



## MARKET GUIDANCE NOTES

### APPOINTMENT BY ISSUERS OF INDEPENDENT ADVISERS IN RESPECT OF INITIAL PUBLIC OFFERS (IPOs) AND OTHER INVITATIONS TO THE PUBLIC

#### CIRCULAR NUMBER: SEC/LED/MG-circ/IPO/0507/001

This Market Guidance Note is issued pursuant to the Securities Industry Law, 1993 (PNDCCL 333) s. 9(d) which empowers the Securities and Exchange Commission to formulate principles for the guidance of the securities industry. The following guidelines are provided to aid the process of issuing securities to the public.

1. Where an Issuer is making an offer to the public in respect of the acquisition of or makes an invitation to the public to trade in its securities, the applicant must appoint a Lead Manager to manage its application. Where the Issuer is affiliated to the Lead Manager or sponsoring dealer, an independent and additional co-lead Manager not affiliated to the Issuer shall be appointed to co-manage the issue with the Lead Manager.
2. In respect of an IPO, a bank affiliated to the Issuer shall not be accepted as the receiving bank of the escrow account to receive subscriptions from the public. The Issuer shall be required to appoint a receiving bank not affiliated to the Issuer, to manage the escrow account into which subscriptions shall be paid and such appointment shall be reflected in the Escrow Agreement to be submitted to SEC for approval.

#### BY ORDER OF THE COMMISSION

Dated at the Securities and Exchange Commission this 24th day of September 2007.