

SPSE NOTICE NO. 01/2011

AMENDMENT TO SECTION 3.10 OF THE SPSE LISTING RULES

Date of Issue: 14th January 2011

INTRODUCTION

The Listing Rules have been put in place to achieve an appropriate balance between:

1. providing companies with access to the market; and
2. providing investors with certain safeguards and access to sufficient and timely information to enable them to make an informed investment decision.

Section 3.10 of the SPSE Listing Rules currently states that:

“For ordinary shares, this means that a minimum of 20% of the total issued shares must be owned by at least fifty (50) members of the public.”

As the rule is currently drafted, it poses a major challenge for large companies that wish to list on the stock exchange. For these companies, selling down 20% of their total issued shares can be very difficult to achieve as in most cases, there is no market for such large public offers.

PROPOSED AMENDMENT

Consequently, the following amendment is proposed to Section 3.10 of the SPSE Listing Rules in order to provide an alternative to the existing public shareholding requirement:

“For ordinary shares, this means that at the time of admission to the Official List, the company applying for listing must have:

- (a) at least 150 members of the public holding ordinary shares, or
- (b) at least 50 members of the public holding between them at least 20 percent of the ordinary shares, excluding any restricted shares.”

COMMENTS

Your comments on the proposed amendment to Section 3.10 of the SPSE Listing Rules will be much appreciated. Please submit written comments on the proposed amendment by **3rd February 2011** using either of the following methods:

By mail or hand delivery to:

Chief Executive Officer
South Pacific Stock Exchange
Level 2 Provident Plaza 1
33 Ellery Street, Suva

By fax to: (679) 330 4145

By email to: krishika@spse.com.fj

Once the SPSE has received the comments, it will consolidate all the comments and make a decision whether to adopt, reject or adopt with modifications the proposed amendment to Section 3.10 of the SPSE Listing Rules.

The SPSE will respond to all parties who have submitted their comments, advising them on whether or not their comments have been accepted. If the SPSE does not accept a particular comment, it will provide reasons for doing so.

A revised version of Section 3.10 of the SPSE Listing Rules will then be submitted to the Reserve Bank of Fiji for approval.

PRIVACY

If you choose to supply any personal data to us such as name, address and email address, the SPSE will not disclose any personal data to any party without your consent unless it is permitted or required by law.

IMPLEMENTATION

The SPSE intends to implement the proposed amendment to Section 3.10 of the SPSE Listing Rules by the end of February 2011. Implementation of the amended rule will be subject to the approval by the SPSE Board and the Reserve Bank of Fiji.

Stakeholders including listed companies, potential listed companies and investment advisors are encouraged to give their comments before the due date.