



**Dutch Caribbean
Securities Exchange**

OVERVIEW OF THE DUTCH CARIBBEAN SECURITIES EXCHANGE



Curaçao (Dutch Caribbean)

Curaçao is an autonomous country within the Kingdom of the Netherlands.

The DCSX is fortunate to be situated in Curaçao, which is located in the Southern Caribbean. Strategically located between Central America, South America, the United States and Europe; Curaçao has an excellent physical and financial infrastructure.



It's capital Willemstad, takes up most of the central part of the island. The currency used in Curaçao is the Antillean Guilder (ANG), also called the Florin, although other currencies are openly accepted on the island. While Dutch, Papiamentu (the native language), and English are the official languages, Spanish is also widely used.

The international financial services sector is, along with tourism, a very important pillar of our economy.

A Sophisticated International Financial Center

A high-speed telecommunications infrastructure (highest in the Caribbean) provides reliable state-of-the-art global communications. And, perhaps most importantly, its sophisticated and very experienced financial and legal infrastructure (the ground works of which were laid in 1945 at the time when World War II initiated) provides comfort to both investors and financial services providers.

The financial services industry of Curaçao is supervised and regulated by the [Central Bank of Curaçao and St. Maarten \("CBCS"\)](#), in close cooperation with the Dutch Central Bank, thus guaranteeing a very reputable international financial services center with financial and legal security and stability.

Curaçao is a member of the Caribbean Financial Action Task Force, which forms part of the Financial Action Task Force based in Switzerland. It has enacted up-to-date legislation for combating money laundering, including 'Know Your Client' ("KYC") rules. These initiatives resulted in the broad acceptance of Curaçao by developed countries and global organizations focusing on fair tax practices.

The New Fiscal Framework of 2001 is in full compliance with the policies of the OECD for fair tax practices yet creates advantageous tax rates for very specific situations based on the premises of transparency and substance requirements. Recently (as per July 1, 2018 and again the end of 2019)

Curacao adopted its tax regulation once more to be fully compliant with OECD and EU “BEPS” and “ring-fencing” standards.

Curaçao as a country is:

- FATF/OECD compliant;
- EU-compliant;
- AML compliant; and
- the enactment as per March 1, 2004 of the new book 2 of the Civil Code ensured that corporate governance conforms to international standards of compliance and Directors’ accountability.

Dutch Caribbean Securities Exchange (DCSX)

The Dutch Caribbean Securities Exchange (“DCSX”) forms part of this international financial services sector of Curaçao. Established in 2009 in Curaçao, it’s the only authorized Securities Exchange in the Dutch Caribbean licensed by the [Minister of Finance](#).



Dutch Caribbean
Securities Exchange

The DCSX is a regulated international Exchange for the listing and trading in domestic and international securities.

Our mission is to create prosperity by connecting investment opportunities to investors and reach that by being the regional financial center of choice for listing of securities.

In close cooperation with the authorities, the DCSX is assured to operate under a well-functioning yet practical supervisory environment.

While on the one hand the DCSX is a self-regulatory organization, it is also subject to direct supervision by the Central Bank of Curaçao and Sint Maarten, an associate member of the International Organization of Securities Commissions (IOSCO).

Furthermore, the DCSX is an affiliate of the World Federation of Exchanges, an official member of AMERCA (Association of Capital Markets of the Americas), formed by the Stock Exchanges of Costa Rica, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, Panamá and the Dominican Republic.



The Target Market

- Local corporations (both private and Government owned) in need of additional/ alternative financing needs to expand their business; this in addition to the traditional bank financing possibilities.
- Latin American, Pan-European and Far East markets
- Entrepreneurial platforms for start-up companies - innovation companies- SMEs looking for alternative sources for capital; an alternative to a/o in combination with crowd funding platforms
- Large privately/family held companies seeking private listing
- International and local funds / corporations (creating liquidity/testing the waters in preparation larger Exchanges)
- “Technical listings” – non tradeable listed securities

The goal of the DCSX is to attract Companies and Governments operating in the region and beyond who are looking for a secure legal and regulatory environment in which they can carry out financial transactions.

Added value of listing as compared to classic structures:

- **Sustainability**, particular benefits for listed companies
- **Confidentiality**, in some jurisdictions the UBO no longer has to be disclosed publicly
- **Market value**, the company's profile is elevated
- **Liquidity for existing shareholders**
- **Flexibility and base broadening**, easy allocation of shares in case of many shareholders.
- **Cost – effective**, DCSX fees are very competitive because we believe that capital raising thru an Exchange must itself be fairly priced.

Listing of securities is a procedure for the admission of securities to a “Securities” or often times simply called “Stock” Exchange (like the “DCSX”) according to the criteria prescribed by that Stock Exchange on which the securities will be admitted.

Those DCSX criteria will require disclosure of price-sensitive materials and important financial information to the public. And that on an ongoing regular basis after the listing is completed. The decision for listing on a Stock Exchange sends a clear signal to potential investors that the company management is willing to run the company transparently.

By entering the capital markets thru a listing process the company is obliged, regularly and continuously, to inform the public of all its relevant activities that are undertaken and to give a fair view of the company's financial position. The company must provide a clear disclosure of its performance to the public.

How does it work for the issuers (The companies seeking a listing)?

