on the Limit Order Book.

- (f) A dealer may cancel or reduce an order on the Book, but any other change shall require cancellation and re-entry and loss of time priority.
- (2) The Market Official shall maintain a Market Display on the Local Area Network. The Market Display shall show:-
- (a) The last trade prior to the open-outcry session, or, where there has been a single price auction, the opening price established by the auction
  - (b) The best bid-offer on the Limit Order Book
  - (c) The best bid-offer quantities on the Limit Order Book
  - (d) The last trade in the current open-outcry session
  - (e) The highest and lowest trade prices in the current session
  - (f) The number of shares traded in the current session
- (3) Trading shall be by word of mouth response to orders posted on the Limit Order Book.
- (a) Execution of orders against the Book shall be conducted by time priority.
  - (b) Orders displayed on the Book shall not indicate whether they are for customers or for the account of a member or persons employed by the member; members shall ensure, however, that customers have priority in allocation of stock where all orders have not been satisfied in full.
- (4) If trading becomes disorderly, the Market Official may invoke open-outcry rules requiring members only to deal in stocks as they are called. Under these rules bids and offers for shares made by Responding Brokers shall be in the following form: -
- (a) for a bid, the dealer shall say: "I buy [ quantity] shares at

price in dollars to the nearest tenth of a dollar which shall be expressed as “point” followed by the number of tenths”;

- (b) for an offer, the dealer shall say “I sell [ quantity] shares at price in dollars to the nearest tenth of a dollar which shall be expressed as “point” followed by the number of tenths”.
- (c) Bids and offers for debt issues shall be for stock units of \$100 nominal value and shall be expressed to the nearest tenth of a dollar.

(5) When a trade has been agreed:-

- (a) The Initiating Broker who posted the order on the Book shall forthwith up-date the Book, and
- (b) The Responding Broker shall forthwith make out his part of a Trade Report, sign it, and pass it to the Initiating Broker;
- (c) The Initiating Broker shall complete the Trade Report, countersign it and pass it to the Market Official;
- (d) The Trade Report shall include the customer order references for the brokers.
- (e) The Market Official shall issue a Market Contract which includes the broker order references and a unique GASCI trade reference number.

### **Off-floor trading**

- 7.04 (1) Members may not deal with one another out of trading hours
- (2) Members may execute cross-trades out of hours and such trades shall be reported immediately before the next trading session
  - (3) The Board may permit members to amend the Order Book from their offices in between trading sessions provided it is satisfied as to the security of the electronic links between their offices and GASCI’s premises,

- (4) GASCI staff are not permitted to enter orders or amend orders on behalf of members.
- (5) Members may be permitted to participate in trading sessions by telephone from their offices subject to Board notice approved by the Guyana Securities Council. Such trading sessions shall follow the same rules as those for on-floor-dealing save that the Market Official shall not be authorised to invoke open-outcry rules.

### **Single price opening auction**

- 7.05
- (1) The Board may invoke a single price auction to determine the fairest opening price for a previously untraded issue or for an issue in respect of which it is not possible fairly to determine priority of execution by reference to time of receipt of order.
  - (2) The Board shall announce the intention to invoke a single price auction not less than 24 hours before the opening and the Trading Official shall arrange for orders to be received by GASCI up to not less than one hour before the opening.
  - (3) Orders may be submitted for the Opening either as “Limit Orders” stipulating a bid or offered price, or as “Market Opening Orders” not stipulating a price but seeking to be executed at whatever Opening Price is determined by the opening process.
  - (4) No special conditions may be attached to orders entered for the opening process.
  - (5) The Trading Official shall determine the Opening Price according to the following procedure, using either a manual worksheet in a form determined by the Board, or a computer algorithm approved by the Board -
    - (a) record all the prices at which Limit Orders have been entered and sum the total quantity of stock offered and bid at each price;
    - (b) sum the totality of stock offered at each price plus all



prices below that price;

- (c) sum the totality of stock bid at each price plus all prices at above that price;
  - (d) identify the Opening Price -from the (b) and (c) totals – as being the price at which the greatest volume of stock subject to Limit Orders would be traded;
  - (e) where the highest bid is below the lowest offer the opening price will be the mid-price between highest bid and lowest offer;
  - (f) where the maximum volume of stock subject to Limit Orders could be achieved at more than one price, the Trading Official shall declare the higher or highest price to be the Opening Price.
- (6) Generally, Limit Order bids above the Opening Price are satisfied at the Opening Price and Limit Order offers below the Opening Price are satisfied at the Opening Price.

