

Listing Rules

Listing Rules

Listing Rules

LR 1	Preliminary: All securities
1.1	Introduction
1.2	Modifying rules and consulting the FCA
1.3	Information gathering and publication
1.4	Miscellaneous
1.5	Standard and Premium Listing
1.6	Listing Categories
1 Annex 1	Market abuse safe harbours
LR 2	Requirements for listing: All securities
2.1	Preliminary
2.2	Requirements for all securities
LR 3	Listing applications: All securities
3.1	Application
3.2	Application for admission to listing
3.3	Shares
3.4	Debt and other securities
3.5	Block listing
LR 4	Listing particulars for professional securities market and certain other securities: All securities
4.1	Application and Purpose
4.2	Contents and format of listing particulars
4.3	Approval and publication of listing particulars
4.4	Miscellaneous
LR 5	Suspending, cancelling and restoring listing and reverse takeovers: All securities
5.1	Suspending listing
5.2	Cancelling listing
5.3	Requests to cancel or suspend
5.4	Restoring listing
5.4A	Transfer between listing categories: Equity shares
5.5	Miscellaneous
5.6	Reverse takeovers

LR 6	Additional requirements for premium listing (commercial company)
6.1	Application
LR 7	Listing Principles: Premium listing
7.1	Application and purpose
7.2	The Listing and Premium Listing Principles
LR 8	Sponsors: Premium listing
8.1	Application
8.2	When a sponsor must be appointed or its guidance obtained
8.3	Role of a sponsor: general
8.4	Role of a sponsor: transactions
8.5	Responsibilities of listed companies
8.6	Criteria for approval as a sponsor
8.7	Supervision of sponsors
LR 9	Continuing obligations
9.1	Preliminary
9.2	Requirements with continuing application
9.3	Continuing obligations : holders
9.4	Documents requiring prior approval
9.5	Transactions
9.6	Notifications
9.7	[Deleted]
9.7A	Preliminary statement of annual results, statement of dividends and half-yearly reports
9.8	Annual financial report
9.9	[Deleted]
9 Annex 1	THE MODEL CODE (R)
LR 10	Significant transactions: Premium listing
10.1	Preliminary
10.2	Classifying transactions
10.3	
10.4	Class 2 requirements
10.5	Class 1 requirements
10.6	[deleted]
10.7	Transactions by specialist companies
10.8	Miscellaneous
10 Annex 1	The Class Tests

LR 11	Related party transactions: Premium listing
11.1	Related party transactions
11 Annex 1	Transactions to which related party transaction rules do not apply
LR 12	Dealing in own securities and treasury shares: Premium listing
12.1	Application
12.2	Prohibition on purchase of own securities
12.3	Purchase from a related party
12.4	Purchase of own equity shares
12.5	Purchase of own securities other than equity shares
12.6	Treasury shares
LR 13	Contents of circulars: Premium listing
13.1	Preliminary
13.2	Approval of circulars
13.3	Contents of all circulars
13.4	Class 1 circulars
13.5	Financial information in Class 1 Circulars
13.6	Related party circulars
13.7	Circulars about purchase of own equity shares
13.8	Other circulars
13 Annex 1	Class 1 circulars
LR 14	Standard listing (shares)
14.1	Application
14.2	Requirements for listing
14.3	Continuing obligations
14.4	[Deleted]
LR 15	Closed-Ended Investment Funds: Premium listing
15.1	Application
15.2	Requirements for listing
15.3	Listing applications and procedures
15.4	Continuing obligations
15.5	Transactions
15.6	Notifications and periodic financial information
15.7	[Deleted]
LR 16	Open-ended investment companies: Premium listing

16.1	Application
16.2	Requirements and eligibility for listing
16.3	Listing applications
16.4	Requirements with continuing application
LR 17	Debt and debt-like securities: Standard listing
17.1	Application
17.2	Requirements for listing and listing applications
17.3	Requirements with continuing application
17.4	[deleted]
17.5	Requirements for states, regional and local authorities and public international bodies
LR 18	Certificates representing certain securities: Standard listing
18.1	Application
18.2	Requirements for listing
18.3	Listing applications
18.4	Continuing obligations
LR 19	Securitised derivatives: Standard listing
19.1	Application
19.2	Requirements for listing
19.3	Listing applications
19.4	Continuing obligations
19.5	Disclosures
LR 20	Miscellaneous Securities: Standard listing
20.1	Application
20.2	Requirements for listing
20.3	Listing applications
20.4	Continuing obligations
20.5	Disclosures
LR App 1	Relevant definitions
App 1.1	Relevant definitions
LR App 2	Annual Financial Report for certain listed companies

App 2.1

LR App 3 **List of Regulatory Information Services [deleted]**

App 3.1 **[Deleted]**

Transitional Provisions

TR 1 **Transitional Provisions: General and Venture Capital Trusts**
TR 2 **Transitional Provision for closed-ended investment funds listed before 28 September 2007**
TR 3 **Transitional Provisions for Investment Entities already listed under LR 14**
TR 4 **Transitional Provision for Issuers with a Premium Listing that are Overseas Companies**
TR 5 **Transitional Provision for companies incorporated in the United Kingdom**
TR 6 **Transitional Provision for overseas companies**
TR 7 **Transitional Provision for issuers with shares that do not confer full voting rights**
TR 8 **Transitional Provisions for the Combined Code**
TR 9 **Transitional Provision for a company that has a premium listing of equity shares but does not comply with LR 9.2.20R**
TR 10 **Transitional Provision in relation to new sponsor services**
TR 11 **Transitional Provisions in relation to Annual Financial Report**
TR 12 **Transitional Provisions in relation to continuing obligations regarding premium listing**
Sch 1 **[to follow]**
Sch 2 **[to follow]**
Sch 3 **[to follow]**
Sch 4 **Powers exercised**
Sch 5 **[to follow]**
Sch 6 **Rules that can be waived**

Chapter 5

Suspending, cancelling and restoring listing and reverse takeovers: All securities



5.1 Suspending listing

FCA may suspend listing

5.1.1

FCA

R

- (1) The *FCA* may suspend, with effect from such time as it may determine, the *listing* of any *securities* if the smooth operation of the market is, or may be, temporarily jeopardised or it is necessary to protect investors. [Note: article 18(1) *CARD*]
- (2) An *issuer* that has the *listing* of any of its *securities* suspended must continue to comply with all *listing rules* applicable to it.
- (3) If the *FCA* suspends the *listing* of any *securities*, it may impose such conditions on the procedure for lifting the suspension as it considers appropriate.

5.1.2

FCA

G

Examples of when FCA may suspend

Examples of when the *FCA* may suspend the *listing* of *securities* include (but are not limited to) situations where it appears to the *FCA* that:

- (1) the *issuer* has failed to meet its continuing obligations for *listing*; or
- (2) the *issuer* has failed to publish financial information in accordance with the *listing rules*; or
- (3) the *issuer* is unable to assess accurately its financial position and inform the market accordingly; or
- (4) there is insufficient information in the market about a proposed transaction; or
- (5) the *issuer's securities* have been suspended elsewhere; or
- (6) the *issuer* has appointed administrators or receivers, or is an *investment trust* and is winding up; or
- (7) for a *securitised derivative* that relates to a single *underlying instrument*, the *underlying instrument* is suspended; or
- (8) for a *securitised derivative* that relates to a basket of *underlying instruments*, one or more *underlying instruments* of the basket are suspended; or

- (9) for a *miscellaneous security* that carries a right to buy or subscribe for another *security*, the *security* over which the *listed miscellaneous security* carries a right to buy or subscribe has been suspended.

5.1.3

FCA

G

The *FCA* will not suspend the *listing* of a *security* to fix its price at a particular level.

Suspension at issuer's request

5.1.4

FCA

G

An *issuer* that intends to request the *FCA* to suspend the *listing* of its *securities* will need to comply with ■ LR 5.3. The *FCA* will not suspend the *listing* if it is not satisfied that the circumstances justify the suspension.



5.2 Cancelling listing

FCA may cancel listing

5.2.1
FCA

R The *FCA* may cancel the *listing of securities* if it is satisfied that there are special circumstances that preclude normal regular dealings in them. [Note: article 18(2) *CARD*]

5.2.2
FCA

G Examples of when the *FCA* may cancel the *listing of securities* include (but are not limited to) situations where it appears to the *FCA* that:

- (1) the *securities* are no longer admitted to trading as required by these *rules*; or
- (2) the *issuer* no longer satisfies its continuing obligations for *listing*, for example if the percentage of *shares* in public hands falls below 25% or such lower percentage as the *FCA* may permit (the *FCA* may however allow a reasonable time to restore the percentage, unless this is precluded by the need to maintain the smooth operation of the market or to protect investors); or
- (3) the *securities' listing* has been suspended for more than six months;
- (4) the *securities* are *equity shares* with a *standard listing* issued by an *investment entity* where the *investment entity* no longer has a *premium listing of equity shares*.

5.2.3
FCA

G The *FCA* will generally seek to cancel the *listing of an issuer's equity shares* or *certificates representing equity securities* when the *issuer* completes a *reverse takeover*.

[Note: ■ LR 5.6 contains further detail relating to *reverse takeovers*.]

Cancellation at issuer's request

5.2.4
FCA

R An *issuer* must satisfy the requirements applicable to it in ■ LR 5.2.5 R to ■ LR 5.2.11D R and ■ LR 5.3 before the *FCA* will cancel the *listing of its securities* at its request.

5.2.4A
FCA

G ■ LR 5.2.4 R applies even if the *listing of the securities* is suspended.

Cancellation of listing of equity shares

5.2.5

FCA

R

Subject to ■ LR 5.2.7 R, ■ LR 5.2.10 R , ■ LR 5.2.11A R and ■ LR 5.2.12 R, an issuer with a *premium listing* that wishes the FCA to cancel the *listing* of any of its *equity shares* with a *premium listing* must:

- (1) send a *circular* to the holders of the *shares*. The *circular* must:
 - (a) comply with the requirements of ■ LR 13.3.1 R and ■ LR 13.3.2 R (contents of all circulars);
 - (b) be submitted to the FCA for approval prior to publication; and
 - (c) include the anticipated date of cancellation (which must be not less than 20 *business days* following the passing of the resolution referred to in paragraph (2));
- (2) obtain, at a general meeting, the prior approval of a resolution for the cancellation from :
 - (a) a majority of not less than 75% of the votes attaching to the *shares* voted on the resolution; and
 - (b) where an issuer has a *controlling shareholder*, a majority of the votes attaching to the *shares of independent shareholders* voted on the resolution;
- (3) notify a RIS, at the same time as the *circular* is despatched to the relevant holders of the *shares*, of the intended cancellation and of the notice period and meeting; and
- (4) notify a RIS of the passing of the resolution in accordance with ■ LR 9.6.18 R.

5.2.5A

R

[deleted]

- (1) [deleted]
- (2) [deleted]

5.2.6

R

[deleted]

5.2.7

FCA

R

■ LR 5.2.5 R (2) will not apply where an issuer of *equity shares* notifies a RIS :

- (1) that the financial position of the issuer or its group is so precarious that, but for the proposal referred to in ■ LR 5.2.7 R (2), there is no reasonable prospect that the issuer will avoid going into formal insolvency proceedings;

- (2) that there is a proposal for a transaction, arrangement or other form of reconstruction of the *issuer* or its *group* which is necessary to ensure the survival of the *issuer* or its *group* and the continued *listing* would jeopardise the successful completion of the proposal;
- (3) explaining;
 - (a) why the cancellation is in the best interests of those to whom the *issuer* or its *directors* have responsibilities (including the bodies of *securities* holders and creditors, taken as a whole); and
 - (b) why the approval of shareholders will not be sought prior to the cancellation of *listing*; and
- (4) giving at least 20 *business days* notice of the intended cancellation.

5.2.7A
FCA

R Where an *investment entity* no longer has a *premium listing* of *equity shares* it must apply under ■ LR 5.2.8 R for *cancellation* of the *listing* of any other class of *listed equity shares*.

5.2.8
FCA

R **Requirements for cancellation of other securities**
An *issuer* that wishes the *FCA* to cancel the *listing* of *listed securities* (other than *equity shares* with a *premium listing*) must notify a *RIS*, giving at least 20 *business days* notice of the intended cancellation but is not required to obtain the approval of the holders of those *securities* contemplated in ■ LR 5.2.5 R (2).

5.2.9
FCA

R *Issuers* with *debt securities* falling under ■ LR 5.2.8 R must also notify, in accordance with the terms and conditions of the *issue* of those *securities*, holders of those *securities* or a representative of the holders, such as a trustee, of intended cancellation of those *securities*, but the prior approval of the holders of those *securities* in a general meeting need not be obtained.

5.2.10
FCA

R **Cancellation in relation to takeover offers: offeror interested in 50% or less of voting rights**

- LR 5.2.5 R does not apply to the cancellation of *equity shares* with a *premium listing* in the case of a takeover offer if:
- (1) the *offeror* or any *controlling shareholder* who is an *offeror* is interested in 50% or less of the voting rights of an *issuer* before announcing its firm intention to make its takeover offer;
 - (2) the *offeror* has by virtue of its shareholdings and acceptances of its takeover offer, acquired or agreed to acquire issued *share* capital carrying 75% of the voting rights of the *issuer*; and

- (3) the *offeror* has stated in the offer document or any subsequent *circular* sent to the holders of the shares that a notice period of not less than 20 *business days* prior to cancellation will commence either on the *offeror* obtaining the required 75% as described in ■ LR 5.2.10 R (2) or on the first date of issue of compulsory acquisition notices under section 979 of the Companies Act 2006 (Right of offeror to buy out minority shareholder).

5.2.10A
FCA

R

For the purposes of ■ LR 5.2.10 R (3), the offer document or *circular* must make clear that the notice period begins only when the *offeror* has announced that it has acquired or agreed to acquire representing 75% of the voting rights.

5.2.11
FCA

R

The *issuer* must notify shareholders that the required 75% has been obtained and that the notice period has commenced and of the anticipated date of cancellation, or the explanatory letter or other material accompanying the section 979 notice must state that the notice period has commenced and the anticipated date of cancellation.

Cancellation in relation to takeover offers: offeror interested in more than 50% of voting rights

5.2.11A
FCA

R

■ LR 5.2.5 R does not apply to the cancellation of *equity shares* with a *premium listing* in the case of a takeover offer if:

- (1) the *offeror* or any *controlling shareholder* who is an *offeror* is interested in more than 50% of the voting rights of an *issuer* before announcing its firm intention to make its takeover offer;
- (2) the *offeror* has by virtue of its shareholdings and acceptances of its takeover offer, acquired or agreed to acquire issued *share capital* carrying 75% of the voting rights of the *issuer*;
- (3) unless ■ LR 5.2.11D R applies, the *offeror* has obtained acceptances of its takeover offer or acquired or agreed to acquire *shares* from *independent shareholders* that represent a majority of the voting rights held by the *independent shareholders* on the date its firm intention to make its takeover offer was announced; and
- (4) the *offeror* has stated in the offer document or any subsequent *circular* sent to the holders of the *shares* that a notice period of not less than 20 *business days* prior to cancellation will commence either on the *offeror* obtaining the relevant shareholding and acceptances as described in ■ LR 5.2.11A R (2) to ■ (3) or as described in ■ LR 5.2.11D R or on the first date of issue of compulsory acquisition notices under section 979 of the Companies Act 2006.

5.2.11B
FCA

R

For the purposes of ■ LR 5.2.11A R (4), the offer document or *circular* must make clear that the notice period begins only when the *offeror* has announced that it has acquired or agreed to acquire *shares* representing

75% of the voting rights and, if relevant, has obtained acceptances of its takeover offer or acquired or agreed to acquire *shares* from *independent shareholders* that represent a majority of the voting rights held by the *independent shareholders*.

5.2.11C
FCA

R The *issuer* must notify shareholders that the relevant thresholds described in ■ LR 5.2.11A R (2) to ■ (3) or ■ LR 5.2.11D R have been obtained and that the notice period has commenced and of the anticipated date of cancellation, or the explanatory letter or other material accompanying the section 979 notice must state that the notice period has commenced and the anticipated date of cancellation.

5.2.11D
FCA

R ■ LR 5.2.11A R (3) does not apply where the *offeror* has by virtue of its shareholdings and acceptances of its takeover offer acquired or agreed to acquire issued share capital carrying more than 80% of the voting rights of the *issuer*.

Cancellation as a result of schemes of arrangement etc.....

5.2.12
FCA

R ■ LR 5.2.5 R and ■ LR 5.2.8 R do not apply to the cancellation of *equity shares* as a result of:

- (1) a takeover or restructuring of the *issuer* effected by a scheme of arrangement under Part 26 of the Companies Act 2006; or
- (2) an administration or liquidation of the *issuer* pursuant to a court order under the Insolvency Act 1986, Building Societies Act 1986, Water Industry Act 1991, Banking Act 2009, Energy Act 2011 or the Investment Bank Special Administration Regulations 2011; or
- (3) the appointment of an administrator under paragraphs 14 (appointment by holder of floating charge) or 22 (appointment by company or directors) of Schedule B1 to the Insolvency Act 1986; or
- (4) a resolution for winding up being passed under section 84 of the Insolvency Act 1986; or
- (5) the appointment of a provisional liquidator by the court under section 135 of the Insolvency Act 1986; or
- (6) a company voluntary arrangement pursuant to Part 1 of the Insolvency Act 1986, subject to the time limits for the challenge of decisions made set out in Part 1 of the Insolvency Act 1986 having expired; or
- (7) statutory winding up or reconstruction measures in relation to an *overseas issuer* under equivalent *overseas* legislation having similar effect to those set out in (1) to (6).

5.2.13

FCA

G

In determining whether the statutory winding up or reconstruction measures in relation to an *overseas issuer* under equivalent *overseas* legislation have a similar effect to those set out in ■ LR 5.2.12R (1) to ■ LR 5.2.12R (6), the *FCA* will in particular have regard to whether those procedures require a court order, the approval of 75% of the shareholders entitled to vote on the resolution, or a formal declaration of the *overseas issuer's* insolvency or inability to pay its debts.

5.3 Requests to cancel or suspend

Information to be included in request to suspend or cancel

A request by an *issuer* for the *listing* of its *securities* to be suspended or cancelled must be in writing and must include:

- (1) the *issuer's* name;
- (2) details of the *securities* to which it relates and the *RIEs* on which they are traded;
- (3) a clear explanation of the background and reasons for the request;
- (4) the date on which the *issuer* requests the suspension or cancellation to take effect;
- (5) for a suspension, the time the *issuer* wants the suspension to take effect;
- (6) if relevant, a copy of any *circular* or announcement or other document upon which the *issuer* is relying;
- (7) if relevant, evidence of any resolution required under
■ LR 5.2.5 R;
- (8) if being made by an agent on behalf of the *issuer*, confirmation that the agent has the *issuer's* authority to make it;
- (9) the name and contact details of the *person* at the *issuer* (or, if appropriate, an agent) with whom the *FCA* should liaise in relation to the request;
- (10) if the *issuer* is making a conditional request, a clear statement of the applicable conditions;
- (11) a copy of any announcement the *issuer* proposes to notify to a *RIS* that it is relying on in making its request to suspend or cancel; and

(12) a copy of any announcement the *issuer* proposes to notify to a *RIS* announcing the suspension or cancellation.

