

TISE MAKES LISTING RULE CHANGES TO TARGET SPACS

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The International Stock Exchange (TISE), headquartered in Guernsey, has revised its Listing Rules to attract Special Purpose Acquisition Companies (SPACs).

SPACs activity has surged in 2021, especially in the US, and now the UK has launched a new SPAC listing regime which came into effect from 10 August.

TISE initially introduced rules for listing SPACs in 2015 and has recently revised them to align with developing market trends in both the US and Europe and notably, where there may be an institutional investor base.

Carolyn Gelling, Head of Equity Markets at TISE, said: “Globally there has been a resurgence of SPAC activity this year, which we have watched with interest. Our Listing Rules for SPACs were initially introduced in 2015 and since then they have been regularly updated but with recent developments in the market there were several areas which warranted a refreshed approach.

“These changes have been introduced with a view to specifically attracting SPACs that have a potential sophisticated and institutional investor base. We think that with these changes, the environment at TISE is now very well suited to ‘institutional’ SPACs.”

These key changes are:

- Dual share class structures (and founder shares) are permitted, subject to certain provisions and disclosure requirements;
- Issuers seeking to complete qualifying acquisitions must give shareholders the option to redeem, or otherwise acquire the shares from the shareholders for a pre-determined value or price per share;
- A SPAC issuer may not need to obtain prior shareholder approval for the completion of a qualifying acquisition, subject to certain exemption provisions;
- Any proposed qualifying acquisition must be announced to the market within three business days; and
- There is no requirement for a SPAC issuer to suspend dealings in its securities upon an announcement being made in relation to a proposed qualifying acquisition.

The changes to complement the other key features of the requirements for listing SPACs on TISE, which include accessible minimum requirements, flexible custody arrangements and a 36-month timeframe to make the qualifying acquisition.

Mrs Gelling added that the update was a useful refinement of TISE’s Equity Market.

“We look forward to speaking with interested parties about how TISE can facilitate an efficient and cost-effective listing on a regulated market, which has a growing number of international recognitions and several other planned enhancements to our offering,” she added.

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