#### Imbalance in Orders

- 7.06 (1) If there is an imbalance in Limit Order bids and offers, orders on the larger side of the imbalance shall be scaled down to ensure that the totals match and that price priority is maintained.
- (2) Such scaling will be carried out as follows. Starting with the order(s) with the highest price priority (highest bid or lowest offer depending on the side of the imbalance) in turn, all orders at a particular price are met in full unless there are insufficient orders remaining on the smaller side of the imbalance to fill them in which case orders on the larger side of the imbalance are scaled down proportionately.
- (3) Any unfilled orders may be filled subject to the rules governing the execution of Market Opening Orders provided that if there are insufficient Market Opening Orders to fill the unfilled Limit Orders the unfilled Limit Orders will be scaled using the same process described in paragraph (2) above for an imbalance in Limit Order bids and offers.

**Indicated opening price**

- 7.07 (1) The Board may require the Market Official to calculate an “Indicated Opening Price” 30 minutes before the opening of the Market and permit dealers to amend their orders in response to the indicated opening.
- (2) The Market Official may delay the opening of the Market by up to 30 minutes if the calculation of the Opening Price cannot be completed at the official opening time.

**Execution of “Market Opening Orders”**

- 7.08 (1) Market Opening Orders shall execute at the Opening Price.
- (2) Market Opening Orders shall be executed first against any residual imbalance in the volume of Limit Order bids and Limit Order Offers entered.
- (3) If, after satisfying any Limit Order imbalance, there is a residual imbalance between Market Opening Order bids and Market Opening Order offers each Market Opening Order on the larger side of the imbalance shall be scaled down so that the totals match.

**Execution of limit orders**

- 7.09 (1) Orders brought forward on the Book shall have priority in floor trading when it recommences.
- (2) Orders shall become confirmed trades, contractually binding upon the principals to the trade and upon the members, as soon as both parties have signed the trade report.
- (3) Orders carried forward on the Book shall not automatically be entered into a Single Price Opening auction.

**Pre-trade and post-trade publication by GASCI**

- 7.10 (1) The Limit Order Book shall be on the Local Area Network as specified by administrative notice, and all members shall have

access to the Limit Order Book during trading hours.

- (2) Hard copy of the information displayed on the Limit Order Book shall be made available to members at the end of every trading day.
- (3) The Market Official shall issue each day a list of confirmed trades which shall be copied to all members.

7.11 GASCI shall publish trade prices and volumes –

- (a) immediately after a trading session;
- (b) as soon as a single price opening auction has been completed;
- (c) when a trade relating to the limit order book is reported by one of the participants.

7.12 GASCI shall publish a Bulletin for each day that trading takes place, recording the prices of all trades in each security, the volume of trading in each security, the opening prices, the closing prices, the highs and lows for the day and other information specified by the Board.

### **Cross trades**

7.13 (1) A member executing a cross-trade outside a trading session must first satisfy all outstanding orders on the Book executable at the intended price of the cross and then execute the balance of its cross within the best bid and best offer on the Limit Order Book.

### **Block trades**

7.14 The Board shall set the minimum size of trade subject to the block trading rules.

7.15 (1) Block trades may be executed at up to 20% premium or discount against the current market price established at an opening auction or if there has been no auction in the previous 5 working days the current market price established by the best/bid offer on the Limit Order Book.

- (2) If a block trade is crossed it must be at the crossing price plus or minus up to 20% premium or discount.
- (3) Members undertaking crossed block trades must clear all Limit Orders on the Book that have time priority against their cross.
- (4) Crossed block trades must be exposed via the Limit Order Book to intervention by other members for a period of not less than 30 minutes.
- (5) Members may not intervene in a crossed block trade for less than 50% the total offered or bid.

### **Trade reports**

7.16 Members executing a trade shall report it immediately to GASCI.

### **Trade confirmation**

7.17 GASCI shall provide members with confirmed trade reports in respect of -

- (a) trades executed through a single price auction;
- (b) countersigned trade reports from members for trades in respect of limit orders on the Book; and
- (c) cross trades affirmed by the member conducting the cross.