5.3.2
FCA

R The *issuer* must also include with a request to cancel the *listing* of its *securities* the following:

- (1) if the cancellation is to take effect after the completion of the compulsory acquisition procedures under Chapter 3 of Part 28 of the Companies Act 2006 , a copy of the notice sent to dissenting shareholders of the offeree together with written confirmation that there have been no objections made to the court within the prescribed period;
- (2) for a cancellation referred to in ■ LR 5.2.10 R or ■ LR 5.2.11A R an extract from, or a copy of, the offer document or relevant circular clearly showing the intention to cancel the offeree's *listing* and a copy of the announcement stating the date on which the cancellation was expected to take effect; and
- (3) if a cancellation is to take place after a scheme of arrangement becomes effective under section 899 of the Companies Act 2006 and a new *company* is to be *listed* as a result of that scheme, either:
 - (a) a copy of the certificate from the Registrar of Companies that the scheme has become effective; or
 - (b) documents which demonstrate adequately that the scheme will become effective on a specified date in the future.

5.3.3
FCA

G Announcements referred to in ■ LR 5.3.1 R (12) should be issued after the dealing notice issued on a *RIS* announcing the suspension or cancellation.

Timing of suspension requests

5.3.4
FCA

G A written request by an *issuer* to have the *listing* of its *securities* suspended should be made as soon as practicable. Suspension requests received for the opening of the market should allow sufficient time for the *FCA* to deal with the request before trading starts.

Timing of cancellation requests

5.3.5
FCA

R A written request by an *issuer* to have the *listing* of its *securities* cancelled must be made not less than 24 hours before the cancellation is expected to take effect.

PAGE
11

5.3.6
FCA

G Cancellations will only be specified to take effect when the market opens on a specified day. An *issuer* should therefore ensure that all accompanying information has been provided to the *FCA* well before the date on which the *issuer* wishes the cancellation to take effect and at the very latest by 3 p.m. on the *business day* before it is to take effect. If the information is received after 3:00 p.m. on the day before the *issuer* wishes the cancellation to take effect, it will normally be specified to take effect at the start of the *business day* following the next day.

Withdrawing request

5.3.7

FCA

G

- (1) If an *issuer* requests the *FCA* to suspend or cancel the *listing* of its *securities*, it may withdraw its request at any time before the suspension or cancellation takes effect. The withdrawal request should initially be made by telephone and then confirmed in writing as soon as possible, with an explanation of the reasons for the withdrawal.
- (2) Even if an *issuer* withdraws its request, the *FCA* may still suspend or cancel the *listing* of the *securities* if it considers it is necessary to do so.
- (3) If an *issuer* has published either a statement or a *circular* that states that the *issuer* is, or intends, to seek a suspension or cancellation and the *issuer* no longer intends to do so, it should, as soon as possible, notify a *RIS* with a statement to that effect.

Notice of cancellation or suspension

5.3.8

FCA

G

If an *issuer* requests the *FCA* to suspend or cancel the *listing* of its *securities* under ■ LR 5.3.1 R and the *FCA* agrees to do so, the notification given by the *FCA* to the *issuer* will include the following information:

- (1) the date on which the suspension or cancellation took effect or will take effect;
- (2) details of the suspension or cancellation; and
- (3) in relation to requests for suspension, details of the *issuer's* right to apply for the suspension of its *listed securities* to be cancelled.



5.4 Restoring listing

Revoking a cancellation of listing

5.4.1
FCA

G

If an *issuer* has the *listing* of its *securities* cancelled, it may only have them readmitted to the *official list* by re-applying for their listing.

Restoring a listing that is suspended

5.4.2
FCA

R

The *FCA* may restore the *listing* of any *securities* that have been suspended if it considers that the smooth operation of the market is no longer jeopardised or if the suspension is no longer required to protect investors. The *FCA* may restore the *listing* even though the *issuer* does not request it.

Requests to restore

5.4.3
FCA

G

- (1) An *issuer* that has the *listing* of any of its *securities* suspended may request the *FCA* to have them restored.
- (2) The request should be made sufficiently in advance of the time and date the *issuer* wishes the *securities* to be restored.
- (3) Requests received for when the market opens should allow sufficient time for the *FCA* to deal with the request.
- (4) The request may be an oral request. The *FCA* may require documentary evidence that the events that lead to the suspension are no longer current (for example, financial reports have been published or an appropriate announcement has been made) to process the request.
- (5) Even if restoration is required urgently, it will normally take up to 30 minutes to be effected.
- (6) The *FCA* will issue a dealing notice on a *RIS* announcing the restoration.

Refusal of request to restore

5.4.4
FCA

R

The *FCA* will refuse a request to restore the *listing* of *securities* if it is not satisfied of the matters set out in ■ LR 5.4.2 R.

Withdrawal of a request to restore securities

5.4.5
FCA

G

- (1) If an *issuer* has requested the *FCA* to restore the *listing* of any *securities*, it may withdraw its request at any time while the *securities* are still suspended. The withdrawal request should initially be made by telephone and then confirmed in writing as soon as possible.
- (2) Even if a request to restore has been withdrawn, the *FCA* may restore the listing of *securities* if it believes the circumstances justify it.

Restoring listing of securitised derivatives

5.4.6
FCA

G

- (1) If an *underlying instrument* is restored, the *securitised derivative's listing* will normally be restored.
- (2) For a *securitised derivative* relating to a basket of *underlying instruments* that has been suspended, the *securitised derivative's listing* may be restored by the *FCA*, irrespective of whether or not the *underlying instrument* has been restored, if:
 - (a) the *issuer* of the *securitised derivative* confirms to the *FCA* that despite the relevant *underlying instrument(s)* suspension a market in the *securitised derivative* will continue to be made; and
 - (b) the *FCA* is satisfied that restoring the *securitised derivative* is not inconsistent with either the protection of investors or the smooth operation of the market.

5.4.7
FCA

G

For a *miscellaneous security* that carries a right to buy or subscribe for another *security*, the *miscellaneous security's listing* will be restored if the *security* over which the *miscellaneous security* carries a right to buy or subscribe is restored.

5.4A Transfer between listing categories: Equity shares

Application

5.4A.1

FCA

R

This section applies to an *issuer* that wishes to transfer its category of *equity shares listing* from:

- (1) a *standard listing (shares)* to a *premium listing (commercial company)*; or
- (2) a *standard listing (shares)* to a *premium listing (investment company)*; or
- (3) a *premium listing (commercial company)* to a *standard listing (shares)*; or
- (4) a *premium listing (investment company)* to a *premium listing (commercial company)*; or
- (5) a *premium listing (commercial company)* to a *premium listing (investment company)*; or
- (6) a *premium listing (investment company)* to a *standard listing (shares)*.

5.4A.2

FCA

G

An *issuer* will only be able to transfer a *listing* of its *equity shares* from a *premium listing (investment company)* to a *standard listing (shares)* if it has ceased to be an *investment entity* (for example if it has become a commercial company) or if it continues to have a *premium listing* of a class of *equity shares*. This is because ■ LR 14.1.1 R provides that ■ LR 14 does not apply to *equity shares* of an *investment entity* without a *premium listing* of *equity shares*.

Initial notification to FCA

5.4A.3

FCA

R

- (1) If an *issuer* wishes to transfer its category of *equity shares listing* it must notify the *FCA* of the proposal.
- (2) The notification must be made as early as possible and in any event not less than 20 business days before it sends the *circular* required

5.4A.4
FCA

R

under ■ LR 5.4A.4 R (2)(a) or publishes the announcement required under ■ LR 5.4A.5 R (2).

- (3) The notification must include:
- (a) an explanation of why the *issuer* is seeking the transfer;
 - (b) if a *sponsor's* letter is not required under ■ LR 8.4.14R(1), an eligibility letter setting out how the *issuer* satisfies each *listing rule* requirement relevant to the category of *listing* to which it wishes to transfer;
 - (c) a proposed timetable for the transfer; and
 - (d) if an announcement is required to be published under ■ LR 5.4A.5R (2), a draft of that announcement.

Shareholder approval required in certain cases

- (1) This rule applies to a transfer of the *listing* of *equity shares* with a *premium listing* into or out of the category of *premium listing (investment company)* or a transfer of the *listing* of *equity shares* out of the category of *premium listing (commercial company)*.
- (2) The *issuer* must:
- (a) send a *circular* to the holders of the *equity shares*;
 - (b) notify a *RIS*, at the same time as the circular is despatched to the relevant holders of the *equity shares*, of the intended transfer and of the notice period and meeting date; and
 - (c) [deleted]
 - (d) notify a *RIS* of the passing of the resolution required under (3) below.
- (3) (a) In the case of a transfer of the *listing* of *equity shares* with a *premium listing* into or out of the category of *premium listing (investment company)*, the *issuer* must obtain at a general meeting the prior approval of a resolution for the transfer from a majority of not less than 75% of the votes attaching to the *shares* voted on the resolution; or
- (b) in the case of a transfer of the *listing* of *equity shares* with a *premium listing (commercial company)* into the category of *standard listing (shares)*, the *issuer* must obtain at a general meeting the prior approval of a resolution for the transfer from:
- (i) a majority of not less than 75% of the votes attaching to the *shares* voted on the resolution; and

- (ii) where an *issuer* has a *controlling shareholder*, a majority of the votes attaching to the *shares of independent shareholders* voted on the resolution.

Announcement required in other cases

5.4A.5
FCA

R

- (1) This rule applies to any transfer of a *listing of equity shares* other than a transfer referred to in ■ LR 5.4A.4 R (1).
- (2) The *issuer* must publish an announcement on a *RIS* giving notice of its intention to transfer its listing category.

Approval and contents of circular

5.4A.6
FCA

R

The *circular* referred to in ■ LR 5.4A.4 R must:

- (1) comply with the requirements of ■ LR 13.1, ■ LR 13.2 and ■ LR 13.3;
- (2) be approved by the *FCA* before it is circulated or published; and
- (3) include the anticipated transfer date (which must be not less than 20 business days after the passing of the resolution under ■ LR 5.4A.4 R).

Approval and contents of announcement

5.4A.7
FCA

R

The announcement referred to in ■ LR 5.4A.5 R (2) must:

- (1) contain the same substantive information as would be required under ■ LR 13.1 and ■ LR 13.3 if it were a *circular* but modified as necessary so it is clear that no shareholder vote is required; and
- (2) include the anticipated transfer date (which must be not less than 20 business days after the date the announcement is published).

5.4A.8
FCA

R

The announcement must be approved by the *FCA* before it is published.

Specific information required in circular or announcement

5.4A.9
FCA

G

Information required under ■ LR 13.3.1R(1) (Contents of all circulars) to be included in the *circular* or announcement should include an explanation of:

- (1) the background and reasons for the proposed transfer;
- (2) any changes to the *issuer's* business that have been made or are proposed to be made in connection with the proposal;
- (3) the effect of the transfer on the *issuer's* obligations under the *listing rules*;
- (4) how the *issuer* will meet any new eligibility requirements, for example working capital requirements, that the *FCA* must be satisfied of under ■ LR 5.4A.12 R (3); and

- (5) any other matter that the *FCA* may reasonably require.

Applying for the transfer

5.4A.10

FCA

R

If an *issuer* has initially notified the *FCA* under ■ LR 5.4A.3 R it may apply to the *FCA* to transfer the *listing* of its *equity shares* from one category to another. The application must include:

- (1) the *issuer's* name;
- (2) details of the *equity shares* to which the transfer relates;
- (3) the date on which the *issuer* wishes the transfer to take effect;
- (4) a copy of any *circular*, announcement or other document on which the *issuer* is relying;
- (5) if relevant, evidence of any resolution required under ■ LR 5.4A.4 R;
- (6) if an agent is making the application on the *issuer's* behalf, confirmation that the agent has the *issuer's* authority to do so;
- (7) the name and contact details of the person at the *issuer* (or, if appropriate an agent) with whom the *FCA* should liaise in relation to the application; and
- (8) a copy of any announcement the *issuer* proposes to notify to a *RIS* informing the market that the transfer has taken place.

Issuer must comply with eligibility requirements

5.4A.11

FCA

R

- (1) An *issuer* applying for a transfer of its *equity shares* must comply with all eligibility requirements that would apply if the *issuer* was seeking admission to *listing* of the *equity shares* to the category of *listing* to which it wishes to transfer.
- (2) For the purposes of applying the eligibility requirements referred to in (1) to a transfer then, unless the context otherwise requires, a reference in such a requirement:
 - (a) to the admission of *equity shares* is to be taken to be a reference to the transfer of the *equity shares*; and
 - (b) to a *prospectus* or *listing particulars* is to be taken to be a reference to the *circular* or announcement.

Approval of transfer

5.4A.12

FCA

R

If an *issuer* applies under ■ LR 5.4A.10 R, the *FCA* may approve the transfer if it is satisfied that:

- (1) the *issuer* has complied with ■ LR 5.4A.4 R or ■ LR 5.4A.5 R (whichever is relevant);
- (2) the 20 business day period referred to in ■ LR 5.4A.6 R or ■ LR 5.4A.7 R (whichever is relevant) has elapsed; and
- (3) the *issuer* and the *equity shares* will comply with all eligibility requirements that would apply if the *issuer* was seeking admission to *listing* of the *equity shares* to the category of *listing* to which it wishes to transfer.

5.4A.13

FCA

G

The *FCA* will not generally reassess compliance with eligibility requirements (for example ■ LR 6.1.16 R (Working capital) if the *issuer* has previously been assessed by the *FCA* as meeting those requirements under its existing *listing* category when its *equity shares* were listed.

When transfer takes effect

5.4A.14

FCA

R

- (1) If the *FCA* approves a transfer of a *listing* then it must announce its decision on a *RIS*.
- (2) The transfer becomes effective when the *FCA*'s decision to approve is announced on the *RIS*.
- (3) The *issuer* must continue to comply with the requirements of its existing category of *listing* until the decision is announced on the *RIS*.
- (4) After the decision is announced the *issuer* must comply with the requirements of the category of *listing* to which it has transferred.

Directive obligations

5.4A.15

FCA

G

An *issuer* may take steps, in connection with a transfer, which require it to consider whether a *prospectus* is necessary, for example, if the *company* or its capital is reconstituted in a way that could amount to an *offer of transferable securities to the public*. The *issuer* and its advisers should consider whether directive obligations may be triggered.

Transfer as an alternative to cancellation

5.4A.16

FCA

G

There may be situations in which an *issuer*'s business has changed over a period of time so that it no longer meets the requirements of the applicable *listing* category against which it was initially assessed for *listing*. In those situations, the *FCA* may consider cancelling the *listing* of the *equity shares* or suggest to the *issuer* that, as an alternative, it applies for a transfer of its *listing* category.

5.5 Miscellaneous

Decision-making procedures for suspension, cancellation etc

5.5.1
FCA

G

The decision-making procedures that the *FCA* will follow when it cancels, suspends or refuses a request by an *issuer* to suspend, cancel or restore *listing* are set out in *DEPP* (Decision Procedure and Penalties) .

5.5.2
FCA

R

Suspension, cancellation or restoration by overseas exchange or authority

An *issuer* must inform the *FCA* if its listing has been suspended, cancelled or restored by an *overseas* exchange or *overseas* authority.

5.5.3
FCA

G

- (1) The *FCA* will not automatically suspend, cancel or restore the *listing* of *securities* at the request of an *overseas* exchange or *overseas* authority (for example, if listing of a *listed issuer's securities* are suspended, cancelled or restored on its home exchange).
- (2) The *FCA* will not normally suspend the *listing* of *securities* where there is a trading halt for the *security* on its home exchange.
- (3) If a *listed issuer* requests a suspension, cancellation or restoration of the *listing* of its *securities*, after a suspension, cancellation or restoration on its home exchange, the *issuer* should send to the *FCA* written confirmation:
 - (a) that the suspension, cancellation or restoration of listing on its home exchange has become effective; or
 - (b) if it has not yet become effective, of the time and date it is proposed to become effective.
- (4) If an *overseas* exchange or *competent authority* requests the *FCA* to suspend, cancel or restore the *listing* of *securities*, the *FCA* will, wherever practical, contact the *issuer* or its *sponsor* before it suspends, cancels or restores the *listing*. Therefore, *issuers* are encouraged to contact the *FCA* at the same time as they contact their home exchange.
- (5) If the *FCA* is unable to contact the *issuer* or *sponsor*, it will suspend, cancel or restore the *listing* of the *securities* when it is satisfied that the listing of the relevant *securities* has been, or will be, suspended, cancelled or restored on their home exchange.

5.6 Reverse takeovers

Application

5.6.1
FCA

R This section applies to an *issuer* with:

- (1) a *premium listing*;
- (2) a *standard listing (shares)*; or
- (3) a *standard listing of certificates representing equity securities*.

Categories of reverse takeover to which this section does not apply

5.6.2
FCA

R ■ LR 5.6 does not apply where an *issuer* acquires the *shares* or *certificates representing equity securities* of a *target* with the same category of *listing* as the *issuer*.

Class 1 requirements

5.6.3
FCA

R Notwithstanding the effect of ■ LR 5.6.2 R, an *issuer* with a *premium listing* must in relation to a *reverse takeover* comply with the requirements of ■ LR 10.5 (Class 1 requirements) for that transaction.

Definition

5.6.4
FCA

R A *reverse takeover* is a transaction, whether effected by way of a direct acquisition by the *issuer* or a subsidiary, an acquisition by a new *holding company* of the *issuer* or otherwise, of a business, a *company* or assets:

- (1) where any *percentage ratio* is 100% or more; or
- (2) which in substance results in a fundamental change in the business or in a change in board or voting control of the *issuer*.

When calculating the *percentage ratio*, the *issuer* should apply the *class tests*.

5.6.5
FCA

G For the purpose of ■ LR 5.6.4R (2), the *FCA* considers that the following factors are indicators of a fundamental change:

- (1) the extent to which the transaction will change the strategic direction or nature of its business; or

- (2) whether its business will be part of a different industry sector following the completion of the transaction; or
- (3) whether its business will deal with fundamentally different suppliers and end users.

