

# CHAPTER 1: PRELIMINARY

## 1. Introduction

- 1.1 The main function of SPX is to provide a fair, orderly and efficient market for trading in securities. In furtherance of this function, SPX Listing Rules establish standards and best practices to facilitate development and operation of an organised capital market providing listed entities with access to market to attract a broad base of public shareholders.
- 1.2 In particular, the Listing Rules deal with:
- i. admitting entities to or removing entities from the Official List of SPX, whether for the purpose of enabling listed Securities of those entities to be traded on SPX or for other purposes;
  - ii. the activities or conduct of entities that are included on that list; and
  - iii. regulating listed entities for ensuring day to day management of trading, settlement, delivery and other activities to be carried on in accordance with Listing Rules.
- 1.3 Listing Rules are designed to reflect currently acceptable standards in the market place with a view to protect and maintain investors' confidence and in particular that:
- i. companies making application for listing are suitable for listing;
  - ii. the issue and marketing of Securities proposed for listing is conducted in a fair, open and orderly manner and that potential investors are given sufficient information to enable them to make a properly informed assessment of the applicant, and of the Securities for which listing is sought;
  - iii. investors and the public are kept fully informed by listed entities, and timely and accurate disclosure is made of all material matters, including but not limited to financial performance, ownership and governance;
  - iv. holders of listed Securities, including minority and foreign shareholders, are treated fairly and equally in order to protect and preserve shareholders' rights and there are adequate mechanisms in the Listed Entity to address shareholders' grievances;
  - v. directors of a Listed Entity act in the interest of its shareholders as a whole, mainly where the public represents only a minority of the shareholders;
  - vi. directors of a Listed Entity adopt, implement and practice good corporate governance practices pursuant to the Listing Rules and other enacted laws of Fiji; and
  - vii. directors of a Listed Entity ensure compliance with the Listing Rules and other Rules, Regulations and related documents of SPX, and other laws applicable to the Entity.
- 1.4 These Rules are made pursuant to the Companies Act 2015. The Rules have been reviewed and approved by the Reserve Bank of Fiji in accordance with Section 270 of the Companies Act 2015, and shall be effective from 15<sup>th</sup> April 2019.

## 2. Applicability of the Rules

- 2.1 Unless otherwise provided, these Rules shall apply:
- i. to a Company desirous of listing on the SPX; and
  - ii. to a Listed Entity having listed any one or both of the following with SPX:
    - a. Securities issued by a Company; or
    - b. any other security specified by SPX.

### **3. Powers and Duties of SPX**

- 3.1 Section 3(6)(f) of the Companies (Securities Exchanges and Licensing) Regulations 2015 gives SPX the powers to formulate, rules, guidelines, and recommendations on issues concerning listing, disclosure, market development and market operation. SPX may advise companies on all aspects of securities market.
- 3.2 SPX shall ensure that there are adequate arrangements in place for monitoring and enforcing compliance with the Listing Rules.
- 3.3 It shall be the duty of SPX to protect the interest of investors in Securities and to promote the development of, and to regulate the securities market, by enforcing such measures as it thinks fit.
- 3.4 The Listing Rules are not exhaustive. SPX may:
- i. impose additional requirements by way of guidance notes, notifications or announcements or in any other manner it deems fit;
  - ii. make listing subject to special conditions whenever it considers appropriate;
  - iii. amend the Listing Rules and documents related thereto, provided the procedure of amendment and approval is duly followed; and
  - iv. waive compliance with one or more Listing Rule in whole or in part subject to fulfilment of certain conditions or without any condition. SPX may, however, decide to not waive compliance with one or more Listing Rules, in whole or in part.
- 3.5 The SPX may issue guidelines to clarify certain aspects of the Rules.

### **4. Limitation of Liability**

- 4.1 None of the directors or employees of SPX shall be liable in tort, contract or otherwise for any action taken or not taken in exercise or purported exercise in good faith of the powers of discretions conferred by the Listing Rules.

### **5. Governing Law and Jurisdiction**

- 5.1 The Rules shall be governed by and construed in accordance with the laws of the Republic of Fiji. Each Company shall be deemed, by entering into a Listing Agreement with SPX, to have submitted to the jurisdiction of the Courts of the Republic of Fiji. Alternatively, any dispute between a Listed Entity and the SPX may be referred to and resolved by arbitration pursuant to Arbitration Act [Cap 38] or any amendments thereto. The place of arbitration shall be the Republic of Fiji.