### **Rescission**

7.18 A confirmed trade may only be rescinded by the consent of both the buyer and seller member.

### **Transaction contracts and broker transfer form**

7.19 Every trade entered into by members with one another shall be evidenced by a market contract.

7.20 Every trade undertaken on behalf of a customer shall be evidenced by

a written contract note issued by the member to the customer on the day of the trade -

- (a) where a member is acting for its own account every contract therefore shall so state;
- (b) where a member is acting in the capacity of an agent, every contract therefore shall state the price at which the transaction occurred and the commission charged;
- (c) the contract shall set forth any special conditions relating to the contract; and
- (d) every contract shall bear the words “ member of the Guyana Association of Securities Companies and Intermediaries Inc.”

7.21 All transfers shall be recorded on a duly executed Broker Transfer Form.

### **Settlement of transactions**

7.22 (1) In this rule-

- (a) “cash delivery” means delivery of the cash bid price before close of regular banking hours on the date of the transaction;
  - (b) “delayed delivery” means delivery of the funds on or before the period set forth as a special condition in the transaction contract.
- (2) All transactions shall be settled between members within five business days of the date of the transaction, except for those transactions subject to special conditions, such as “cash delivery” or “delayed delivery”.
  - (3) Payments in settlement of transactions, unless otherwise agreed to between the parties, shall be by cash or certified check.
  - (4) The seller is responsible for recording the transfer of the securities in the book of the listed company. If such Registry

book is closed, then the transfer shall be recorded as soon as the Registry book is opened.

- (5) The seller is solely responsible for the genuineness of the securities. If the securities are not properly negotiable, then seller shall promptly replace the securities with properly negotiable ones.

### **Procedures for enforcement of transactions**

- 7.23 If a member defaults on settlement of a trade the non-defaulting party to the trade shall provide written notice to the Secretary of GASCI and if the defaulting member does not remedy the default within one business day, the non-defaulting member may buy-in or sell-out against the defaulting member at the defaulting member's expense. In the case where a client defaults GASCI can instruct a Broker not to engage in any future transaction with that client relating to the exchange.

### **Ex-dividends, ex-rights, etc**

- 7.24 All orders shall be executed at prices that are ex-dividend or ex-other benefit unless otherwise indicated at the time of the trade by the order condition "cum dividend", or "cum" other benefit.

## **CHAPTER 8**

### **DISCIPLINE**

#### **Meaning of member in this Chapter**

- 8.01 In this Chapter, "member" includes a member's representatives and employees and in the case of a hearing pursuant under Rule 3.05 an applicant for membership of GASCI.

#### **Establishment of Disciplinary Committee**

- 8.02 There is hereby established a Disciplinary Committee whose membership shall be determined by the Board from time to time but which shall include one or more lay persons sufficient to secure, in the view of the Board, a proper balance between the interests of GASCI, its members and their customers.

### **Co-operation of member required**

- 8.03 A member shall co-operate fully with any enquiry made by the Disciplinary Committee and shall give all necessary assistance including -
- (a) furnishing to the Disciplinary Committee promptly, or within such reasonable time as may be specified by the Disciplinary Committee, such information and accounts as the Disciplinary Committee may reasonably require;
  - (b) permitting directors, officers, representatives or other employees to be interviewed by or on behalf of the Disciplinary Committee, ensuring as far as possible that they are made available for interview and answer truthfully and fully any questions put to them;
  - (c) giving at all times full access to any premises where the member carries on his business or maintains records; and
  - (d) permitting documents, records or other material in his possession or under his control to be produced to, inspected and, where necessary, copied by the Disciplinary Committee.

### **Powers of Disciplinary Committee**

- 8.04 The Disciplinary Committee may exercise any of the following powers -
- (a) declare that there is no case for the member to answer;
  - (b) decide that no further action should be taken;
  - (c) issue a private warning or reprimand to the member;
  - (d) issue a notice of public censure against the member;
  - (e) impose a fine on the member in such amount as it considers appropriate but in any event not exceeding \$250,000;
  - (f) suspend or revoke the registration of the member's representatives;
  - (g) recommend to GASCI that the Board makes an expulsion order or suspension order under rule 8.05 in respect of the member.

### **Power of Board to expel or suspend**

- 8.05 The Board shall, before refusing membership or imposing conditions on such membership or imposing conditions on employment by a member and before disciplining a member or an employee of a member, comply with the procedures specified for orders under section 38 (4) of the Act.