Requirement for a suspension

5.6.6
FCA

R

An *issuer*, or in the case of an *issuer* with a *premium listing*, its *sponsor*, must contact the *FCA* as early as possible:

- (1) before announcing a *reverse takeover* which has been agreed or is in contemplation, to discuss whether a suspension of *listing* is appropriate; or
- (2) where details of the *reverse takeover* have leaked, to request a suspension.

5.6.7
FCA

G

Examples of where the *FCA* will consider that a *reverse takeover* is in contemplation include situations where:

- (1) the *issuer* has approached the *target's* board;
- (2) the *issuer* has entered into an exclusivity period with a *target*; or
- (3) the *issuer* has been given access to begin due diligence work (whether or not on a limited basis).

5.6.8
FCA

G

Generally, when a *reverse takeover* is announced or leaked, there will be insufficient publicly available information about the proposed transaction and the *issuer* will be unable to assess accurately its financial position and inform the market accordingly. In this case, the *FCA* will often consider that suspension will be appropriate, as set out in ■ LR 5.1.2G (3) and ■ (4). However, if the *FCA* is satisfied that there is sufficient publicly available information about the proposed transaction it may agree with the *issuer* that a suspension is not required.

5.6.9
FCA

G

■ LR 5.6.10 G to ■ LR 5.6.18 R set out circumstances in which the *FCA* will generally be satisfied that a suspension is not required.

Target admitted to a regulated market

5.6.10
FCA

G

The *FCA* will generally be satisfied that there is sufficient information in the market about the proposed transaction if:

- (1) the *target* has *shares* or *certificates representing equity securities* admitted to a *regulated market*; and
- (2) the *issuer* makes an announcement stating that the *target* has complied with the disclosure requirements applicable on that *regulated market* and providing details of where information disclosed pursuant to those requirements can be obtained.

5.6.11

FCA

R

An announcement made for the purpose of ■ LR 5.6.10G (2) must be published by means of an *RIS*.

Target subject to the disclosure regime of another market

5.6.12

FCA

G

The *FCA* will generally be satisfied that there is sufficient publicly available information in the market about the proposed transaction if the *target* has *securities* admitted to an investment exchange or trading platform that is not a *regulated market* and the *issuer*:

- (1) confirms, in a form acceptable to the *FCA*, that the disclosure requirements in relation to financial information and *inside information* of the investment exchange or trading platform on which the *target's securities* are admitted are not materially different from the disclosure requirements under *DTR*; and
- (2) makes an announcement to the effect that:
 - (a) the *target* has complied with the disclosure requirements applicable on the investment exchange or trading platform to which its securities are admitted and provides details of where information disclosed pursuant to those requirements can be obtained; and
 - (b) there are no material differences between those disclosure requirements and the disclosure requirements under *DTR*.

5.6.13

FCA

R

Where an *issuer* has a *premium listing*, a written confirmation provided for the purpose of ■ LR 5.6.12G (1) must be given by the *issuer's sponsor*.

5.6.14

FCA

R

An announcement made for the purpose of ■ LR 5.6.12G (2) must be published by means of an *RIS*.

Target not subject to a public disclosure regime

5.6.15

FCA

G

Where the *target* in a *reverse takeover* is not subject to a public disclosure regime, or if the *target* has *securities* admitted on an investment exchange or trading platform that is not a *regulated market* but the *issuer* is not able to give the confirmation and make the announcement contemplated by ■ LR 5.6.12 G, the *FCA* will generally be satisfied that there is sufficient publicly available information in the market about the proposed transaction such that a suspension is not required where the *issuer* makes an announcement containing:

- (1) financial information on the *target* covering the last three years. Generally, the *FCA* would consider the following information to be sufficient:
 - (a) profit and loss information to at least operating profit level;
 - (b) balance sheet information, highlighting at least net assets and liabilities;
 - (c) relevant cash flow information; and
 - (d) a description of the key differences between the *issuer's* accounting policies and the policies used to present the financial information on the *target*;
- (2) a description of the *target* to include key non-financial operating or performance measures appropriate to the *target's* business operations and the information as required under ■ PR Appendix 3 Annex 1 item 12 (Trend information) for the *target*;

- (3) a declaration that the *directors* of the *issuer* consider that the announcement contains sufficient information about the business to be acquired to provide a properly informed basis for assessing its financial position; and
- (4) a statement confirming that the *issuer* has made the necessary arrangements with the *target* vendors to enable it to keep the market informed without delay of any developments concerning the *target* that would be required to be released were the *target* part of the *issuer*.

5.6.16
FCA

R An announcement made for the purpose of ■ LR 5.6.15 G must be published by means of an *RIS*.

5.6.17
FCA

R Where an *issuer* has a *premium listing*, a *sponsor* must provide written confirmation to the *FCA* that in its opinion, it is reasonable for the *issuer* to provide the declarations described in ■ LR 5.6.15G (3) and ■ (4).

5.6.18
FCA

R Where the *FCA* has agreed that a suspension is not necessary as a result of an announcement made for the purpose of ■ LR 5.6.15 G the *issuer* must comply with ■ DTR 2.2.1 R on the basis that the *target* already forms part of the enlarged *group*.

Cancellation of listing

5.6.19
FCA

G The *FCA* will generally seek to cancel the *listing* of an *issuer's equity shares* or *certificates representing equity securities* when the *issuer* completes a *reverse takeover*.

5.6.20
FCA

G ■ LR 5.6.23 G to ■ LR 5.6.29 G set out circumstances in which the *FCA* will generally be satisfied that a cancellation is not required.

5.6.21
FCA

R Where the *issuer's listing* is cancelled following completion of a *reverse takeover*, the *issuer* must re-apply for the *listing* of the *shares* or *certificates representing equity securities* and satisfy the relevant requirements for *listing*, except that for an *issuer* with a *premium listing*, ■ LR 6.1.3R (1)(b) and ■ LR 6.1.3R (1)(e) will not apply in relation to the *issuer's accounts*.

5.6.22
FCA

G Notwithstanding ■ LR 5.6.21 R, financial information provided in relation to the *target* will need to satisfy ■ LR 6.1.3R (1)(b) and ■ LR 6.1.3R (1)(e).

Acquisitions of targets from different listing categories: issuer maintaining its listing category

5.6.23
FCA

G Where an *issuer* acquires the *shares* or *certificates representing equity securities* of a *target* with a different *listing* category from its own and the *issuer* wishes to maintain its existing *listing* category, the *FCA* will generally be satisfied that a cancellation is not required on completion of a *reverse takeover* if:

- (1) the *issuer* will continue to be eligible for its existing *listing* category following completion of the transaction;

- (2) the *issuer* provides an eligibility letter setting out how the *issuer* as enlarged by the acquisition satisfies each *listing rule* requirement that is relevant to it being eligible for its existing *listing* category; and
- (3) the *issuer* makes an announcement or publishes a *circular* explaining:
 - (a) the background and reasons for the acquisition;
 - (b) any changes to the acquiring *issuer's* business that have been made or are proposed to be made in connection with the acquisition;
 - (c) the effect of the transaction on the acquiring *issuer's* obligations under the *listing rules*;
 - (d) (where appropriate) how the acquiring *issuer* will continue to meet the eligibility requirements referred to in ■ LR 5.6.21 R; and
 - (e) any other matter that the *FCA* may reasonably require.

5.6.24 **R** An announcement or circular published for the purpose of ■ LR 5.6.23 G must be published by means of an *RIS*.
FCA

5.6.25 **R** An eligibility letter prepared for the purposes of ■ LR 5.6.23 G must be provided to the *FCA* not less than 20 *business days* prior to the announcement of the transaction referred to in ■ LR 5.6.24 R.
FCA

5.6.26 **R** Where an *issuer* has a *premium listing*, the eligibility letter provided for the purposes of ■ LR 5.6.23 G must be provided by a *sponsor*.
FCA

Acquisitions of targets from different listing categories: issuer changing listing category

5.6.27 **G** The *FCA* will generally be satisfied that a cancellation is not required on completion of a *reverse takeover* if the *target* is *listed* with a different *listing* category from that of the *issuer* and the *issuer* wishes to transfer its *listing* to a different *listing* category in conjunction with the acquisition and the *issuer* as enlarged by the relevant acquisition complies with the relevant requirements of ■ LR 5.4A to transfer to a different *listing* category.
FCA

5.6.28 **G** An *issuer* wishing to transfer a *listing* of its *equity shares* from a *premium listing* (*investment company*) to a *standard listing* (*shares*) should note ■ LR 5.4A.2 G which sets out limitations resulting from the application of ■ LR 14.1.1 R (application of the *listing rules* to a *company* with or applying for a *standard listing* of *shares*).
FCA

5.6.29 **G** Where an issuer is applying ■ LR 5.4A in order to avoid a cancellation as contemplated by ■ LR 5.6.27 G, the *FCA* will normally waive the requirement for shareholder approval under ■ LR 5.4A.4R (2)(c) where the *issuer* is obtaining separate shareholder approval for the acquisition.
FCA

Chapter 6

Additional requirements for premium listing (commercial company)



6.1 Application

6.1.1

FCA

R

This chapter applies to a *new applicant* for the *admission of equity shares to premium listing (commercial company)* except where ■ LR 6.1.1A R applies .

6.1.1A

FCA

R

This chapter does not apply where a *company* with an existing *premium listing of equity shares* introduces a new *holding company* to its existing *group* and no transaction as defined in ■ LR 10.1.3 R is being undertaken that would otherwise increase the assets or liabilities of the *group*.

Applicant must satisfy requirements in this chapter

6.1.2

FCA

G

An *applicant* for the *admission of equity shares to a premium listing (commercial company)* must satisfy the requirements in this chapter (in addition to those in ■ LR 2).

Definition of controlling shareholder

6.1.2A

FCA

R

A "*controlling shareholder*" means any *person* who exercises or controls on their own or together with any *person* with whom they are acting in concert, 30% or more of the votes able to be cast on all or substantially all matters at general meetings of the *company*. For the purposes of calculating voting rights, the following voting rights are to be disregarded:

- (1) any voting rights which such a *person* exercises (or controls the exercise of) independently in its capacity as bare trustee, investment manager, collective investment undertaking or a *long-term insurer* in respect of its linked long-term business if no *associate* of that *person* interferes by giving direct or indirect instructions, or in any other way, in the exercise of such voting rights (except to the extent any such *person* confers or collaborates with such an *associate* which also acts in its capacity as investment manager, collective investment undertaking or *long-term insurer*); or
- (2) any voting rights which a *person* may hold (or control the exercise of) solely in relation to the direct performance, by way of business, of:

- (a) underwriting the issue or sale of *securities*; or
- (b) placing *securities*, where the *person* provides a firm commitment to acquire any *securities* which it does not place; or
- (c) acquiring *securities* from existing shareholders or the *issuer* pursuant to an agreement to procure third-party purchases of *securities*;

and where the conditions below are satisfied:

- (i) the activities set out in (2)(a) to (c) are performed in the ordinary course of business;
- (ii) the *securities* to which the voting rights attach are held for a consecutive period of 5 *trading days* or less, beginning with the first *trading day* on which the *securities* are held;
- (iii) the voting rights are not exercised within the period the *securities* are held; and
- (iv) no attempt is made directly or indirectly by the *person* to intervene in (or attempt to intervene in) or exert (or attempt to exert) influence on the management of the *issuer* within the period the *securities* are held.

Historical financial information

6.1.3

FCA

R

- (1) A *new applicant* for the admission of equity shares to a *premium listing* must have published or filed historical financial information that:
 - (a) covers at least three years; [Note: article 44 CARD]
 - (b) has a latest balance sheet date that is not more than six months before the date of the *prospectus* or *listing particulars* for the relevant *shares* and not more than nine months before the date the *shares* are *admitted to listing* unless ■ LR 5.6.21 R applies;
 - (c) includes the consolidated accounts for the *applicant* and all its *subsidiary undertakings*;
 - (d) has been audited or reported on in accordance with the standards acceptable under item 20.1 of Annex I of the *PD Regulation*; and
 - (e) is not subject to a *modified report*, except as set out in ■ LR 6.1.3A G or ■ LR 5.6.21 R.
- (2) A *new applicant* must:
 - (a) take all reasonable steps to ensure that the *person* providing the opinion pursuant to ■ LR 6.1.3R (1)(e) and ■ LR 6.1.3DR (3) is independent of it; and

6.1.3A
FCA

G

The FCA may accept that ■ LR 6.1.3R (1)(e) and ■ LR 6.1.3DR (3) have been satisfied where a *modified report* is present only as a result of:

- (1) the presence of an emphasis-of-matter paragraph which arises in any of the earlier periods required by ■ LR 6.1.3 R and the opinion on the final period is unmodified; or
- (2) the opinion on the historical financial information for the final period under ■ LR 6.1.3 R includes an emphasis-of-matter paragraph with regard to going concern and ■ LR 6.1.16 R is complied with.

6.1.3B
FCA

R

The historical financial information required by ■ LR 6.1.3R (1) must:

- (1) represent at least 75% of the *new applicant's* business for the full period referred to in ■ LR 6.1.3R (1)(a); and
- (2) put prospective investors in a position to make an informed assessment of the business for which *admission* is sought.

6.1.3C
FCA

G

- (1) In determining what amounts to 75% of the *new applicant's* business for the purpose of ■ LR 6.1.3BR (1), the FCA will consider the size, in aggregate, of all of the acquisitions that the *new applicant* has entered into during the period required by ■ LR 6.1.3R (1)(a) and up to the date of the *prospectus*, relative to the size of the *new applicant* as enlarged by the acquisitions.
- (2) In ascertaining the size of the acquisitions relative to the *new applicant* for the purposes of ■ LR 6.1.3B R, the FCA will take into account factors such as the assets, profitability and market capitalisation of the businesses.
- (3) The figures used should be the latest available for the acquired entity and the *new applicant* as enlarged by the acquisition or acquisitions.

6.1.3D
FCA

R

Where the *new applicant* has made an acquisition or series of acquisitions such that its own consolidated financial information is insufficient to meet the 75% requirement in ■ LR 6.1.3B R, there must be historical financial information relating to the acquired entity or entities which has been published or filed and that:

- (1) covers the period from at least three years prior to the date under ■ LR 6.1.3R (1)(b) up to at least the date of acquisition by the *new applicant*;

- (2) is presented in a form that is consistent with the accounting policies adopted in the financial information required by ■ LR 6.1.3 R;
- (3) is not subject to a *modified report*, except as set out in ■ LR 6.1.3A G; and
- (4) in aggregate with its own historical financial information represents at least 75% of the enlarged *new applicant's* business for the full period referred to in ■ LR 6.1.3R (1)(a).

6.1.3E

FCA

G

The purpose of ■ LR 6.1.3B R is to ensure that the *issuer* has representative financial information throughout the period required by ■ LR 6.1.3R (1)(a) and to assist prospective investors to make a reasonable assessment of what the future prospects of the *new applicant's* business might be. Investors are then able to consider the *new applicant's* historic revenue earning record in light of its particular competitive advantages, the outlook for the sector in which it operates and the general macro economic climate. The *FCA* may consider that a *new applicant* does not have representative historical financial information and that its *equity shares* are not eligible for a *premium listing* if a significant part or all of the *new applicant's* business has one or more of the following characteristics:

- (1) a business strategy that places significant emphasis on the development or marketing of products or services which have not formed a significant part of the *new applicant's* historical financial information;
- (2) the value of the business on *admission* will be determined, to a significant degree, by reference to future developments rather than past performance;
- (3) the relationship between the value of the business and its revenue or profit-earning record is significantly different from those of similar companies in the same sector;
- (4) there is no record of consistent revenue, cash flow or profit growth throughout the period of the historical financial information;
- (5) the *new applicant's* business has undergone a significant change in its scale of operations during the period of the historical financial information or is due to do so before or after *admission*;
- (6) it has significant levels of research and development expenditure or significant levels of capital expenditure.

6

Independent business

6.1.4

FCA

R

A *new applicant* for the admission of equity shares to a premium listing must demonstrate that it will be carrying on an independent business as its main activity.

PAGE
5

6.1.4A

FCA

G

■ LR 6.1.4 R is intended to ensure that the protections afforded to *holders* of *equity shares* by the *premium listing* requirements are meaningful. Notwithstanding any agreement entered into under ■ LR 6.1.4BR (1), factors that may indicate that a *new applicant* does not satisfy ■ LR 6.1.4 R include situations where:

- (1) a majority of the revenue generated by the *new applicant's* business is attributable to business conducted directly or indirectly with a *controlling shareholder* (or any *associate* thereof) of the *new applicant*; or
- (2) a *new applicant* does not have:
 - (a) strategic control over the commercialisation of its products; and/or
 - (b) strategic control over its ability to earn revenue; and/or
 - (c) freedom to implement its business strategy; or
- (3) a *new applicant* cannot demonstrate that it has access to financing other than from a *controlling shareholder* (or any *associate* thereof); or
- (4) a *new applicant* has granted or may be required to grant security over its business in connection with the funding of a *controlling shareholder's* or a member of a *controlling shareholder group*; or
- (5) except in relation to a *mineral company*, a *new applicant's* business consists principally of holdings of *shares* in entities that it does not control, including entities where:
 - (a) the *new applicant* is only able to exercise negative control; and/or
 - (b) the *new applicant's* control is subject to contractual arrangements which could be altered without its agreement or could result in a temporary or permanent loss of control; or
- (6) a *controlling shareholder* (or any *associate* thereof) appears to be able to influence the operations of the *new applicant* outside its normal governance structures or via material shareholdings in one or more significant *subsidiary undertakings*.

6.1.4B
FCA

R Where a *new applicant* for the admission of equity shares to a premium listing will have a *controlling shareholder* upon admission, it must have in place:

- (1) a written and legally binding agreement which is intended to ensure that the *controlling shareholder* complies with the independence provisions set out in ■ LR 6.1.4D R; and
- (2) a constitution that allows the election and re-election of *independent directors* to be conducted in accordance with the election provisions set out in ■ LR 9.2.2E R and ■ LR 9.2.2F R.

6.1.4C
FCA

R In order to comply with ■ LR 6.1.4BR (1), where a *new applicant* will have more than one *controlling shareholder*, the *new applicant* will not be required to enter into a separate agreement with each *controlling shareholder* if:

- (1) the *new applicant* reasonably considers, in light of its understanding of the relationship between the relevant

controlling shareholders, that a *controlling shareholder* can procure the compliance of another *controlling shareholder* and that *controlling shareholder's associates* with the independence provisions contained in the relevant agreement; and

- (2) the agreement, which contains the independence provisions set out in ■ LR 6.1.4D R, entered into with the relevant controlling shareholder also contains:
 - (a) a provision in which the *controlling shareholder* agrees to procure the compliance of a non-signing *controlling shareholder* and its *associates* with the independence provisions contained within the agreement; and
 - (b) the names of any such non-signing *controlling shareholder*.