Companies interested in listing need to contact one of our approved Listing Advisors (LAD) to see whether it is convenient to list and what type of financial instruments would be most beneficial for the company. A list of our approved LADs can be found at www.dcsx.cw/listing-advisors

The LAD guides the issuer through the listing process. When the listing process is complete, the LAD, together with the issuer, may then plan for a Road Show to obtain (new) investors and/or make the listing as such known to the public. The LAD will help the issuer select the appropriate Brokers needed who have contacts with investors. These Brokers have to be approved by the Exchange. A list of our approved Brokers can be found at www.dcsx.cw/list-brokers. Issuers and Investors meet through the brokers' platform that is connected to the DCSX trading platform.

Playing by the Rules

During the last few years, the DCSX platform has grown having more “players on the field”, more LADs, more Member/Brokers and more listings. With that, the DCSX team has also expanded its “umpiring” over whether the players are playing by the rules.

Our Compliance department maintains a rigorous inspection of documents received. Client Due Diligence and Compliance is central to our business. Our LADs **must comply** with the [Rules for Listing Advisors](#) and ensure that their listings are in compliance with the Listing Requirements.

Regardless of its industrial sector or country of origin (with a few exceptions), any legal entity may request a listing on the DCSX. The listing entails the issuance of securities, such as equities and bonds or DR's among others, through a public or private placement. Both offering types, can be categorized as technical or tradeable listings. [Tradable listings](#) are what is known as “traditional” listings with the main purpose to raise capital or provide liquidity to the shareholders. The purpose of [technical listings](#) is not primarily to raise capital but often initially to rise the company's profile on the market and to elevate the compliance level of the legal entity, at the same time it is considered a good “dry test” or preparation to become tradeable in the future on the DCSX trading platform.

How does the listings process work at the DCSX?

There are four main steps to follow:

Step 1: Partner Selection

The legal entity (the issuer) who wishes to list on the DCSX must select a [Listing Advisor](#) and a [Broker or a set of Brokers](#). The LAD acts as coordinator between the issuer and the exchange at all times, both in the process of listing and throughout its life as a listed entity. The LAD will be accountable for the correctness of information and compliance with the listing requirements and ensures that the issuer fulfils its transparency requirements.

The Broker will oversee the buying and selling of the listed securities. The Broker, together with the LAD and the Issuer, may team up on a roadshow to promote the listing to interested parties. All interested parties / investors must open an account with the Broker. Once the listing process is approved and completed the broker will offer access to its trading portal that is connected to the DCSX trading platform to their clients in order to buy and sell the listed securities. Unlike popular belief, the DCSX does not offer direct access to its trading platform to investors. All interested parties must have a brokerage account at the issuer's selected Broker (s), approved by the DCSX.

Step 2: Preparation

After selecting the right partners, the next step includes the preparation for the listing. At this stage the LAD, together with the issuer, team up to prepare the Prospectus/Information Memorandum (in case of a public offering) or a, Offering Circular/Private Placement Memorandum (in case of a private placement). In both cases, the documents offer detailed information about the company, the securities listed and the related risks and projections. Basically a "detailed business plan": who the company is, why and how their "expected" or proven success, what the funds are needed for and how the investor will be remunerated. During this stage the LAD ensures to request all required legal documents as well as the audited financial statements in accordance with the listing requirements. At this stage the DCSX is not officially involved yet. It is up to the LAD to ensure everything is ready in accordance to the requirements to start the application/registration process.

Step 3: Registration

When all required documentation is complete, these are sent together with the application letter/forms to the DCSX for registration and processing of the application. The DCSX will internally review the received documentation and provide feedback to the LAD indicating whether received documents are in line with [Local Requirements and International Directives](#).

Step 4: Listing

If the received documents are in line with the DCSX requirements, including the final version of the Information Memorandum, the DCSX then proceeds to send the documentation to the Listing Committee who will review the documentation on their part and provide inquiries which must be addressed by the LAD. If received feedback is satisfactory for the Listing Committee then approval will be granted for the admission to list or trade.

During their lifetime as listed entities, companies are required to communicate to the DCSX key information to the market, interim internal and (audited) annual statements, group management discussions and analysis, and in general any information that is of “material importance” for the investor, through their selected DCSX approved LAD in order to meet investor expectations in terms of transparency.

How does it work for investors?

All investors interested in buying securities on the DCSX need to have a brokerage account at authorized brokers on the DCSX. So, the account of the investor is opened with the broker **NOT** the DCSX. The DCSX offers the platform that the brokers are able to use. We don't have any direct contact with the issuers or investors. The LAD is the representative of the issuer when dealing with the exchange. And the Brokers are in direct contact with investors.

As mentioned, before the DCSX is internationally oriented and looking forward for opportunities in the global market. Our new trading platform was launched on February 1, 2019 offering Brokers a digital platform for trading.

Along with the core business of an Exchange (matching the offering and demand for capital), listing securities can be used as a wealth planning, privacy & tax optimization tool.

Be part of DCSX, as issuer, LAD, Member/Broker, investor!

We invite you to visit our website and social media for more information on Listing requirements, Listing fees, Member/Broker requirements, LAD rules and many more information on capital markets.

Please contact us at info@dcsx.cw or directly as per below for any additional practical questions you may have.

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