The Board may expel a member from membership of GASCI or suspend all or any of a member's rights of membership or impose conditions on such membership, or impose conditions on employment by a member for a fixed or continuing period by making an expulsion order or a suspension order without complying as required by subsection 38 (4) of the Act where the Board is satisfied that the member –

- (a) has ceased to be a fit and proper person to carry on the business of dealing in securities;
- (b) has contravened any provision of the Act, any regulation made under the Act or of these rules;
- (c) has provided GASCI with false, inaccurate or misleading information in purported compliance with any requirement under these rules; or
- (d) in any other case where the Board feels such action to be appropriate for the protection of investors.
- (e) has been expelled or is under suspension from another self-regulatory organisation.

Where the Board without complying as required by 38 (4) of the Act they shall provide an opportunity for a hearing within seven days of its decision and the suspension, prohibition or limitation shall remain in effect until the hearing is completed.

### **Institution of disciplinary proceedings**

8.06 Where the Board has a reasonable belief that –

- (a) there are circumstances suggesting that a member is not a fit and proper person to carry on the business of dealing in securities; or
- (b) there has been a contravention by a member of the Act, any regulation made under the Act or of these rules,

and the Board decides that the matter warrants being made the subject of disciplinary proceedings, the Board shall refer the matter to the Disciplinary Committee for determination by way of disciplinary proceedings.

### **Jurisdiction of Disciplinary Committee**



8.07 The Disciplinary Committee shall hear and determine disciplinary proceedings against a member referred to it by the Board under rule 8.06.

### **Secretary**

- 8.08 (1) The Board shall appoint a suitably qualified and experienced individual to act as secretary to the Disciplinary Committee to carry out its administrative functions.
- (2) The secretary may sit with the Disciplinary Committee but may not take part in its deliberations.

### **Statement of the allegations of fact and law**

8.09 Within 7 days of the referral of disciplinary proceedings to the Disciplinary Committee, the secretary to the Disciplinary Committee shall serve on the member a concise statement of the allegations of fact and law which shall comprise the charge or charges and a summary of the principal facts to be relied on.

### **Exchange of evidence**

8.10 After the service of a statement of the allegations under rule 8.09 except where the member has notified the secretary to the Disciplinary Committee in writing that all charges are to be admitted –

- (a) the secretary to the Disciplinary Committee shall, within 7 days of the service of the statement of the allegations, serve on the member copies of any documents on which the Disciplinary Committee intends to rely and a list of the witnesses it proposes to call together with an outline of the proposed evidence; and
- (b) the member shall, within 14 days of the secretary to the Disciplinary Committee complying with the requirement under paragraph (a), serve on the secretary to the Disciplinary Committee a statement of defence which shall include its intended pleas to the charges, which evidence is agreed, which documents are agreed, what admission of facts the member makes, and a list of the

witnesses it proposes to call together with an outline of their proposed evidence.

### **Notice of hearing**

- 8.11 (1) The secretary to the Disciplinary Committee shall give the member not less than 14 days written notice of the time and place of hearing.
- (2) The notice of hearing shall include the statement that, if the member fails to attend at the hearing, the Disciplinary Committee may proceed without giving the member further notice.

### **Admission of charges**

- 8.12 The member may admit all or any of the charges referred to in the statement of the allegations by notice in writing to the secretary to the Disciplinary Committee not less than 2 days before the day of the hearing.

### **Attendance**

- 8.13 (1) The member shall attend the hearing by an officer or by its principal.
- (2) If the member fails to attend the hearing, the Disciplinary Committee may proceed in its absence.

### **Standard of proof**

- 8.14 (1) The standard of proof shall be that applicable in civil proceedings (the balance of probability).
- (2) If the members of the Disciplinary Committee are not unanimous as to any finding, penalty or other matter, the decision of the Disciplinary Committee shall be that of the majority provided that, if the members are equally divided, the decision shall be that which most favours the member.

### **Evidence and directions**

- 8.15 Proceedings at the Disciplinary Committee hearing shall be governed

by these rules and by the rules of natural justice, subject to which the Disciplinary Committee may –

- (a) admit as evidence at a hearing any oral testimony or documentary exhibit that it considers relevant to the subject matter of the proceedings and may take notice of any fact that may be judicially noticed and of any generally recognised scientific or technical fact information or opinion within its area of expertise;
- (b) make all such directions with regard to the conduct of and the procedure at the hearing as the Disciplinary Committee considers appropriate for securing a proper opportunity for the member to answer the case against it and otherwise as may be just.