6.1.4D
FCA

R The independence provisions referred to in ■ LR 6.1.4BR (1) are undertakings that:

- (1) transactions and arrangements with the *controlling shareholder* (and/or any of its *associates*) will be conducted at arm's length and on normal commercial terms;
- (2) neither the *controlling shareholder* nor any of its *associates* will take any action that would have the effect of preventing the *new applicant* or *listed company* from complying with its obligations under the *listing rules*; and
- (3) neither the *controlling shareholder* nor any of its *associates* will propose or procure the proposal of a shareholder resolution which is intended or appears to be intended to circumvent the proper application of the *listing rules*.

6.1.5 **G** [deleted]

6.1.6 **G** [deleted]

6.1.7 **G** [deleted]

Mineral companies

6.1.8
FCA

R If a *mineral company* applies for the *admission* of its *equity shares* and cannot comply with ■ LR 6.1.3R (1)(a) because it has been operating for a shorter period:

- (1) it must have published or filed historical financial information since the inception of its business; and

6

- (2) ■ LR 6.1.3R (1)(b) to ■ (e) and ■ (2) apply to the *mineral company* only with regard to the period for which it has published or filed historical financial information pursuant to (1).

6.1.9

FCA

R

Where ■ LR 6.1.8 R applies, ■ LR 6.1.3BR (1) does not apply to a *mineral company* that applies for the *admission* of its *equity shares*.

6.1.10

FCA

R

- (1) This rule applies to a *mineral company* that is a *new applicant* for the *admission* of its *equity shares*.
- (2) If the *mineral company* does not hold controlling interests in a majority (by value) of the properties, fields, mines or other assets in which it has invested, it must demonstrate that it has a reasonable spread of direct interests in mineral resources and has rights to participate actively in their extraction, whether by voting or through other rights which give it influence in decisions over the timing and method of extraction of those resources.

Scientific research based companies

6.1.11

FCA

R

If a *scientific research based company* applies for the *admission* of its *equity shares* to a *premium listing* and cannot comply with ■ LR 6.1.3R (1)(a) because it has been operating for a shorter period:

- (1) it must have published or filed historical financial information since the inception of its business; and
- (2) ■ LR 6.1.3R (1)(b) to ■ (e) and ■ (2) apply to the *scientific research based company* only with regard to the period for which it has published or filed historical financial information under (1).

6.1.12

FCA

R

Where ■ LR 6.1.11 R applies, an *applicant* for the *admission* of *equity shares* to a *premium listing* of a *scientific research based company* does not need to satisfy ■ LR 6.1.3B R but must:

- (1) demonstrate its ability to attract funds from sophisticated investors prior to the marketing at the time of *listing*;
- (2) intend to raise at least £10 million pursuant to a marketing at the time of *listing*;
- (3) have a capitalisation, before the marketing at the time of *listing*, of at least £20 million (based on the issue price and excluding the value of any *equity shares* which have been issued in the six months before *listing*);
- (4) have as its primary reason for *listing* the raising of finance to bring identified products to a stage where they can generate significant revenues; and

- (5) demonstrate that it has a three year record of operations in laboratory research and development including:
 - (a) details of patents granted or details of progress of patent applications; and
 - (b) the successful completion of, or the successful progression of, significant testing of the effectiveness of its products.

Other cases where the FCA may modify accounts and track record requirements

- 6.1.13 FCA G The *FCA* may modify or dispense with ■ LR 6.1.3R (1)(a) or ■ LR 6.1.3B R if it is satisfied that it is desirable in the interests of investors and that investors have the necessary information available to arrive at an informed judgment about the *applicant* and the *equity shares* for which a *premium listing* is sought. [Note: article 44 *CARD*]

- 6.1.14 FCA G Before modifying or dispensing with ■ LR 6.1.3B R, the *FCA* must also be satisfied that there is an overriding reason for the *applicant* seeking a *premium listing* (rather than seeking admission to a market more suited to a *company* without sufficient historical financial information to be eligible for a *premium listing*).

- 6.1.15 FCA G For the purposes of ■ LR 6.1.14 G the *FCA* will take into account factors such as whether the *applicant*:
 - (1) is attracting significant funds from sophisticated investors;
 - (2) is undertaking a significant marketing of *equity shares* in connection with the *admission* and has demonstrated that having listed status is a significant factor in the ability to raise funds; and
 - (3) has demonstrated that it will have a significant market capitalisation on *admission*.

Working capital

- 6.1.16 FCA R **An *applicant* for the admission of shares must satisfy the *FCA* that it and its subsidiary undertakings (if any) have sufficient working capital available for the group's requirements for at least the next 12 months from the date of publication of the *prospectus* or *listing particulars* (as the case may be) for the shares that are being admitted.**

- 6.1.17 FCA G The *FCA* may dispense with the requirement under ■ LR 6.1.16 R if an *applicant* already has *equity shares listed*, and the *FCA* is satisfied that the *prospectus* or *listing particulars* (as the case may be) contain satisfactory proposals for providing the additional working capital thought by the *applicant* to be necessary.

6.1.18

FCA

G

The *FCA* may dispense with the requirement under ■ LR 6.1.16 R if the *FCA* is satisfied that:

- (1) the *applicant's* business is entirely or substantially, that of banking, insurance or providing similar financial services;
- (2) the *applicant's* solvency and capital adequacy is regulated by the *FCA* or is suitably regulated by another regulatory body; and
- (3) the *applicant* is meeting its solvency and capital adequacy requirements and is expected to do so for the next 12 months without having to raise further capital.

Shares in public hands

6.1.19

FCA

R

- (1) If an application is made for the *admission* of a *class* of *shares*, a sufficient number of *shares* of that *class* must, no later than the time of *admission*, be distributed to the public in one or more *EEA States*.
- (2) For the purposes of paragraph (1), account may also be taken of holders in one or more states that are not *EEA States*, if the *shares* are listed in the state or states.
- (3) For the purposes of paragraph (1), a sufficient number of *shares* will be taken to have been distributed to the public when 25% of the *shares* for which application for *admission* has been made are in public hands.
- (4) For the purposes of paragraphs (1), (2) and (3), *shares* are not held in public hands if they are:
 - (a) held, directly or indirectly by:
 - (i) a *director* of the *applicant* or of any of its *subsidiary undertakings*; or
 - (ii) a *person* connected with a *director* of the *applicant* or of any of its *subsidiary undertakings*; or
 - (iii) the trustees of any *employees' share scheme* or pension fund established for the benefit of any *directors* and *employees* of the *applicant* and its *subsidiary undertakings*; or
 - (iv) any *person* who under any agreement has a right to nominate a *person* to the board of *directors* of the *applicant*; or
 - (v) any *person* or *persons* in the same *group* or *persons* acting in concert who have an interest in 5% or more of the *shares* of the relevant class.

(b) subject to a lock-up period of more than 180 calendar days.

(5) For the purposes of paragraph (3), *treasury shares* are not to be taken into consideration when calculating the number of *shares* of the *class*. [Note: article 48 CARD]

6.1.20 G [deleted]

6.1.20A G
FCA (1) The *FCA* may modify ■ LR 6.1.19 R to accept a percentage lower than 25% if it considers that the market will operate properly with a lower percentage in view of the large number of *shares* of the same *class* and the extent of their distribution to the public.

[Note: article 48 CARD]

(2) In considering whether to grant a modification, the *FCA* may take into account the following specific factors:

- (a) *shares* of the same *class* that are held (even though they are not listed) in states that are not *EEA States*;
- (b) the number and nature of the public shareholders; and
- (c) in relation to *premium listing (commercial companies)*, whether the expected market value of the *shares* in public hands at *admission* exceeds £100 million.

6.1.20B G
FCA When calculating the number of *shares* for the purposes of ■ LR 6.1.19R (4)(a)(v), holdings of *investment managers* in the same *group* where investment decisions are made independently by the individual in control of the relevant fund and those decisions are unfettered by the *group* to which the *investment manager* belongs will be disregarded.

Shares of a non-EEA company

6.1.21 R
FCA The *FCA* will not *admit shares* of a *company* incorporated in a *non-EEA State* that are not listed either in its country of incorporation or in the country in which a majority of its *shares* are held, unless the *FCA* is satisfied that the absence of the listing is not due to the need to protect investors. [Note: article 51 CARD]

Warrants or options to subscribe

6.1.22 R
FCA (1) The total of all issued warrants to subscribe for *equity shares* or options to subscribe for *equity shares* must not exceed 20% of the issued *equity share capital* (excluding *treasury shares*) of the *applicant* as at the time of issue of the warrants or options.

(2) Rights under *employees' share schemes* are not included for the purpose of the 20% limit in paragraph (1).

Settlement

6.1.23 **R** To be *listed*, the constitution of the *company* and the terms of its *equity shares* must be compatible with electronic settlement.
FCA

6.1.24 **G** In **■ LR 6.1.23 R**, electronic settlement includes settlement by a "relevant system" (as defined in the Uncertificated Securities Regulations 2001 (SI 2001/3755))
FCA

6.1.24A **G** **■ LR 6.1.23 R** is intended to ensure that that there is nothing inherent within the constitution of a *company* which prevents electronic settlement of its *equity shares*. The *FCA* recognises that for some companies there may be external factors which affect the eligibility of an *equity share* for electronic settlement.
FCA

Pre-emption rights

6.1.25 **R** If the law of the country of its incorporation does not confer on *shareholders* rights which are at least equivalent to **■ LR 9.3.11 R**, an *overseas company* applying for a *premium listing* must:
FCA

- (1) ensure its constitution provides for rights which are at least equivalent to the rights provided for in **■ LR 9.3.11 R** (as qualified by **■ LR 9.3.12 R**); and
- (2) be satisfied that conferring such rights would not be incompatible with the law of the country of its incorporation.

Externally managed companies

6.1.26 **R** A *company* applying for the *admission of equity shares to premium listing* must satisfy the *FCA* that the discretion of its board to make strategic decisions on behalf of the *company* has not been limited or transferred to a *person* outside the *issuer's group*, and that the board has the capability to act on key strategic matters in the absence of a recommendation from a *person* outside the *issuer's group*.
FCA

6.1.27 **G** In considering whether a *company* applying for the *admission of equity shares to premium listing* has satisfied **■ LR 6.1.26 R**, the *FCA* will consider, among other things, whether the board of the *issuer* consists solely of *non-executive directors* and whether significant elements of the strategic decision-making of or planning for the *company* take place outside the *issuer's group*, for example with an *external management company*.
FCA

Voting on matters relevant to premium listing

6.1.28 **R** A *new applicant* must satisfy the *FCA* that its constitution will allow it to comply with **■ LR 9.2.21 R**.
FCA

Chapter 7

Listing Principles: Premium listing



7.1 Application and purpose

Application

7.1.1
FCA

R

- (1) The Listing Principles in ■ LR 7.2.1 R apply to every *listed company* in respect of all its obligations arising from the *listing rules, disclosure rules, transparency rules and corporate governance rules*.
- (2) In addition to the Listing Principles referred to in (1), the Premium Listing Principles in ■ LR 7.2.1A R apply to every *listed company* with a *premium listing of equity shares* in respect of all its obligations arising from the *listing rules, disclosure rules, transparency rules and corporate governance rules*.

Purpose

7.1.2
FCA

G

The purpose of the Listing Principles and the Premium Listing Principles is to ensure that *listed companies* pay due regard to the fundamental role they play in maintaining market confidence and ensuring fair and orderly markets.

7.1.3
FCA

G

The Listing Principles and, if applicable, the Premium Listing Principles are designed to assist *listed companies* in identifying their obligations and responsibilities under the *listing rules, disclosure rules, transparency rules and corporate governance rules*. The Listing Principles and Premium Listing Principles should be interpreted together with relevant *rules and guidance* which underpin the Listing Principles and the Premium Listing Principles.

7.1.4
FCA

G

■ DEPP 6 (Penalties) and ■ EG 7 set out *guidance* on the consequences of breaching a Listing Principle or, if applicable, a Premium Listing Principle.



7.2 The Listing and Premium Listing Principles

7.2.1

FCA

R

The Listing Principles are as follows:

Listing Principle 1	<i>A listed company must take reasonable steps to establish and maintain adequate procedures, systems and controls to enable it to comply with its obligations.</i>
Listing Principle 2	<i>A listed company must deal with the FCA in an open and co-operative manner.</i>
Principle 3	[deleted]
Principle 4	[deleted]
Principle 5	[deleted]
Principle 6	[deleted]

7.2.1A

FCA

R

The Premium Listing Principles are as follows:

Premium Listing Principle 1	<i>A listed company must take reasonable steps to enable its directors to understand their responsibilities and obligations as directors.</i>
Premium Listing Principle 2	<i>A listed company must act with integrity towards the holders and potential holders of its premium listed shares.</i>
Premium Listing Principle 3	<i>All equity shares in a class that has been admitted to premium listing must carry an equal number of votes on any shareholder vote.</i>
Premium Listing Principle 4	<i>Where a listed company has more than one class of equity shares admitted to premium listing, the aggregate voting rights of the shares in each class should be broadly proportionate to the relative interests of those classes in the equity of the listed company.</i>
Premium Listing Principle 5	<i>A listed company must ensure that it treats all holders of the same class of its listed equity shares that are in the same position equally in respect of the rights attaching to those listed equity shares.</i>

Premium Listing Principle 6 *A listed company must communicate information to holders and potential holders of its listed equity shares in such a way as to avoid the creation of a false market in those listed equity shares.*

Guidance on the Listing and Premium Listing Principles

7.2.2
FCA

G

Listing Principle 1 is intended to ensure that *listed companies* have adequate procedures, systems and controls to enable them to comply with their obligations under the *listing rules*, *disclosure rules*, *transparency rules* and *corporate governance rules*. In particular, the *FCA* considers that *listed companies* should place particular emphasis on ensuring that they have adequate procedures, systems and controls in relation to , where applicable:

- (1) identifying whether any obligations arise under ■ LR 10 (Significant transactions) and LR 11 (Related party transactions); and
- (2) the timely and accurate disclosure of information to the market.

7.2.3
FCA

G

Timely and accurate disclosure of information to the market is a key obligation of *listed companies*. For the purposes of Listing Principle 1, a *listed company* should have adequate systems and controls to be able to:

- (1) ensure that it can properly identify information which requires disclosure under the *listing rules*, *disclosure rules*, *transparency rules* or *corporate governance rules* in a timely manner; and
- (2) ensure that any information identified under (1) is properly considered by the *directors* and that such a consideration encompasses whether the information should be disclosed.

7.2.4
FCA

G

In assessing whether the voting rights attaching to different classes of *premium listed shares* are proportionate for the purposes of Premium Listing Principle 4, the *FCA* will have regard to the following non-exhaustive list of factors:

- (1) the extent to which the rights of the classes differ other than their voting rights, for example with regard to dividend rights or entitlement to any surplus capital on winding up;
- (2) the extent of dispersion and relative liquidity of the classes; and/or
- (3) the commercial rationale for the difference in the rights.

8.2 When a sponsor must be appointed or its guidance obtained

When a sponsor must be appointed

8.2.1

FCA

R

A company with, or applying for, a *premium listing* of its *equity shares* must appoint a *sponsor* on each occasion that it:

- (1) is required to submit any of the following documents to the *FCA* in connection with an application for *admission of equity shares* to *premium listing*:
 - (a) a *prospectus*, *supplementary prospectus* or *equivalent document*; or
 - (b) a certificate of approval from another competent authority; or
 - (c) a summary document as required by ■ PR 1.2.3 R (8); or
 - (d) *listing particulars* referred to in ■ LR 15.3.3 R or ■ LR 16.3.4 R or *supplementary listing particulars*; or
 - (2) is required to submit to the *FCA* a *class 1 circular* for approval; or
 - (3) is required to submit to the *FCA* a *circular* that proposes a reconstruction or a refinancing which is required by ■ LR 9.5.12 R to include a working capital statement; or
 - (4) is required to submit to the *FCA* a *circular* for the proposed purchase of own *shares*: which is required by ■ LR 13.7.1 R (2) to include a working capital statement; or
- [Note: This does not include a *circular* issued by a *closed-ended investment company*.]
- (5) is required to do so by the *FCA* because it appears to the *FCA* that there is, or there may be, a breach of the *listing rules*, the *disclosure rules* or the *transparency rules* by the *listed company*; or

- (6) is required by ■ LR 11.1.10R (2)(b) to provide a *listed company* with a confirmation that the terms of the proposed *related party transaction* are fair and reasonable; or
- (7) is required to submit to the *FCA* a *related party circular* which is required by ■ LR 13.6.1 R (5) to include a statement by the board that the transaction or arrangement is fair and reasonable; or
- (8) is required by ■ LR 8.4.3R (4) to submit to the *FCA* a letter from a *sponsor* in relation to the *applicant's* eligibility; or
- (9) is required to make an announcement or request a suspension in connection with a *reverse takeover* under ■ LR 5.6.6 R; or
- (10) provides to the *FCA* a disclosure regime confirmation in connection with a *reverse takeover* under ■ LR 5.6.12G (1); or
- (11) makes a disclosure announcement in connection with a *reverse takeover* under ■ LR 5.6.15 G that contains a declaration described in ■ LR 5.6.15G (3) or ■ LR 5.6.15G (4); or
- (12) submits to the *FCA* a letter in relation to the *issuer's* eligibility in connection with a *reverse takeover* under ■ LR 5.6.23G (2); or
- (13) provides confirmation to the *FCA* of its severe financial difficulty for the purposes of ■ LR 10.8.3 G (2); or
- (14) is required to provide an assessment of the appropriateness of an investment exchange or *multilateral trading facility* under ■ LR 13.5.27B R.

8.2.1A

FCA

R

A *company* must appoint a *sponsor* where it applies to transfer its category of *equity shares' listing* from:

- (1) a *standard listing (shares)* to a *premium listing (commercial company)*; or
- (2) a *standard listing (shares)* to a *premium listing (investment company)*; or
- (3) a *premium listing (investment company)* to a *premium listing (commercial company)*; or
- (4) a *premium listing (commercial company)* to a *premium listing (investment company)*.

Chapter 9

Continuing obligations



9.1 Preliminary

Application

9.1.1

FCA

R

This chapter applies to a *company* that has a *premium listing* of *equity shares*.

9.1.2

R

[deleted]

9.1.2A

G

[deleted]

9.1.3

R

[deleted]

9.1.4

R

[deleted]

9.2 Requirements with continuing application

Admission to trading

9.2.1

FCA

R A *listed company* must comply with ■ LR 2.2.3 R at all times.

9.2.2

FCA

R A *listed company* must inform the FCA in writing as soon as possible if it has:

- (1) requested a RIE to admit or re-admit any of its *listed equity shares* to trading; or
- (2) requested a RIE to cancel or suspend trading of any of its *listed equity shares*; or
- (3) been informed by a RIE that trading of any of its *listed equity shares* will be cancelled or suspended.

