

Ref: ~~UKLA~~ / Primary Market / TN / 706.12

Primary Market Technical Note

Sponsors: Innovative structures and schemes

The information in this note is designed to help issuers and practitioners interpret our UK Listing Rules, Prospectus Regulation Rules, Disclosure Guidance and Transparency Rules, and related legislation. The guidance notes provide answers to the most common queries we receive and represent FCA guidance as defined in section 139A FSMA

Rules

~~LR 8~~; UKLR 24.2.6R

Sponsors: Innovative structures and scheme

We are often approached by sponsor firms seeking our views on innovative structures and schemes. Issuers have sought comfort, through sponsor firms, that these structures and schemes do not affect their compliance with the Listing Rules. We consider sponsors to be experts on the Listing Rules and expect a sponsor firm to approach us only once it has satisfied itself that such a scheme or structure is appropriate and does not breach the Listing Rules or other relevant legislation.

We draw your attention to ~~UKLR 8.3.3~~ UKLR 24.2.6R, which sets out the principle that 'a sponsor must, in relation to a sponsor service, act with due care and skill'.

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We recognise that there will be instances where the proper application of the Listing Rules is not clear. However, we would stress that a sponsor should only contact us if it has satisfied itself that the scheme or structure is not simply designed to avoid a particular rule and that it serves a bona fide purpose.