**Conduct of hearing**

- 8.16 In conducting the hearing the Disciplinary Committee may regulate its sittings and apply such rules on procedure and practice as it sees fit, provided that –
- (a) the Disciplinary Committee shall act fairly and shall give the member a reasonable opportunity to make written or oral representations, to call witnesses and to cross-examine any witness called against him;
  - (b) the Disciplinary Committee may determine the issue and any penalty on the basis of written evidence and representations if, having regard to the nature and gravity of the matter in issue, it is satisfied that it is suitable for such determination and the member consents to such a procedure being adopted;
  - (c) in determining the issue by way of oral hearing, the Disciplinary Committee -
    - (i) shall hear the matter in public;
    - (ii) shall permit the member to be represented by counsel;
  - (d) where the matter in issue against a member is found to be proved, the Disciplinary Committee shall, before exercising its disciplinary powers, allow the member, or anyone on its behalf, to address it in mitigation of penalty.

**Record of hearing**

- 8.17 (1) The Disciplinary Committee shall cause a record to be made of the hearing electronically or otherwise.
- (2) The member is entitled to a transcription or copy of the record on payment of the cost.

**Decision**

- 8.18 Following the conclusion of the hearing of the disciplinary proceedings, the Disciplinary Committee shall deliver to the member, GASCI and each person who appeared as a witness at the hearing, a written decision comprising a summary of –
- (a) the charges admitted;
  - (b) its finding of fact;
  - (c) its findings, with a statement of its reasons, as to whether any charges not admitted are proved; and
  - (d) any penalties and order for costs imposed.

**Costs**

- 8.19 (1) The Disciplinary Committee may order the member to pay costs as it thinks fit, including any costs which in the view of the Disciplinary Committee, regardless of the outcome of the proceedings, have been unnecessarily caused.
- (2) Costs awarded shall be payable within 15 days of the written notice of the determination of the amount or the conclusion of any appeal against that determination.

**Right of appeal against finding charge is proved**

- 8.20 A finding by the Disciplinary Committee that a charge is proved may be appealed to the Council. The Council may grant a stay pending the decision of the Council.

**Right of appeal on penalty or costs**

- 8.21 A member may appeal to the Council against the penalty on any charge or any award of costs on the ground that the penalty imposed or the amount awarded was excessive.

**Time for appeal**

- 8.22 Within 10 days of the service on it of the decision of the Disciplinary Committee, the member may appeal to the Council by serving a written notice of appeal on GASCI and the Council.

### **Notice of appeal**

8.23 A written notice of appeal (other than in respect of costs only) shall set out each charge relevant to the appeal, the ground or grounds of appeal in relation to each charge and a brief statement of the matters relied on in respect of each ground.

### **Appeal proceedings by written submissions**

8.24 An appeal shall be made by the member by way of written submissions.

### **Powers of the Council**

8.25 After considering the written submissions of the member, the Council may confirm, reverse or vary the decision of the Disciplinary Committee and may make any order which the Disciplinary Committee could have made.

### **Finality**

8.26 Other than in respect of an adjudication made by the Council as a result of a dispute between members covered by Rule 8.27 a member may seek to appeal any decision made by the Council via the right of redress to the Court.

### **Disputes between members**

- 8.27 (a) Where a dispute involving transactions in securities arises between members, such dispute shall be referred to the Board, and the Board shall investigate the dispute, and shall make such order as the resolution of the dispute as it thinks fit.
- (b) The Board and each of the parties to the dispute will forthwith inform the Council in writing of the existence of the dispute and deliver or cause to be delivered to the other parties within twenty-four hours of such notice being delivered to the Council, a copy of the notice given to the Council of the dispute.
- (c) Where a member is aggrieved by the decision of the Board, the

member may, within fourteen days of the receipt of such decision, appeal to the Council.

- (d) Where the Council adjudicates in a matter referred to it under subsection (c) the decision of the Council will be final and no appeal shall be brought in respect thereof.
- (e) The Council may order the payment by any party to the dispute any sum of money, including a sum to cover costs, as the justice of the case in the opinion of the Council require.