Independent business

9.2.2A

FCA

- R**
- (1) A *listed company* must carry on an independent business as its main activity at all times.
 - (2) Where a *listed company* has a *controlling shareholder*, it must have in place at all times:
 - (a) a written and legally binding agreement which is intended to ensure that the *controlling shareholder* complies with the independence provisions set out in ■ LR 6.1.4D R; and
 - (b) a constitution that allows the election and re-election of *independent directors* to be conducted in accordance with the election provisions set out in ■ LR 9.2.2E R and ■ LR 9.2.2F R.

9.2.2B

FCA

R In order to comply with ■ LR 9.2.2AR (2)(a), where a *listed company* will have more than one *controlling shareholder*, the *listed company* will not be required to enter into a separate agreement with each *controlling shareholder* if:

- (1) the *listed company* reasonably considers, in light of its understanding of the relationship between the relevant *controlling*

shareholders, that a *controlling shareholder* can procure the compliance of another *controlling shareholder* and that *controlling shareholder's associates* with the independence provisions contained in the relevant agreement; and

- (2) the agreement, which contains the independence provisions set out in ■ LR 6.1.4D R, entered into with the relevant controlling shareholder also contains:
 - (a) a provision in which the *controlling shareholder* agrees to procure the compliance of a non-signing *controlling shareholder* and its *associates* with the independence provisions contained within the agreement; and
 - (b) the names of any such non-signing *controlling shareholder*.

9.2.2C
FCA

R Where as a result of changes in ownership or control of a *listed company*, a *person* becomes a *controlling shareholder* of the *listed company*, the *listed company* will be allowed:

- (1) a period of not more than 6 months from the event that resulted in that *person* becoming a *controlling shareholder* to comply with ■ LR 9.2.2AR (2)(a); and
- (2) in the case of a *listed company* which did not previously have a *controlling shareholder*, until the date of the next annual general meeting of the *listed company*, other than an annual general meeting for which notice:
 - (a) has already been given; or
 - (b) is given within a period of 3 months from the event that resulted in that *person* becoming a *controlling shareholder*; to comply with ■ LR 9.2.2AR (2)(b).

9.2.2D
FCA

G In complying with ■ LR 9.2.2AR (2)(b), a *listed company* may allow an existing *independent director* who is being proposed for re-election (including any such *director* who was appointed by the board of the *listed company* until the next annual general meeting) to remain in office until any resolution required by ■ LR 9.2.2F R has been voted on.

9.2.2E
FCA

R Where ■ LR 9.2.2AR (2)(a) applies, the election or re-election of any *independent director* by shareholders must be approved by:

- (1) the shareholders of the *listed company*; and
- (2) the *independent shareholders* of the *listed company*.

9.2.2F
FCA

R Where ■ LR 9.2.2E R applies, if the election or re-election of an *independent director* is not approved by both the shareholders and the

independent shareholders of the *listed company*, but the *listed company* wishes to propose that *person* for election or re-election as an *independent director*, the *listed company* must propose a further resolution to elect or re-elect the proposed *independent director* which:

- (1) must not be voted on within a period of 90 days from the date of the original vote;
- (2) must be voted on within a period of 30 days from the end of the period set out in (1); and
- (3) must be approved by the shareholders of the *listed company*.

9.2.2G FCA R A *listed company* must comply with the independence provisions contained in any agreement entered into under ■ LR 6.1.4BR (1) or ■ LR 9.2.2AR (2)(a) at all times.

9.2.2H FCA G In addition to the annual confirmation required to be included in a *listed company's* annual financial report under ■ LR 9.8.4R (14), the *FCA* may request information from a *listed company* under ■ LR 1.3.1 R (3) to confirm or verify that an independence provision contained in any agreement entered into under ■ LR 6.1.4BR (1) or ■ LR 9.2.2AR (2)(a) or a procurement obligation (as set out in ■ LR 6.1.4CR (2)(a) or ■ LR 9.2.2BR (2)(a)) contained in an agreement entered into under ■ LR 6.1.4BR (1) or ■ LR 9.2.2AR (2)(a) is being or has been complied with.

Settlement arrangements

9.2.3 FCA R A *listed company* must comply with ■ LR 6.1.23 R at all times.

9.2.4 R [deleted]

Compliance with the disclosure rules and transparency rules

9.2.5 FCA G A *listed company*, whose *equity shares* are admitted to trading on a *regulated market* in the *United Kingdom*, should consider its obligations under ■ DTR 2 (Disclosure and control of inside information by issuers).

9.2.6 FCA R A *listed company* that is not already required to comply with ■ DTR 2 (Disclosure and control of inside information by issuers) must comply with ■ DTR 2 as if it were an *issuer* for the purposes of the *disclosure rules* and *transparency rules*.

9.2.6A FCA G A *listed company*, whose *equity shares* are admitted to trading on a *regulated market*, should consider its obligations under ■ DTR 4 (Periodic financial reporting), ■ DTR 5 (Vote holder and issuer notification rules) , ■ DTR 6 (Access to information) and ■ DTR 7 (Corporate governance).

9.2.6B FCA R A *listed company* that is not already required to comply with the *transparency rules* (or with corresponding requirements imposed by another

EEA Member State) must comply with ■ DTR 4, ■ DTR 5 and ■ DTR 6 as if it were an *issuer* for the purposes of the *transparency rules*.

Compliance with the Model Code

9.2.7

FCA

R

No dealings in any *securities* may be effected by or on behalf of a *listed company* or any other member in its *group* at a time when, under the provisions of the *Model Code*, a *director* of the *company* would be prohibited from dealing in its *securities*, unless such dealings are entered into:

- (1) in the ordinary course of business by a securities dealing business; or
- (2) on behalf of third parties by the *company* or any other member of its *group*.

9.2.8

FCA

R

A *listed company* must require every *person discharging managerial responsibilities*, including *directors* to comply with the *Model Code* and to take all proper and reasonable steps to secure their compliance.

9.2.8A

FCA

G

- (1) The *Act* provides that an individual who is not a *director* can still be a *person discharging managerial responsibilities* in relation to an issuer if they are a "senior executive of such an issuer" and they meet the criteria set out in the *Act*.
- (2) An individual may be a "senior executive of such an issuer" irrespective of the nature of any contractual arrangements between the individual and the *issuer* and notwithstanding the absence of a contractual arrangement between the individual and the *issuer*, provided the individual has regular access to inside information relating, directly or indirectly, to the *issuer* and has power to make managerial decisions affecting the future development and business prospects of the *issuer*.

9.2.9

FCA

G

A *listed company* may impose more rigorous dealing obligations than those required by the *Model Code*.

9.2.10

FCA

R

Where clearance is given to a *person* to deal in exceptional circumstances (pursuant to paragraph 9 of the *Model Code*) in a *close period*, the notification to a *RIS* required by ■ DTR 3.1.4 R must also include a statement of the exceptional circumstances.

Contact details

9.2.11

FCA

R

A *listed company* must ensure that the *FCA* is provided with up to date contact details of at least one appropriate person nominated by it to act as the first point of contact with the *FCA* in relation to the *company's* compliance with the *listing rules* and the *disclosure rules* and *transparency rules*.

- 9.2.12** **G** The contact person referred to in ■ LR 9.2.11 R will be expected to be:
- FCA**
- (1) knowledgeable about the *listed company* and the *listing rules* applicable to it;
 - (2) capable of ensuring that appropriate action is taken on a timely basis; and
 - (3) contactable on *business days* between the hours of 7 a.m. to 7 p.m.

Sponsors

- 9.2.13** **G** A *listed company* should consider its notification obligations under ■ LR 8.5.

FCA

- 9.2.13A** **R** In relation to the provision of a *sponsor service*, a *company* with a *premium listing* of its *equity shares* must cooperate with its *sponsor* by providing the *sponsor* with all information reasonably requested by the *sponsor* for the purpose of carrying out the *sponsor service* in accordance with ■ LR 8.

FCA

- 9.2.14** **R** [deleted]

Shares in public hands

- 9.2.15** **R** A *listed company* must comply with ■ LR 6.1.19 Rat all times.

FCA

- 9.2.15A** **G** Where the *FCA* has modified ■ LR 6.1.19 R to accept a percentage lower than 25% on the basis that the market will operate properly with a lower percentage, but the *FCA* considers that in practice the market for the *shares* is not operating properly, the *FCA* may revoke the modification in accordance with ■ LR 1.2.1 R (4).

FCA

- 9.2.16** **R** [deleted]

- 9.2.17** **G** [deleted]

Publication of unaudited financial information

- 9.2.18** **R**
- FCA**
- (1) This *rule* applies to a *listed company* that has published:
 - (a) any unaudited financial information in a *class 1 circular* or a *prospectus*; or
 - (b) any *profit forecast* or *profit estimate*.
 - (2) The first time a *listed company* publishes financial information as required by ■ DTR 4.1 after the publication of the unaudited financial information, *profit forecast* or *profit estimate*, it must:
 - (a) reproduce that financial information, *profit forecast* or *profit estimate* in its next annual report and accounts;
 - (b) produce and disclose in the annual report and accounts the actual figures for the same period covered by the information reproduced under paragraph (2)(a); and

- (c) provide an explanation of the difference, if there is a difference of 10% or more between the figures required by paragraph (2)(b) and those reproduced under paragraph (2)(a).

9.2.19

FCA

G

■ LR 9.2.18 R does not apply to:

- (1) pro forma financial information prepared in accordance with Annex 1 and Annex 2 of the *PD Regulation*; or
- (2) any preliminary statements of annual results or half-yearly or quarterly reports that are reproduced with the unaudited financial information.

Externally managed companies

9.2.20

FCA

R

An *issuer* must at all times ensure that the discretion of its board to make strategic decisions on behalf of the *company* has not been limited or transferred to a *person* outside the *issuer's group*, and that the board has the capability to act on key strategic matters in the absence of a recommendation from a *person* outside the *issuer's group*.

Voting on matters relevant to premium listing

9.2.21

FCA

R

Where the provisions of ■ LR 5.2, ■ LR 5.4A, ■ LR 9.4, ■ LR 9.5, ■ LR 10, ■ LR 11, ■ LR 12 or ■ LR 15 require a shareholder vote to be taken, that vote must be decided by a resolution of the holders of the *listed company's shares* that have been *admitted to premium listing*. Where the provisions of ■ LR 5.2.5 R (2), ■ LR 5.4A.4 R (2) or ■ LR 9.2.2E R require that the resolution must in addition be approved by the *independent shareholders*, only *independent shareholders* who hold the *listed company's shares* that have been *admitted to premium listing* can vote.

9.2.22

FCA

G

The *FCA* may modify the operation of ■ LR 9.2.21 R in exceptional circumstances, for example to accommodate the operation of:

- (1) special share arrangements designed to protect the national interest;
- (2) dual listed company voting arrangements; and
- (3) voting rights attaching to *preference shares* or similar *securities* that are in arrears.

Notifications to the FCA: notifications regarding continuing obligations

9.2.23

FCA

R

A *listed company* must notify the *FCA* without delay if it does not comply with any continuing obligation set out in ■ LR 9.2.2A R, ■ LR 9.2.2E R, ■ LR 9.2.2F R, ■ LR 9.2.15 R or ■ LR 9.2.21 R.

Notifications to the FCA: notifications regarding compliance with independence provisions

9.2.24

FCA

R

A *listed company* must notify the FCA without delay if:

- (1) it no longer complies with ■ LR 9.2.2G R;
- (2) it becomes aware that an independence provision contained in an agreement entered into under ■ LR 6.1.4BR (1) or ■ LR 9.2.2AR (2)(a) has not been complied with by the *controlling shareholder* or any of its *associates*; or
- (3) it becomes aware that a procurement obligation (as set out in ■ LR 6.1.4CR (2)(a) or ■ LR 9.2.2BR (2)(a)) contained in an agreement entered into under ■ LR 6.1.4BR (1) or ■ LR 9.2.2AR (2)(a) has not been complied with by a *controlling shareholder*.

Notifications to the FCA: notifications regarding LR 9.8.4AR

9.2.25

FCA

R

A *listed company* must notify the FCA without delay if its annual financial report contains a statement of the kind specified under ■ LR 9.8.4A R.

Inability to comply with continuing obligations

9.2.26

FCA

G

Where a *listed company* is unable to comply with a continuing obligation set out in ■ LR 9.2, it should consider seeking a cancellation of *listing* or applying for a transfer of its *listing* category. In particular, the *listed company* should note ■ LR 5.2.2 G (2) and ■ LR 5.4A.16 G.



9.3 Continuing obligations : holders

9.3.1 **R** [deleted]

9.3.2 **G** [deleted]

9.3.3 **R** [deleted]

9.3.4 **R** [deleted]

9.3.5 **R** [deleted]

Proxy forms

9.3.6 **R** *A listed company* must ensure that, in addition to its obligations under the Companies Act 2006, a proxy form:

FCA

- (1) [deleted]
- (2) provides for at least three -way voting on all resolutions intended to be proposed (except that it is not necessary to provide proxy forms with three -way voting on procedural resolutions); and
- (3) [deleted]
- (4) states that if it is returned without an indication as to how the proxy shall vote on any particular matter, the proxy will exercise his discretion as to whether, and if so how, he votes.

Proxy forms for re-election of retiring directors

9.3.7 **R** If the resolutions to be proposed include the re-election of retiring *directors* and the number of retiring *directors* standing for re-election exceeds five, the proxy form may give shareholders the opportunity to vote for or against (or abstain from voting on) the re-election of the retiring *directors* as a whole but must also allow votes to be cast for or against (or for shareholders to abstain from voting on) the re-election of the retiring *directors* individually.

FCA

9.3.8 **R** [deleted]

9.3.9

FCA

R

Sanctions

Where a *listed company* has taken a power in its *constitution* to impose sanctions on a shareholder who is in default in complying with a notice served under section 793 of the Companies Act 2006 (Notice by company requiring information about interests in its shares) :

- (1) sanctions may not take effect earlier than 14 days after service of the notice;
- (2) for a shareholding of less than 0.25% of the *shares* of a particular *class* (calculated exclusive of *treasury shares*), the only sanction the *constitution* may provide for is a prohibition against attending meetings and voting;
- (3) for a shareholding of 0.25% or more of the *shares* of a particular *class* (calculated exclusive of *treasury shares*), the *constitution* may provide:
 - (a) for a prohibition against attending meetings and voting;
 - (b) for the withholding of the payment of dividends (including *shares* issued in lieu of dividend) on the *shares* concerned; and
 - (c) for the placing of restrictions on the transfer of *shares*, provided that restrictions on transfer do not apply to a sale to a genuine unconnected third party (such as through a *RIE* or an *overseas* exchange or by the acceptance of a takeover offer); and
- (4) any sanctions imposed in accordance with paragraph (2) or (3) above must cease to apply after a specified period of not more than seven days after the earlier of:
 - (a) receipt by the *issuer* of notice that the shareholding has been sold to an unconnected third party through a *RIE* or an *overseas* exchange or by the acceptance of a takeover offer; and
 - (b) due compliance, to the satisfaction of the *issuer*, with the notice under section 793 .

9.3.10

FCA

G

An *overseas company* with a *premium listing* is not required to comply with ■ LR 9.3.9 R.

9.3.11

FCA

R

Pre-emption rights

A *listed company* proposing to issue *equity securities* for cash or to sell *treasury shares* that are *equity shares* for cash must first offer those *equity securities* in proportion to their existing holdings to:

- (1) existing holders of that class of *equity shares* (other than the *listed company* itself by virtue of it holding *treasury shares*); and

9.3.12

FCA

R

■ LR 9.3.11 R does not apply to:

- (2) holders of other *equity shares* of the *listed company* who are entitled to be offered them.
- (1) a *listed company* incorporated in the *United Kingdom* if a disapplication of statutory pre-emption rights has been authorised by shareholders in accordance with section 570 (Disapplication of pre-emption rights: directors acting under general authorisation) or section 571 (Disapplication of pre-emption rights by special resolution) of the Companies Act 2006 and the issue of *equity securities* or sale of *treasury shares* that are *equity shares* by the *listed company* is within the terms of the authority; or
- (2) a *listed company* undertaking a *rights issue* or *open offer* provided the disapplication of pre-emption rights is with respect to:
- (a) *equity securities* representing fractional entitlements; or
- (b) *equity securities* which the *company* considers necessary or expedient to exclude from the offer on account of the laws or regulatory requirements of a territory other than its country of incorporation unless that territory is the *United Kingdom*; or
- (3) a *listed company* selling *treasury shares* for cash to an *employee share scheme*; or
- (4) an *overseas company* with a *premium listing* if a disapplication of statutory pre-emption rights has been authorised by shareholders that is equivalent to an authority given in accordance either with section 570 or section 571 of the Companies Act 2006 or in accordance with the law of its country of incorporation provided that the country has implemented article 29 of Directive 77/91/EEC and the issue of *equity securities* or sale of *treasury shares* that are *equity shares* by the *listed company* is within the terms of the authority; or
- (5) an *open-ended investment company*.

9.4 Documents requiring prior approval

Employees share schemes and long-term incentive plans

9.4.1

FCA

R

- (1) This *rule* applies to the following schemes of a *listed company* incorporated in the *United Kingdom* and of any of its *major subsidiary undertaking* (even if that *major subsidiary undertaking* is incorporated or operates overseas):
- (a) an *employees' share scheme* if the scheme involves or may involve the issue of new *shares* or the transfer of *treasury shares*; and
 - (b) a *long-term incentive scheme* in which one or more *directors* of the *listed company* is eligible to participate.
- (2) The *listed company* must ensure that the *employees' share scheme* or *long-term incentive scheme* is approved by an ordinary resolution of the shareholders of the *listed company* in general meeting before it is adopted.

9.4.2

FCA

R

■ LR 9.4.1 R does not apply to the following *long-term incentive schemes*:

- (1) an arrangement where participation is offered on similar terms to all or substantially all *employees* of the *listed company* or any of its *subsidiary undertakings* whose *employees* are eligible to participate in the arrangement (provided that all or substantially all *employees* are not *directors* of the *listed company*); and
- (2) an arrangement where the only participant is a *director* of the *listed company* (or an individual whose appointment as a *director* of the *listed company* is being contemplated) and the arrangement is established specifically to facilitate, in unusual circumstances, the recruitment or retention of the relevant individual.