## **CHAPTER 9**

### **PAYMENT OF FEES LEVIES AND CHARGES**

#### **Fees, levies and charges**

- 9.01 The Board may from time to time for the purposes of the administration of GASCI and its securities market impose membership and other fees, levies and charges in such respects and on such terms as the Board may prescribe, provided that all such fees, levies and charges shall be imposed equitably between members.
- 9.02 Without limitation to the generality of rule 9.01 the Board may impose fees and charges in respect of –
- (a) applications for membership;
  - (b) annual subscriptions in advance from members; and
  - (c) the registration of representatives.

#### **Amount**

- 9.03 The amount of any fees, levies and charges which the Board may impose shall be notified to members by means of a General Notice.

#### **Revision**

- 9.04 The amount of any fees, levies and charges imposed by the Board pursuant to these rules may from time to time be revised by the Board as it shall in its absolute discretion think fit and the Board shall notify such revised fees, levies and charges by General Notice.

**General Notice**

- 9.05 The Board shall also prescribe the time and method of payment of any fees, levies and charges imposed pursuant to these rules by General Notice and all members shall comply with the requirements, instructions or directions contained in such General Notice including the payment of interest, penalty or fine for late payment of such fees, levies and charges.





## SECOND SCHEDULE

### LISTING FEES

#### 1. Initial listing fee

- (1) In the case of an issue of equity securities, other than units in a collective investment scheme, an initial listing fee shall be payable on the application for admission to the Official List at the following rates –

<u>Monetary value of the equity securities to be listed</u>	<u>Rate of initial listing fee</u>
not exceeding \$250,000,000	0.1%
exceeding \$250,000,000	0.1%

(subject to a Guyana dollar equivalent of a minimum initial listing fee of US\$1,000 and a maximum initial listing fee of US\$10,000)

- (2) In the case of an issue of corporate debt securities, an initial listing fee shall be j. payable on the application for admission to the Official List at the following rates –

<u>Monetary value of the corporate debt securities to be listed</u>	<u>Rate of initial listing fee</u>
not exceeding \$250,000,000	0.05%
exceeding \$250,000,000	0.05%

(subject to a Guyana a dollar equivalent of a minimum initial listing fee of US\$500 and a maximum initial listing fee of US\$5,000)

- (3) In the case of an issue of debt securities other than corporate debt securities, an initial listing fee shall be payable on the application for listing at such rate as GASCI shall determine.

2. **Annual listing fee**

In addition to the initial listing fee, an annual listing fee (payable in advance in four quarterly instalments) shall be payable as follows –

- (a) in the case of equity securities other than units in a collective investment scheme, at the following rates –

<b><u>Monetary value of the equity securities</u></b>	<b><u>Rate of annual listing fee</u></b>
not exceeding \$250,000,000	0.075%
exceeding \$250,000 000	0.075%

(subject to a Guyana dollar equivalent of a minimum annual listing fee of US\$750 and a maximum annual listing fee of US\$7,500)

- (b) in the case of corporate debt securities, an annual listing fee, at the following rates –

<b><u>Monetary value of the corporate debt securities</u></b>	<b><u>Rate of annual listing fee</u></b>
not exceeding \$250,000,000	0.075%
exceeding \$250,000,000	0.075%

(subject to a Guyana dollar equivalent of a minimum annual listing fee of US\$750 and a maximum annual listing fee of US\$7,500)

- (c) in the case of debt securities other than corporate debt securities, at such rate as GASCI shall determine.

3. **Listing fee for units in collective investment schemes**

In the case of units in an open ended collective investment scheme, fees shall be payable at the following rates–

<b><u>Monetary value of the Units to be listed</u></b>	<b><u>Rate of initial listing fee</u></b>
not exceeding \$250,000,000	0.1%
exceeding \$250,000,000	0.1%

(subject to a Guyana dollar equivalent of a minimum initial listing fee of US\$1,000 and a maximum initial listing fee of US\$10,000)

<b><u>Monetary value of the Units</u></b>	<b><u>Rate of annual listing fee</u></b>
not exceeding \$250,000,000	0.075%
exceeding \$250,000,000	0.075%

(subject to a Guyana a dollar equivalent of a minimum annual listing fee of US\$750 and a maximum annual listing fee of US\$7,500)

4. **Subsequent issue fee**

- (1) Where a listed issuer makes a subsequent issue of equity securities which is less than 10 per cent of its existing issued share capital and does not issue a prospectus, there shall be a fixed fee payable of the Guyana dollar equivalent of US\$500.
- (2) Where a listed issuer makes a subsequent issue of equity securities which is 10 per cent or more of its existing issued share capital or in circumstances where a prospectus is issued in

connection with the issue, a subsequent issue fee shall be charged on the following scale