PAGE
13

9.4.3

FCA

R

For a scheme referred to in ■ LR 9.4.2R (2), the following information must be disclosed in the first annual report published by the *listed company* after the date on which the relevant individual becomes eligible to participate in the arrangement:

- (1) all of the information prescribed in ■ LR 13.8.11 R;
- (2) the name of the sole participant;
- (3) the date on which the participant first became eligible to participate in the arrangement;
- (4) an explanation of why the circumstances in which the arrangement was established were unusual;
- (5) the conditions to be satisfied under the terms of the arrangement; and
- (6) the maximum award(s) under the terms of the arrangement or, if there is no maximum, the basis on which awards will be determined.

Discounted option arrangements

9.4.4

FCA

R

- (1) This *rule* applies to the grant to a *director* or *employee* of a *listed company* or of any *subsidiary undertaking* of a *listed company* of an option to subscribe, warrant to subscribe or other similar right to subscribe for *shares* in the capital of the *listed company* or any of its *subsidiary undertakings*.
- (2) A *listed company* must not, without the prior approval by an ordinary resolution of the shareholders of the *listed company* in a general meeting, grant the option, warrant or other right if the price per *share* payable on the exercise of the option, warrant or other similar right to subscribe is less than whichever of the following is used to calculate the exercise price:
 - (a) the market value of the *share* on the date when the exercise price is determined; or
 - (b) the market value of the *share* on the *business day* before that date; or
 - (c) the average of the market values for a number of dealing days within a period not exceeding 30 *days* immediately before that date.

9.4.5

FCA

R

■ LR 9.4.4 R does not apply to the grant of an option to subscribe, warrant to subscribe or other similar right to subscribe for *shares* in the capital of a *listed company* or any of its *subsidiary undertakings*:

- (1) under an *employees' share scheme* if participation is offered on similar terms to all or substantially all *employees* of the *listed company* or any of its *subsidiary undertakings* whose *employees* are entitled to participate in the scheme; or

-
- (2) following a take-over or reconstruction, in replacement for and on comparable terms with options to subscribe, warrants to subscribe or other similar rights to subscribe held immediately before the take-over or reconstruction for *shares* in either a *company* of which the *listed company* thereby obtains control or in any of that *company's subsidiary undertakings*.

9.5 Transactions

Rights issue

9.5.1
FCA

R

For a placing of rights arising from a *rights issue* before the official start of dealings, a *listed company* must ensure that:

- (1) the placing relates to at least 25% of the maximum number of *equity securities* offered;
- (2) the places are committed to take up whatever is placed with them;
- (3) the price paid by the places does not exceed the price at which the *equity securities* which are the subject of the *rights issue* are offered by more than one half of the calculated premium over that offer price (that premium being the difference between the offer price and the theoretical ex-rights price); and
- (4) the *equity securities* which are the subject of the *rights issue* are of the same *class* as the *equity securities* already *listed*.

9.5.2
FCA

G

The *FCA* may modify ■ LR 9.5.1R (1) to allow the placing to relate to less than 25% if it is satisfied that requiring at least 25% would be detrimental to the success of the issue.

9.5.3
FCA

G

In a *rights issue*, the *FCA* may list the *equity securities* at the same time as they are admitted to trading in nil paid form. On the *equity securities* being paid up and the allotment becoming unconditional, the *listing* will continue without any need for a further application to list fully paid *securities*.

9.5.4
FCA

R

If existing *shareholders* do not take up their rights to subscribe in a *rights issue*:

- (1) the *listed company* must ensure that the *equity securities* to which the offer relates are offered for subscription or purchase on terms that any premium obtained over the subscription or purchase price (net of expenses) is to be for the account of the holders, except that if the proceeds for an existing holder do

not exceed 5.00, the proceeds may be retained for the *company's* benefit; and

- (2) the *equity securities* may be allotted or sold to underwriters, if on the expiry of the subscription period no premium (net of expenses) has been obtained.

9.5.5

FCA

R

A *listed company* must ensure that for a *rights issue* the following are notified to a *RIS* as soon as possible:

- (1) the issue price and principal terms of the issue; and
- (2) the results of the issue and, if any rights not taken up are sold, details of the sale, including the date and price per *share*.

9.5.6

FCA

R

A *listed company* must ensure that the offer relating to a *rights issue* remains open for acceptance for at least 10 *business days*. For the purposes of calculating the period of 10 *business days*, the first *business day* is the date on which the offer is first open for acceptance.

Open offers

9.5.7

FCA

R

A *listed company* must ensure that the timetable for an *open offer* is approved by the *RIE* on which its *equity securities* are traded.

9.5.7A

FCA

R

A *listed company* must ensure that the *open offer* remains open for acceptance for at least 10 *business days*. For the purposes of calculating the period of 10 *business days*, the first *business day* is the date on which the offer is first open for acceptance.

9.5.8

FCA

R

A *listed company* must ensure that in relation to communicating information on an *open offer*:

- (1) if the offer is subject to shareholder approval in general meeting the announcement must state that this is the case; and
- (2) the *circular* dealing with the offer must not contain any statement that might be taken to imply that the offer gives the same entitlements as a *rights issue* unless it is an offer with a compensatory element.

9.5.8A

FCA

R

If existing *shareholders* do not take up their rights to subscribe in an *open offer* with a compensatory element:

- (1) the *listed company* must ensure that the *equity securities* to which the offer relates are offered for subscription or purchase on terms that any premium obtained over the subscription or purchase price (net of expenses) is to be for the account of the holders, except that if the proceeds for an existing holder do not exceed £5, the proceeds may be retained for the *company's* benefit; and

- (2) the *equity securities* may be allotted or sold to underwriters, if on the expiry of the subscription period no premium (net of expenses) has been obtained.

9.5.8B

FCA

R

A *listed company* must ensure that for a subscription in an *open offer* with a compensatory element the following are notified to a *RIS* as soon as possible:

- (1) the offer price and principal terms of the offer; and
- (2) the results of the offer and, if any *securities* not taken up are sold, details of the sale, including the date and price per *share*.

Vendor consideration placing

9.5.9

FCA

R

A *listed company* must ensure that in a *vendor consideration placing* all vendors have an equal opportunity to participate in the placing.

Discounts not to exceed 10%

9.5.10

FCA

R

- (1) If a *listed company* makes an *open offer*, *placing*, *vendor consideration placing*, *offer for subscription of equity shares* or an issue out of treasury (other than in respect of an employees' share scheme) of a *class* already *listed*, the price must not be at a discount of more than 10% to the middle market price of those *shares* at the time of announcing the terms of the offer for an *open offer* or *offer for subscription of equity shares* or at the time of agreeing the placing for a *placing* or *vendor consideration placing*.
- (2) In paragraph (1), the middle market price of *equity shares* means the middle market quotation for those *equity shares* as derived from the daily official list of the *London Stock Exchange* or any other publication of an *RIE* showing quotations for *listed securities* for the relevant date.
 - (2A) If a *listed company* makes an *open offer*, *placing*, *vendor consideration placing* or *offer for subscription of equity shares* during the trading day it may use an appropriate on-screen intra-day price derived from another market.
- (3) Paragraph (1) does not apply to an offer or placing at a discount of more than 10% if:
 - (a) the terms of the offer or placing at that discount have been specifically approved by the issuer's shareholders; or
 - (b) it is an issue of *shares* for cash or the sale of *treasury shares* for cash under a pre-existing general authority to disapply section 561 of the Companies Act 2006 (Existing shareholders' rights of pre-emption).

- (4) The *listed company* must notify a *RIS* as soon as possible after it has agreed the terms of the offer or placing.

9.5.10A

FCA

G

On each occasion that the *listed company* plans to use an on-screen intra-day price it should discuss the source of the price in advance with the *FCA*. The *FCA* may be satisfied that there is sufficient justification for its use if the alternative market has an appropriate level of liquidity and the source is one that is widely accepted by the market.

Offer for sale or subscription

9.5.11

FCA

R

A *listed company* must ensure that for an *offer for sale* or an *offer for subscription of equity securities*:

- (1) letters of allotment or acceptance are all issued simultaneously and numbered serially (and, where appropriate, split and certified by the *listed company's* registrars);
- (2) if the *equity securities* may be held in uncertificated form, there is equal treatment of those who elect to hold the *equity securities* in certificated form and those who elect to hold them in uncertificated form;
- (3) letters of regret are posted at the same time or not later than three *business days* after the letters of allotment or acceptance; and
- (4) if a letter of regret is not posted at the same time as letters of allotment or acceptance, a notice to that effect is inserted in a national newspaper, to appear on the morning after the letters of allotment or acceptance are posted.

Reconstruction or refinancing

9.5.12

FCA

R

- (1) If a *listed company* produces a *circular* containing proposals to be put to shareholders in a general meeting relating to a reconstruction or a re-financing, the *circular* must be produced in accordance with ■ LR 13.3 and must include a working capital statement.
- (2) The requirement for a working capital statement set out in paragraph (1) does not apply to a *closed-ended investment fund*.
- (3) The working capital statement required by paragraph (1) must be prepared in accordance with item 3.1 of Annex 3 of the *PD Regulation* and on the basis that the reconstruction or the re-financing has taken place.

Fractional entitlements

9.5.13

FCA

R

If, for an issue of *equity securities* (other than an issue in lieu of dividend), a shareholders entitlement includes a fraction of a *security*, a *listed company* must ensure that the fraction is sold for the benefit of the holder except

that if its value (net of expenses) does not exceed 5.00 it may be sold for the *company's* benefit. Sales of fractions may be made before *listing* is granted.

Further issues

9.5.14

FCA

R

When *shares* of the same *class* as *shares* that are *listed* are allotted, an application for *admission to listing* of such *shares* must be made as soon as possible and in any event within one month of the allotment. [Note: Article 64 CARD]

Temporary documents of title (including renounceable documents)

9.5.15

FCA

R

A *listed company* must ensure that any temporary document of title (other than one issued in global form) for an *equity security*:

- (1) is serially numbered;
- (2) states where applicable:
 - (a) the name and address of the first holder and names of joint holders (if any);
 - (b) for a fixed income *security*, the amount of the next payment of interest or dividend;
 - (c) the pro rata entitlement;
 - (d) the last date on which transfers were or will be accepted for registration for participation in the issue;
 - (e) how the *securities* rank for dividend or interest;
 - (f) the nature of the document of title and proposed date of issue;
 - (g) how fractions (if any) are to be treated; and
 - (h) for a *rights issue*, the time, being not less than 10 *business days* calculated in accordance with ■ LR 9.5.6 R, in which the offer may be accepted, and how *equity securities* not taken up will be dealt with; and
- (3) if renounceable:
 - (a) states in a heading that the document is of value and negotiable;
 - (b) advises holders of *equity securities* who are in any doubt as to what action to take to consult appropriate independent advisers immediately;
 - (c) states that where all of the *securities* have been sold by the addressee (other than ex rights or ex capitalisation), the document should be passed to the person through whom the sale was effected for transmission to the purchaser;

- (d) has the form of renunciation and the registration instructions printed on the back of, or attached to, the document;
- (e) includes provision for splitting (without fee) and for split documents to be certified by an official of the *company* or authorised agent;
- (f) provides for the last day for renunciation to be the second *business day* after the last day for splitting; and
- (g) if at the same time as an allotment is made of *shares* issued for cash, *shares* of the same *class* are also allotted credited as fully paid to vendors or others, provides for the period for renunciation to be the same as, but no longer than, that provided for in the case of *shares* issued for cash.

Definitive documents of title

9.5.16

FCA

R

A *listed company* must ensure that any definitive document of title for an *equity share* (other than a bearer *security*) includes the following matters on its face (or on the reverse in the case of paragraphs (5) and (7)):

- (1) the authority under which the *listed company* is constituted and the country of incorporation and registered number (if any);
- (2) the number or amount of *securities* the certificate represents and, if applicable, the number and denomination of units (in the top right-hand corner);
- (3) a footnote stating that no transfer of the *security* or any portion of it represented by the certificate can be registered without production of the certificate;
- (4) if applicable, the minimum amount and multiples thereof in which the *security* is transferable;
- (5) the date of the certificate;
- (6) [deleted]
- (7) for *equity shares* with preferential rights, on the face (or, if not practicable, on the reverse), a statement of the conditions thereof as to capital, dividends and (where applicable) conversion.



9.6 Notifications

Copies of documents

9.6.1
FCA

R A *listed company* must forward to the *FCA* for publication through the *document viewing facility*, two copies of all circulars, notices, reports or other documents to which the *listing rules* apply at the same time as they are issued.

9.6.2
FCA

R A *listed company* must forward to the *FCA*, for publication through the *document viewing facility*, two copies of all resolutions passed by the *listed company* other than resolutions concerning ordinary business at an annual general meeting as soon as possible after the relevant general meeting.

9.6.3
FCA

- R**
- (1) A *listed company* must notify a *RIS* as soon as possible when a document has been forwarded to the *FCA* under ■ LR 9.6.1 R or ■ LR 9.6.2 R unless the full text of the document is provided to the *RIS*.
 - (2) A notification made under paragraph (1) must set out where copies of the relevant document can be obtained.

Notifications relating to capital

9.6.4
FCA

R A *listed company* must notify a *RIS* as soon as possible (unless otherwise indicated in this rule) of the following information relating to its capital:

- (1) any proposed change in its capital structure including the structure of its *listed debt securities*, save that an announcement of a new issue may be delayed while marketing or underwriting is in progress;
- (2) [deleted]
- (3) any redemption of *listed shares* including details of the number of *shares* redeemed and the number of *shares* of that class outstanding following the redemption;

- (4) any extension of time granted for the currency of temporary documents of title; and
- (5) [deleted]
- (6) (except in relation to a block listing of *securities*) the results of any new issue of *equity securities* or a public offering of existing *equity securities*.

9.6.5 **R** [deleted]

9.6.6 **R** Where the *securities* are subject to an underwriting agreement a *listed company* may, at its discretion and subject to **■ DTR 2** (Disclosure and control of inside information by issuers), delay notifying a *RIS* as required by **■ LR 9.6.4R (6)** for up to two *business days* until the obligation by the underwriter to take or procure others to take *securities* is finally determined or lapses. In the case of an issue or offer of *securities* which is not underwritten, notification of the result must be made as soon as it is known.

9.6.7 **R** [deleted]

9.6.8 **R** [deleted]

9.6.9 **G** [deleted]

9.6.10 **G** [deleted]

Notification of board changes and directors' details

9.6.11 **R** *A listed company must notify a RIS of any change to the board including:*

FCA

- (1) the appointment of a new *director* stating the appointees name and whether the position is executive, non-executive or chairman and the nature of any specific function or responsibility of the position;
- (2) the resignation, removal or retirement of a *director* (unless the *director* retires by rotation and is re-appointed at a general meeting of the *listed company's* shareholders);
- (3) important changes to the role, functions or responsibilities of a *director*; and
- (4) the effective date of the change if it is not with immediate effect;

as soon as possible and in any event by the end of the *business day* following the decision or receipt of notice about the change by the *company*.

9.6.12

FCA

R If the effective date of the board change is not yet known, the notification required by ■ LR 9.6.11 R should state this fact and the *listed company* should notify a *RIS* as soon as the effective date has been decided.

9.6.13

FCA

R A *listed company* must notify a *RIS* of the following information in respect of any new *director* appointed to the board as soon as possible following the decision to appoint the *director* and in any event within five *business days* of the decision:

- (1) details of all directorships held by the *director* in any other publicly quoted *company* at any time in the previous five years, indicating whether or not he is still a *director*;
- (2) any unspent convictions in relation to indictable offences;
- (3) details of any receiverships, compulsory liquidations, creditors voluntary liquidations, administrations, company voluntary arrangements or any composition or arrangement with its creditors generally or any class of its creditors of any company where the *director* was an executive *director* at the time of, or within the 12 months preceding, such events;
- (4) details of any compulsory liquidations, administrations or partnership voluntary arrangements of any partnerships where the *director* was a partner at the time of, or within the 12 months preceding, such events;
- (5) details of receiverships of any asset of such *person* or of a partnership of which the *director* was a partner at the time of, or within the 12 months preceding, such event; and
- (6) details of any public criticisms of the *director* by statutory or regulatory authorities (including *designated professional bodies*) and whether the *director* has ever been disqualified by a court from acting as a *director* of a *company* or from acting in the management or conduct of the affairs of any *company*.

9.6.14

FCA

R A *listed company* must, in respect of any current *director*, notify a *RIS* as soon as possible of:

- (1) any changes in the information set out in ■ LR 9.6.13R (2) to ■ LR 9.6.13R (6); and
- (2) any new directorships held by the *director* in any other publicly quoted *company*.

9.6.15

FCA

G If no information is required to be disclosed pursuant to ■ LR 9.6.13 R, the notification required by ■ LR 9.6.13 R should state this fact.

Notification of lock-up arrangements

9.6.16

FCA

R

A *listed company* must notify a *RIS* as soon as possible of information relating to the disposal of *equity shares* under an exemption allowed in the lock-up arrangements disclosed in accordance with the *PD Regulation*.

9.6.17

FCA

R

A *listed company* must notify a *RIS* as soon as possible of the details of any variation in the lock-up arrangements disclosed in accordance with the *PD Regulation* or any subsequent announcement.

Notification of shareholder resolutions

9.6.18

FCA

R

A *listed company* must notify a *RIS* as soon as possible after a general meeting of all resolutions passed by the *company* other than resolutions concerning ordinary business passed at an annual general meeting.

Change of name

9.6.19

FCA

R

A *listed company* which changes its name must, as soon as possible:

- (1) notify a *RIS* of the change, stating the date on which it has taken effect;
- (2) inform the *FCA* in writing of the change; and
- (3) where the *listed company* is incorporated in the *United Kingdom*, send the *FCA* a copy of the revised certificate of incorporation issued by the Registrar of Companies.

Change of accounting date

9.6.20

FCA

R

A *listed company* must notify a *RIS* as soon as possible of:

- (1) any change in its accounting reference date; and
- (2) the new accounting reference date.

9.6.21

FCA

R

A *listed company* must prepare and publish a second interim report in accordance with ■ **DTR 4.2** if the effect of the change in the accounting reference date is to extend the accounting period to more than 14 months.

9.6.22

FCA

G

The second interim report must be prepared and published in respect of either:

- (1) the period up to the old accounting reference date; or
- (2) the period up to a date not more than six months prior to the new accounting reference date.



9.7

[Deleted]

9.7A Preliminary statement of annual results, statement of dividends and half-yearly reports

Preliminary statement of annual results

9.7A.1

FCA

R

If a *listed company* prepares a preliminary statement of annual results:

- (1) the statement must be published as soon as possible after it has been approved by the board;
- (2) the statement must be agreed with the *company's* auditors prior to publication;
- (3) the statement must show the figures in the form of a table, including the items required for a half-yearly report, consistent with the presentation to be adopted in the annual accounts for that financial year;
- (4) the statement must give details of the nature of any likely modification or emphasis-of-matter paragraph that may be contained in the auditors' report required to be included with the annual financial report; and
- (5) the statement must include any significant additional information necessary for the purpose of assessing the results being announced.

Statement of dividends

9.7A.2

FCA

R

A *listed company* must notify a *RIS* as soon as possible after the board has approved any decision to pay or make any dividend or other distribution on *listed equity* or to withhold any dividend or interest payment on *listed securities* giving details of:

- (1) the exact net amount payable per *share*;
- (2) the payment date;
- (3) the record date (where applicable); and
- (4) any foreign income dividend election, together with any income tax treated as paid at the lower rate and not repayable.

9.7A.3

FCA

G

Omission of information

The FCA may authorise the omission of information required by ■ LR 9.7A.1 R or ■ LR 9.7A.2 R if it considers that disclosure of such information would be contrary to the public interest or seriously detrimental to the *listed company*, provided that such omission would not be likely to mislead the public with regard to facts and circumstances, knowledge of which is essential for the assessment of the *shares*.

9.8 Annual financial report

[Note: ■ LR 9.8 does not apply to a *listed company* with a financial year ending before 30 September 2013, or to a *listed company* with a financial year ending on or after 30 September 2013 whose annual financial report has been made public on or before 13 December 2013. As set out in ■ LR TR 11, a *listed company* with a financial year ending before 30 September 2013, or a *listed company* with a financial year ending on or after 30 September 2013 whose annual financial report has been made public on or before 13 December 2013, must instead comply with the requirements set out in ■ LR App 2.]

9.8.1 R [deleted]

9.8.2 R [deleted]

9.8.3 R [deleted]

Information to be included in annual report and accounts

9.8.4 R In addition to the requirements set out in ■ DTR 4.1 a *listed company* must include in its annual financial report , where applicable, the following:

FCA

- (1) a statement of the amount of interest capitalised by the *group* during the period under review with an indication of the amount and treatment of any related tax relief;
- (2) any information required by ■ LR 9.2.18 R (Publication of unaudited financial information);
- (3) [deleted]
- (4) details of any long-term incentive schemes as required by ■ LR 9.4.3 R;
- (5) details of any arrangements under which a *director* of the *company* has waived or agreed to waive any emoluments from the *company* or any *subsidiary undertaking*;
- (6) where a *director* has agreed to waive future emoluments, details of such waiver together with those relating to emoluments which were waived during the period under review;

- (7) in the case of any allotment for cash of *equity securities* made during the period under review otherwise than to the holders of the *company's equity shares* in proportion to their holdings of such *equity shares* and which has not been specifically authorised by the *company's* shareholders:
- (a) the classes of shares allotted and for each class of shares, the number allotted, their aggregate nominal value and the consideration received by the company for the allotment;
 - (b) the names of the allottees, if less than six in number, and in the case of six or more allottees a brief generic description of each new class of equity holder (e.g. holder of loan stock);
 - (c) the market price of the allotted *securities* on the date on which the terms of the issue were fixed; and
 - (d) the date on which the terms of the issue were fixed;
- (8) the information required by paragraph (7) must be given for any unlisted *major subsidiary undertaking* of the *company*;
- (9) where a *listed company* has listed shares in issue and is a *subsidiary undertaking* of another *company*, details of the participation by the *parent undertaking* in any placing made during the period under review;
- (10) details of any *contract of significance* subsisting during the period under review:
- (a) to which the *listed company*, or one of its *subsidiary undertakings*, is a party and in which a *director* of the *listed company* is or was materially interested; and
 - (b) between the *listed company*, or one of its *subsidiary undertakings*, and a *controlling shareholder*;
- (11) details of any contract for the provision of services to the *listed company* or any of its *subsidiary undertakings* by a *controlling shareholder*, subsisting during the period under review, unless:
- (a) it is a contract for the provision of services which it is the principal business of the shareholder to provide; and
 - (b) it is not a *contract of significance*;
- (12) details of any arrangement under which a shareholder has waived or agreed to waive any dividends;
- (13) where a shareholder has agreed to waive future dividends, details of such waiver together with those relating to dividends which are payable during the period under review; and

- (14) a statement made by the board:
- (a) that the *listed company* has entered into any agreement required under ■ LR 9.2.2AR (2)(a); or
 - (b) where the *listed company* has not entered into an agreement required under ■ LR 9.2.2AR (2)(a):
 - (i) a statement that the *FCA* has been notified of that non-compliance in accordance with ■ LR 9.2.23 R; and
 - (ii) a brief description of the background to and reasons for failing to enter into the agreement that enables shareholders to evaluate the impact of non-compliance on the *listed company*; and
 - (c) that:
 - (i) the *listed company* has complied with the independence provisions included in any agreement entered into under ■ LR 6.1.4BR (1) or ■ LR 9.2.2AR (2)(a) during the period under review;
 - (ii) so far as the *listed company* is aware, the independence provisions included in any agreement entered into under ■ LR 6.1.4BR (1) or ■ LR 9.2.2AR (2)(a) have been complied with during the period under review by the *controlling shareholder* or any of its *associates*; and
 - (iii) so far as the *listed company* is aware, the procurement obligation (as set out in ■ LR 6.1.4CR (2)(a) or ■ LR 9.2.2BR (2)(a)) included in any agreement entered into under ■ LR 6.1.4BR (1) or ■ LR 9.2.2AR (2)(a) has been complied with during the period under review by a *controlling shareholder*; or
 - (d) where an independence provision included in any agreement entered into under ■ LR 6.1.4BR (1) or ■ LR 9.2.2AR (2)(a) or a procurement obligation (as set out in ■ LR 6.1.4CR (2)(a) or ■ LR 9.2.2BR (2)(a)) included in any agreement entered into under ■ LR 6.1.4BR (1) or ■ LR 9.2.2AR (2)(a) has not been complied with during the period under review:
 - (i) a statement that the *FCA* has been notified of that non-compliance in accordance with ■ LR 9.2.24 R; and
 - (ii) a brief description of the background to and reasons for failing to comply with the relevant independence provision or procurement obligation that enables shareholders to evaluate the impact of non-compliance on the *listed company*.

9.8.4A

FCA

R Where an independent director declines to support a statement made under ■ LR 9.8.4R (14)(a) or ■ (c), the statement must record this fact.

9.8.4B

FCA

G Where a *listed company's* annual financial report contains a statement of the type referred to in ■ LR 9.8.4R (14)(b) or ■ (d), the *FCA* may still take any action it considers necessary in relation to the underlying breach by the *listed company* of ■ LR 9.2.2AR (2)(a) or ■ LR 9.2.2G R.

9.8.4C

FCA

R The *listed company's* annual financial report must include the information required under ■ LR 9.8.4 R in a single identifiable section, unless the annual financial report includes a cross reference table indicating where that information is set out.

9.8.5

FCA

G A *listed company* need not include with the annual report and accounts details of waivers of dividends of less than 1% of the total value of any dividend provided that some payment has been made on each *share* of the relevant *class* during the relevant calendar year.

Additional information

9.8.6

FCA

R In the case of a *listed company* incorporated in the *United Kingdom*, the following additional items must be included in its annual financial report :

- (1) a statement setting out all the interests (in respect of which transactions are notifiable to the company under ■ DTR 3.1.2 R) of each *person* who is a *director* of the *listed company* as at the end of the period under review including:
 - (a) all changes in the interests of each *director* that have occurred between the end of the period under review and a date not more than one month prior to the date of the notice of the annual general meeting; or
 - (b) if there have been no changes in the period described in paragraph (a), a statement that there have been no changes in the interests of each *director* .

Interests of each *director* includes the interests of *connected persons* of which the *listed company* is, or ought upon reasonable enquiry to become, aware.

- (2) a statement showing the interests disclosed to the *listed company* in accordance with ■ DTR 5 as at the end of the period under review and:
 - (a) all interests disclosed to the *listed company* in accordance with ■ DTR 5 that have occurred between the end of the period under review and a date not more than one month prior to the date of the notice of the annual general meeting; or

- (b) if no interests have been disclosed to the *listed company* in accordance with ■ DTR 5 in the period described in (a), a statement that no changes have been disclosed to the *listed company*.
- (3) a statement made by the *directors* that the business is a going concern, together with supporting assumptions or qualifications as necessary, that has been prepared in accordance with Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2009, published by the Financial Reporting Council in October 2009;
- (4) a statement setting out:
 - (a) details of any shareholders authority for the purchase, by the *listed company* of its own *shares* that is still valid at the end of the period under review;
 - (b) in the case of purchases made otherwise than through the market or by tender to all shareholders, the names of sellers of such *shares* purchased, or proposed to be purchased, by the *listed company* during the period under review;
 - (c) in the case of any purchases made otherwise than through the market or by tender or partial offer to all shareholders, or options or contracts to make such purchases, entered into since the end of the period covered by the report, information equivalent to that required under Part 2 of Schedule 7 to the Large & Medium Sized Companies and Groups (Accounts and Reports) Regulations 2008 (SI 2008/410) (Disclosure required by company acquiring its own shares etc) ; and
 - (d) in the case of sales of *treasury shares* for cash made otherwise than through the market, or in connection with an *employees' share scheme*, or otherwise than pursuant to an opportunity which (so far as was practicable) was made available to all holders of the *listed company's securities* (or to all holders of a relevant class of its *securities*) on the same terms, particulars of the names of purchasers of such *shares* sold, or proposed to be sold, by the *company* during the period under review;
- (5) a statement of how the *listed company* has applied the Main Principles set out in the *UK Corporate Governance Code* , in a manner that would enable shareholders to evaluate how the principles have been applied;
- (6) a statement as to whether the *listed company* has:
 - (a) complied throughout the accounting period with all relevant provisions set out in the *UK Corporate Governance Code*; or

- (b) not complied throughout the accounting period with all relevant provisions set out in the *UK Corporate Governance Code* and if so, setting out:
 - (i) those provisions, if any it has not complied with;
 - (ii) in the case of provisions whose requirements are of a continuing nature, the period within which, if any, it did not comply with some or all of those provisions; and
 - (iii) the *company's* reasons for non-compliance; and
- (7) a report to the shareholders by the Board which contains the information set out in ■ LR 9.8.8 R.

9.8.6A

FCA

G

- (1) The effect of ■ LR 9.8.6R (1) is that a *listed company* is required to set out a 'snapshot' of the total interests of a *director* and his or her *connected persons*, as at the end of the period under review (including certain information to update it as at a date not more than a month before the date of the notice of the annual general meeting). The interests that need to be set out are limited to those in respect of which transactions fall to be notified under the notification requirement for PDMRs in ■ DTR 3.1.2 R. *Persons* who are *directors* during, but not at the end of, the period under review need not be included.
- (2) A *listed company* unable to compile the statement in ■ LR 9.8.6R (1) from information already available to it may need to seek the relevant information, or confirmation, from the *director* himself, including that in relation to *connected persons*, but would not be expected to obtain information directly from *connected persons*.

9.8.7

FCA

R

An *overseas company* with a *premium listing* must include in its annual report and accounts the information in ■ LR 9.8.6R (5), ■ LR 9.8.6R (6) and ■ LR 9.8.8 R.

9.8.7A

FCA

R

- (1) An *overseas company* with a *premium listing* that is not required to comply with requirements imposed by another *EEA State* that correspond to ■ DTR 7.2 (Corporate governance statements) must comply with ■ DTR 7.2 as if it were an *issuer* to which that section applies.
- (2) An *overseas company* with a *premium listing* which complies with ■ LR 9.8.7 R will be taken to satisfy the requirements of ■ DTR 7.2.2 R and ■ DTR 7.2.3 R, but (unless it is required to comply with requirements imposed by another *EEA State* that correspond to ■ DTR 7.2) must comply with all of the other requirements of ■ DTR 7.2 as if it were an *issuer* to which that section applies.

Report to shareholders

9.8.8

FCA

R

The report to the shareholders by the Board required by ■ LR 9.8.6R (7) must contain details of the unexpired term of any *director's* service contract of a *director* proposed for election or re-election at the forthcoming annual general meeting, and, if any *director* proposed for election or re-election does not have a *directors'* service contract, a statement to that effect.

Information required by law

9.8.9

FCA

G

The requirements of ■ LR 9.8.6R (6) relating to corporate governance are additional to the information required by law to be included in the *listed company's* annual report and accounts.

Auditors report

9.8.10

FCA

R

A *listed company* must ensure that the auditors review each of the following before the annual report is published:

- (1) ■ LR 9.8.6R (3) (statement by the directors that the business is a going concern); and
- (2) the parts of the statement required by ■ LR 9.8.6R (6) (corporate governance) that relate to the following provisions of the *UK Corporate Governance Code*:
 - (a) C.1.1;
 - (b) C.2.1; and
 - (c) C.3.1 to C.3.7.

9.8.11

FCA

R

[deleted]

9.8.12

FCA

R

[deleted]

Strategic report with supplementary information

9.8.13

FCA

R

Any strategic report with supplementary information provided to shareholders by a *listed company* as permitted under section 426 of the Companies Act 2006 , must disclose:

- (1) earnings per share; and
- (2) the information required for a strategic report set out in or under the Companies Act 2006 and the supplementary material required under section 426A of the Companies Act 2006 .



9.9

[Deleted]

Chapter 11

Related party transactions: Premium listing

11.1 Related party transactions

Application

11.1.1

FCA

R

This chapter applies to a *company* that has a *premium listing* .

11.1.1A

FCA

R

Where a *company* has a *premium listing* and:

(1) it is not in compliance with:

(a) the provisions in ■ LR 9.2.2AR (2)(a) ; or

(b) ■ LR 9.2.2G R; or

(2) it becomes aware that a *controlling shareholder* or any of its *associates* is not in compliance with an independence provision contained in an agreement entered into under ■ LR 6.1.4BR (1) or ■ LR 9.2.2AR (2)(a);

(3) it becomes aware that a procurement obligation (as set out in ■ LR 6.1.4CR (2)(a) or ■ LR 9.2.2BR (2)(a) contained in an agreement entered into under ■ LR 6.1.4BR (1) or ■ LR 9.2.2AR (2)(a) has not been complied with by a *controlling shareholder*; or

(4) an *independent director* declines to support a statement made under ■ LR 9.8.4R (14)(a) or ■ LR 9.8.4R (14)(c);

■ LR 11.1.1C R applies.

11.1.1B

FCA

G

In exceptional circumstances, the *FCA* may consider dispensing with or modifying the application of ■ LR 11.1.1A R, in accordance with ■ LR 1.2.1 R.

11.1.1C

FCA

R

The *company* cannot rely on any of the following provisions in relation to a transaction or arrangement with or for the benefit of the relevant *controlling shareholder* or any *associate* of that *controlling shareholder*:

(1) the concessions specified in ■ LR 11.1.5R (1), ■ LR 11.1.5R (2) and ■ LR 11.1.5R (3) in relation to transactions or arrangements in the ordinary course of business;

(2) ■ LR 11.1.6 R; and

(3) ■ LR 11.1.10 R.

11.1.1D

FCA

G

If the *FCA* considers that it would be appropriate to do so, the *FCA* may dispense with or modify the application of ■ LR 11.1.1CR (1), in accordance with ■ LR 1.2.1 R.

11.1.1E

FCA

R

Where a *company* that has a *premium listing* has been subject to the provisions of ■ LR 11.1.1A R, ■ LR 11.1.1C R will continue to apply to the *company* until the publication of an annual financial report which:

(1) contains the statements required under ■ LR 9.8.4R (14)(a) and ■ LR 9.8.4R (14)(c); and

(2) does not contain a statement made under ■ LR 9.8.4A R.

Purpose

11.1.2

FCA

G

(1) This chapter sets out safeguards that apply to:

(a) transactions and arrangements between a *listed company* and a *related party*; and

(b) transactions and arrangements between a *listed company* and any other *person* that may benefit a *related party*.

(2) The safeguards are intended to prevent a *related party* from taking advantage of its position and also to prevent any perception that it may have done so.

Transaction

11.1.3

FCA

R

A reference in this chapter:

(1) to a transaction or arrangement by a *listed company* includes a transaction or arrangement by its *subsidiary undertaking*; and

(2) to a transaction or arrangement is, unless the contrary intention appears, a reference to the entering into of the agreement for the transaction or the entering into of the arrangement.

Definition of "related party"

11.1.4

FCA

R

In *LR*, a "*related party*" means:

(1) a *person* who is (or was within the 12 months before the date of the transaction or arrangement) a *substantial shareholder*; or

(2) a *person* who is (or was within the 12 months before the date of the transaction or arrangement) a *director* or *shadow director* of the *listed company* or of any other *company* which is (and, if he has ceased to be such, was while he was a *director* or *shadow*

director of such other company) its subsidiary undertaking or parent undertaking or a fellow subsidiary undertaking of its parent undertaking; or

- (3) [deleted]
- (4) *a person exercising significant influence; or*
- (5) *an associate of a related party referred to in paragraph (1), (2) or (4).*

Definition of "substantial shareholder"

11.1.4A

FCA

R

In LR, a "*substantial shareholder*" means any *person* who is entitled to exercise, or to control the exercise of, 10% or more of the votes able to be cast on all or substantially all matters at general meetings of the *company* (or of any *company* which is its *subsidiary undertaking* or *parent undertaking* or of a fellow *subsidiary undertaking* of its *parent undertaking*). For the purposes of calculating voting rights, the following voting rights are to be disregarded:

- (1) any voting rights which such a *person* exercises (or controls the exercise of) independently in its capacity as bare trustee, investment manager, collective investment undertaking or a *long-term insurer* in respect of its linked long-term business if no *associate* of that *person* interferes by giving direct or indirect instructions, or in any other way, in the exercise of such voting rights (except to the extent any such *person* confers or collaborates with such an *associate* which also acts in its capacity as investment manager, collective investment undertaking or *long-term insurer*); or
- (2) any voting rights which a *person* may hold (or control the exercise of) solely in relation to the direct performance, by way of business, of:
 - (a) underwriting the issue or sale of *securities*; or
 - (b) placing *securities*, where the *person* provides a firm commitment to acquire any *securities* which it does not place; or
 - (c) acquiring *securities* from existing shareholders or the *issuer* pursuant to an agreement to procure third-party purchases of *securities*;

and where the conditions in (i) to (iv) are satisfied:

- (i) the activities set out in (2)(a) to (c) are performed in the ordinary course of business;
- (ii) the *securities* to which the voting rights attach are held for a consecutive period of 5 *trading days* or less,

beginning with the first *trading day* on which the *securities* are held;

- (iii) the voting rights are not exercised within the period the *securities* are held; and
- (iv) no attempt is made directly or indirectly by the *firm* to intervene in (or attempt to intervene in) or exert (or attempt to exert) influence on the management of the *issuer* within the period the *securities* are held.