<b><u>Monetary value of the securities issued</u></b>	<b><u>Subsequent issue fee</u></b>
not exceeding \$250,000,000	0.075%
exceeding \$250,000,000	0.075%

(subject to a Guyana dollar equivalent of a minimum subsequent issue fee of US\$750 and a maximum subsequent issue fee of US\$7,500)

- (3) This charge does not apply to the issue of securities on the exercise of options, warrants or conversion rights under convertible securities, the grant or issue of which have been approved by GASCI, or to a capitalisation issue including the issue of securities under a scrip dividend scheme.
- (4) An issuer shall pay any subsequent listing fees within 7 days of receiving a debit note or, in any event if earlier, before dealings in the relevant securities commence.

#### 5. **Secondary listings**

In the case of an overseas issuer, whose primary listing is or is to be on another exchange, the fees payable shall be as follows –

- (1) initial listing fee - 25 per cent of the fees listed in para 1(1), (2) or (3) above as appropriate (including the minimum and maximum payments);
- (2) annual listing fee 25 per cent of the fees listed in para 2(a), (b) or (c) above as appropriate (including the minimum and maximum payment).

6. **General**

GASCI reserves the right to revise any of the fees or charges prescribed above at any time subject to the approval of the Council. GASCI may also at its sole discretion in any specific case reduce or waive the fees prescribed above.

**THIRD SCHEDULE****FORMAT OF THE ORDER BOARD FOR TRADING**

[Name of Issue]

Buy	Price	Sell

**NOTE**

1. The prices shall be entered in descending order in the central column in one tick (tenth of a dollar) intervals, e.g. 7.9, 7.8, 7.7....etc
2. The first order at any price shall be entered nearest the central column, subsequent orders shall be entered in outward sequence from the centre
3. Orders shall be recorded as Broker Code (three letters) and quantity of stock
4. Where there is a match the order shall be struck through

**EXAMPLE OF ORDER BOARD FORMAT-ABC CO.**

Buy	Price	Sell
	8.0	15,000 BSL
	7.9	1,500 GTC, 1,200GTC, 1,000 GTC
	7.8	500 GTC 1,000 BSL
	7.7	10,000 GNC
	7.6	
BSL 10,000	7.5	
GTC 500 GTC 1,300 GTC 1,300, GNC 777	7.4	
GNC 800, GC 2,500	7.3	
	7.2	
	7.1	
BSL 50,000	7.0	

## FOURTH SCHEDULE

### Change History

Date of Change	Version No	Section (s) Changed	Reason for Change	Changed by
26.10.01	1.0	N/A	N/A- First Version	
27.01.03	1.1	Fourth Schedule Added	Change History Added	PvB
30.03.03	1.2	See note of 1.2 changes	GSC require changes to rules	PvB
08.05.03	1.3	1.04, 2.03(f), 3.04, 4.22, 4.23, 4.27(2), 5.05(1) 5.05 (2)(i), 5.15 (6), 6.33, 6.47, 7.01	Further changes required by GSC	PvB, CP
23.05.03	1.4	1.05 added, Section 7 replaced, Schedule 4	Trading rules changed to reflect actual procedures. Introduction added.	PvB
01.06.03	1.5	5.04, Contents Pages to reflect new structure of Chapter 7, 7.03 (1) (d), 7.05 (5) (e), 7.05 (6), 7.06, 7.09 (3), 7.17 (b)	Request by GSC to provide hearing for all cases when action taken against member. Minor changes to trading rules following review.	PvB
04.06.03	1.6	5.08,5.15,6.13, 6.31, 7.22,7.23,8.05 and 8.06.	GSC said standard period of keeping records is 7 years and not 5 hence the change to 5.08. Change in 5.15 give the GSC time of 1 month to review statements , and the reasons for the other insertions are to be consistent with the Act. 6.13 an insertion was made regarding the issuer right to appeal. 6.31 insertion about consultation with the Council. 7.22 change from ten to five years. 7.23 insertion of clients who defaults and the consequences. 8.05 insertion of part of 38(4) (6) (7) of the Act. 8.06 rephrase of statement.	CP

Certified as true version of GASCI rules

-----  
Director

-----  
Secretary

### Witnessed

Name -----

Address -----  
-----

**SEAL Affixed**