Definition of "related party transaction"

11.1.5

FCA

R

In LR, a "*related party transaction*" means:

- (1) a transaction (other than a transaction in the ordinary course of business) between a *listed company* and a *related party*; or
- (2) an arrangement (other than an arrangement in the ordinary course of business) pursuant to which a *listed company* and a *related party* each invests in, or provides finance to, another undertaking or asset; or
- (3) any other similar transaction or arrangement (other than a transaction in the ordinary course of business) between a *listed company* and any other *person* the purpose and effect of which is to benefit a *related party*.

11.1.5A

FCA

G

In assessing whether a transaction is in the ordinary course of business under this chapter, the FCA will have regard to the size and incidence of the transaction and also whether the terms and conditions of the transaction are unusual.

Transactions to which this chapter does not apply

11.1.6

FCA

R

■ LR 11.1.7 R to ■ LR 11.1.10 R do not apply to a *related party transaction* if it is a transaction or arrangement:

- (1) of a kind referred to in paragraph 1 or 1A of ■ LR 11 Annex 1 (a small transaction or a transaction the terms of which were agreed before a person became a related party); or
- (2) of a kind referred to in paragraphs 2 to 9 of ■ LR 11 Annex 1 and does not have any unusual features.

Note: If an *issuer* is proposing to enter into a transaction that could be a *related party transaction* it is required under ■ LR 8 to obtain the guidance of a *sponsor* to assess the potential application of ■ LR 11.

Requirements for related party transactions

11.1.7
FCA

R

If a *listed company* enters into a *related party transaction*, the *listed company* must:

- (1) make a notification in accordance with ■ LR 10.4.1 R (Notification of class 2 transactions) that contains the details required by that *rule* and also:
 - (a) the name of the *related party*; and
 - (b) details of the nature and extent of the *related party's* interest in the transaction or arrangement;
- (2) send a *circular* to its shareholders containing the information required by ■ LR 13.3 and ■ LR 13.6;
- (3) obtain the approval of its shareholders for the transaction or arrangement either:
 - (a) before it is entered into; or
 - (b) if the transaction or arrangement is expressed to be conditional on that approval, before it is completed; and
- (4) ensure that the *related party*:
 - (a) does not vote on the relevant resolution; and
 - (b) takes all reasonable steps to ensure that the *related party's associates* do not vote on the relevant resolution.

11.1.7A
FCA

R

If, after obtaining shareholder approval but before the completion of a *related party transaction*, there is a material change to the terms of the transaction, the *listed company* must comply again separately with ■ LR 11.1.7 R in relation to the transaction.

11.1.7B
FCA

G

The *FCA* would (amongst other things) generally consider an increase of 10% or more in the consideration payable to be a material change to the terms of the transaction.

11.1.7C
FCA

R

A *listed company* must comply with ■ LR 10.5.4 R in relation to a *related party transaction*.

11.1.8
FCA

G

If a meeting of the *listed company* has been called to approve a transaction or arrangement and, after the date of the notice of meeting but before the meeting itself, a party to that transaction or arrangement has become a *related party*, then to comply with ■ LR 11.1.7 R the *listed company* should:

- (1) ensure that the *related party* concerned does not vote on the relevant resolution and that the *related party* takes all reasonable steps to ensure that its *associates* do not vote on the relevant resolution; and

- (2) send a further *circular*, for receipt by shareholders at least one clear *business day* before the last time for lodging proxies for the meeting, containing any information required by ■ LR 13.3 (Contents of all circulars) and ■ LR 13.6 (Related party circulars) that was not contained in the original *circular* with the notice of meeting.

11.1.9

FCA

G

■ LR 11.1.7 R and ■ LR 11.1.8 G will apply to the variation or novation of an existing agreement between the *listed company* and a *related party* whether or not, at the time the original agreement was entered into, that party was a *related party*.

Modified requirements for smaller related party transactions

11.1.10

FCA

R

- (1) This *rule* applies to a *related party transaction* if each of the *percentage ratios* is less than 5%, but one or more of the *percentage ratios* exceeds 0.25%.
- (2) Where this rule applies, ■ LR 11.1.7 R does not apply but instead the *listed company* must :
 - (a) [deleted]
 - (b) before entering into the transaction or arrangement, obtain written confirmation from a *sponsor* that the terms of the proposed transaction or arrangement with the *related party* are fair and reasonable as far as the shareholders of the *listed company* are concerned; and
 - (c) as soon as possible upon entering into the transaction or arrangement, make an *RIS* announcement which sets out:
 - (i) the identity of the *related party*;
 - (ii) the value of the consideration for the transaction or arrangement;
 - (iii) a brief description of the transaction or arrangement;
 - (iv) the fact that the transaction or arrangement fell within ■ LR 11.1.10 R; and
 - (v) any other relevant circumstances.

Aggregation of transactions in any 12 month period

11.1.11

FCA

R

- (1) If a *listed company* enters into transactions or arrangements with the same *related party* (and any of its *associates*) in any 12 month period and the transactions or arrangements have not been approved by shareholders the transactions or arrangements, including transactions or arrangements falling under ■ LR 11.1.10 R, or small *related party transactions* under ■ LR 11 Annex 1.1R (1), must be aggregated.

- (2) If any *percentage ratio* is 5% or more for the aggregated transactions or arrangements, the *listed company* must comply with ■ LR 11.1.7 R in respect of the latest transaction or arrangement.

Note: ■ LR 13.6.1 R (8) requires details of each of the transactions or arrangements being aggregated to be included in the circular.

- (3) If transactions or arrangements that are small transactions under ■ LR 11 Annex 1 paragraph 1 are aggregated under paragraph (1) of this *rule* and for the aggregated small transactions each of the *percentage ratios* is less than 5%, but one or more of the *percentage ratios* exceeds 0.25%, the *listed company* must comply with:
- (a) ■ LR 11.1.10R (2)(b) in respect of the latest small transaction;
and
 - (b) ■ LR 11.1.10R (2)(a) and ■ LR 11.1.10R (2)(c) in respect of the aggregated small transactions.

11.1.12

[Deleted]

- (2) the full terms of the proposed amendments, or a statement that the full text of the scheme as amended will be available for inspection.

Discounted option arrangements

13.8.15

FCA

R

If shareholders' approval is required by ■ LR 9.4.4 R, the *circular* to shareholders must include the following information:

- (1) details of the persons to whom the *options, warrants* or rights are to be granted; and
- (2) a summary of the principal terms of the *options, warrants* or rights.

Reminders of conversion rights

13.8.16

FCA

R

(1) A *circular* to holders of *listed securities* convertible into *shares* reminding them of the times when conversion rights are exercisable must include:

- (a) the date of the last day for lodging conversion forms and the date of the expected sending of the certificates;
- (b) a statement of the market values for the *securities* on the first dealing day in each of the six months before the date of the *circular* and on the latest practicable date before sending the *circular*;
- (c) the basis of conversion in the form of a table setting out capital and income comparisons;
- (d) a brief explanation of the tax implications of conversion for holders resident for tax purposes in the *United Kingdom*;
- (e) if there is a trustee, or other representative, of the *securities* holders to be redeemed, a statement that the trustee, or other representative, has given its consent to the issue of the *circular* or stated that it has no objection to the resolution being put to a meeting of the *securities* holders;
- (f) reference to future opportunities to convert and whether the terms of conversion will be the same as or will differ from those available at present, or, if there are no such opportunities, disclosure of that fact;
- (g) reference to letters of indemnity, for example, if certificates have been lost;
- (h) if power exists to allot *shares* issued on conversion to another person, reference to forms of nomination; and
- (i) a statement as to whether holders exercising their rights of conversion will retain the next interest payment due on the *securities*.

- (2) The *circular* must not contain specific advice as to whether or not to convert the *securities*.

Election of independent directors

13.8.17

FCA

R

Where a *listed company* has a *controlling shareholder*, a *circular* to shareholders relating to the election or re-election of an *independent director* must include:

- (1) details of any existing or previous relationship, transaction or arrangement the proposed *independent director* has or had with the *listed company*, its *directors*, any *controlling shareholder* or any associate of a *controlling shareholder* or a confirmation that there have been no such relationships, transactions or arrangements; and
- (2) a description of:
 - (a) why the *listed company* considers the proposed *independent director* will be an effective *director*;
 - (b) how the *listed company* has determined that the proposed *director* is an *independent director*; and
 - (c) the process followed by the *listed company* for the selection of the proposed *independent director*.

13.8.18

FCA

R

In relation to a *listed company* which did not previously have a *controlling shareholder*, ■ LR 13.8.17 R does not apply to a *circular* sent to shareholders within a period of 3 months from the event that resulted in a *person* becoming a *controlling shareholder* of the *listed company*.

Chapter 14

Standard listing (shares)



14.1 Application

14.1.1

FCA

R This chapter applies to a *company* with, or applying for, a *standard listing* of *shares* other than:

- (1) *equity shares* issued by a *company* that is an *investment entity* unless it has a *premium listing* of a class of its *equity shares*; and
- (2) *preference shares* that are *specialist securities*.

14.2 Requirements for listing

14.2.1

FCA

R

An *applicant* which is applying for *standard listing (shares)* must comply with all of ■ LR 2 (Requirements for listing: All securities).

Shares in public hands

14.2.2

FCA

R

- (1) If an application is made for the *admission* of a *class* of *shares*, a sufficient number of *shares* of that *class* must, no later than the time of *admission*, be distributed to the public in one or more *EEA States*.
- (2) For the purposes of paragraph (1), account may also be taken of holders in one or more states that are not *EEA States*, if the *shares* are listed in the state or states.
- (3) For the purposes of paragraph (1), a sufficient number of *shares* will be taken to have been distributed to the public when 25% of the *shares* for which application for *admission* has been made are in public hands.
- (4) For the purposes of paragraphs (1), (2) and (3), *shares* are not held in public hands if they are:
 - (a) held, directly or indirectly by:
 - (i) a *director* of the *applicant* or of any of its *subsidiary undertakings*; or
 - (ii) a *person* connected with a *director* of the *applicant* or of any of its *subsidiary undertakings*; or
 - (iii) the trustees of any *employees' share scheme* or pension fund established for the benefit of any *directors* and *employees* of the *applicant* and its *subsidiary undertakings*; or
 - (iv) any *person* who under any agreement has a right to nominate a *person* to the board of *directors* of the *applicant*; or

(v) any *person* or *persons* in the same *group* or *persons* acting in concert who have an interest in 5% or more of the *shares* of the relevant class; or

(b) subject to a lock-up period of more than 180 days.

(5) For the purposes of paragraph (3), *treasury shares* are not to be taken into consideration when calculating the number of *shares* of the *class*.

[Note: Article 48 CARD]

14.2.3

FCA

G

The FCA may modify ■ LR 14.2.2 R to accept a percentage lower than 25% if it considers that the market will operate properly with a lower percentage in view of the large number of *shares* of the same *class* and the extent of their distribution to the public. For that purpose, the FCA may take into account *shares* of the same *class* that are held (even though they are not listed) in states that are not *EEA States*. [Note: Article 48 CARD]

14.2.3A

FCA

G

When calculating the number of *shares* for the purposes of ■ LR 14.2.2R (4)(a)(v), holdings of *investment managers* in the same *group* where investment decisions are made independently by the individual in control of the relevant fund and those decisions are unfettered by the *group* to which the *investment manager* belongs will be disregarded.

Shares of a non-EEA company

14.2.4

FCA

R

The FCA will not admit *shares* of a *company* incorporated in a *non-EEA State* that are not listed either in its country of incorporation or in the country in which a majority of its *shares* are held, unless the FCA is satisfied that the absence of the listing is not due to the need to protect investors. [Note: Article 51 CARD]

Listing applications

14.2.5

FCA

G

A *company* applying for a *standard listing* of *shares* will need to comply with ■ LR 3 (Listing applications: All securities).

14.2.6

R

[deleted]

14.3 Continuing obligations

Admission to trading

- 14.3.1 FCA R Other than in regard to *securities* to which ■ LR 4 applies, the *listed equity shares* of a *company* must be admitted to trading on a *regulated market* for *listed securities* operated by a *RIE*.

Shares in public hands

- 14.3.2 FCA R (1) A *company* must comply with ■ LR 14.2.2 R at all times.
- (2) A *company* that no longer complies with ■ LR 14.2.2 R must notify the *FCA* as soon as possible of its non-compliance.

- 14.3.2A FCA G Where the *FCA* has modified ■ LR 14.2.2 R to accept a percentage lower than 25% on the basis that the market will operate properly with a lower percentage, but the *FCA* considers that in practice the market for the *shares* is not operating properly, the *FCA* may revoke the modification in accordance with ■ LR 1.2.1 R (4).

- 14.3.3 FCA G A *company* should consider ■ LR 5.2.2G (2) in relation to its compliance with ■ LR 14.2.2 R.

Further issues

- 14.3.4 FCA R Where *shares* of the same *class* as *shares* that are *listed* are allotted, an application for *admission to listing* of such *shares* must be made as soon as possible and in any event within one year of the allotment. [Note: Article 64 *CARD*]

- 14.3.5 R [deleted]

Copies of documents

- 14.3.6 FCA R A *company* must forward to the *FCA* , for publication through the *document viewing facility*, two copies of:

- (1) all *circulars*, notices, reports or other documents to which the *listing rules* apply, at the same time as any such documents are issued; and

14.3.7

FCA

R

- (2) all resolutions passed by the *company* other than resolutions concerning ordinary business at an annual general meeting, as soon as possible after the relevant general meeting.
- (1) A *company* must notify a *RIS* as soon as possible when a document has been forwarded to the *FCA* under ■ LR 14.3.6 R unless the full text of the document is provided to the *RIS*.
- (2) A notification made under (1) must set out where copies of the relevant document can be obtained.

Contact details

14.3.8

FCA

R

A *company* must ensure that the *FCA* is provided with up to date contact details of appropriate *persons* nominated by it to act as the first point of contact with the *FCA* in relation to the *company's* compliance with the *listing rules* and the *disclosure rules* and *transparency rules*, as applicable.

Temporary documents of title (including renounceable documents)

14.3.9

FCA

R

A *company* must ensure that any temporary document of title (other than one issued in global form) for a *share*:

- (1) is serially numbered;
- (2) states where applicable:
- (a) the name and address of the first holder and names of joint holders (if any);
 - (b) the pro rata entitlement;
 - (c) the last date on which transfers were or will be accepted for registration for participation in the issue;
 - (d) how the *shares* rank for dividend or interest;
 - (e) the nature of the document of title and proposed date of issue;
 - (f) how fractions (if any) are to be treated; and
 - (g) for a *rights issue*, the time, being not less than 10 *business days* calculated in accordance with ■ LR 9.5.6 R, in which the offer may be accepted, and how *shares* not taken up will be dealt with; and
- (3) if renounceable:
- (a) states in a heading that the document is of value and negotiable;

- (b) advises holders of *shares* who are in any doubt as to what action to take to consult appropriate independent advisers immediately;
- (c) states that where all of the *shares* have been sold by the addressee (other than ex rights or ex capitalisation), the document should be passed to the person through whom the sale was effected for transmission to the purchaser;
- (d) has the form of renunciation and the registration instructions printed on the back of, or attached to, the document;
- (e) includes provision for splitting (without fee) and for split documents to be certified by an official of the *company* or authorised agent;
- (f) provides for the last day for renunciation to be the second *business day* after the last day for splitting; and
- (g) if at the same time as an allotment is made of *shares* issued for cash, *shares* of the same *class* are also allotted credited as fully paid to vendors or others, provides for the period for renunciation to be the same as, but no longer than, that provided for in the case of *shares* issued for cash.

Definitive documents of title

14.3.10

FCA

R

A *company* must ensure that any definitive document of title for a *share* (other than a bearer *security*) includes the following matters on its face (or on the reverse in the case of (5) and (7)):

- (1) the authority under which the *company* is constituted and the country of incorporation and registered number (if any);
- (2) the number or amount of *shares* the certificate represents and, if applicable, the number and denomination of units (in the top right-hand corner);
- (3) a footnote stating that no transfer of the *share* or any portion of it represented by the certificate can be registered without production of the certificate;
- (4) if applicable, the minimum amount and multiples thereof in which the *share* is transferable;
- (5) the date of the certificate;
- (6) for a fixed income *security*, the interest payable and the interest payment dates and on the reverse (with reference shown on the face) an easily legible summary of the rights as to redemption or repayment and (where applicable) conversion; and

- (7) for *shares* with preferential rights, on the face (or, if not practicable, on the reverse), a statement of the conditions thereof as to capital, dividends and (where applicable) conversion.

Disclosure and Transparency Rules

14.3.11 G FCA A *company* whose *shares* are admitted to trading on a *regulated market* in the *United Kingdom*, should consider its obligations under the *disclosure rules* and *transparency rules*.

14.3.12 R [deleted]

14.3.13 G [deleted]

14.3.14 R [deleted]

Registrar

14.3.15 R FCA (1) This *rule* applies to an *overseas company* for whom the *United Kingdom* is a host Member State for the purposes of the *Transparency Directive*.

(2) An *overseas company* must appoint a registrar in the *United Kingdom* if:

(a) there are 200 or more holders resident in the *United Kingdom*; or

(b) 10% of more of the *shares* are held by *persons* resident in the *United Kingdom*.

14.3.15A G FCA An *overseas company* for whom the *United Kingdom* is the home Member State for the purposes of the *Transparency Directive* should see ■ LR 14.3.22 G and ■ LR 14.3.23 R.

14.3.16 G [deleted]

Notifications relating to capital

14.3.17 R FCA A *company* must notify a *RIS* as soon as possible (unless otherwise indicated in this *rule*) of the following information relating to its capital:

(1) any proposed change in its capital structure including the structure of its *listed debt securities*, save that an announcement of a new issue may be delayed while marketing or underwriting is in progress;

(2) [deleted]

- (3) any redemption of *listed shares* including details of the number of *shares* redeemed and the number of *shares* of that *class* outstanding following the redemption;
- (4) [deleted]
- (5) any extension of time granted for the currency of temporary documents of title;
- (6) [deleted]
- (7) the results of any new issue of *listed equity securities* or of a public offering of existing *shares* or other *equity securities*.

14.3.18 FCA R Where the *shares* are subject to an underwriting agreement a *company* may, at its discretion and subject to ■ DTR 2 (Disclosure and control of inside information by issuers) delay notifying a *RIS* as required by ■ LR 14.3.17R (7) for up to two *business days* until the obligation by the underwriter to take or procure others to take *shares* is finally determined or lapses. In the case of an issue or offer of *shares* which is not underwritten, notification of the result must be made as soon as it is known.

14.3.19 R [deleted]

14.3.20 R [deleted]

14.3.21 R [deleted]

Compliance with the transparency rules

14.3.22 FCA G A *company*, whose *securities* are admitted to trading on a *regulated market*, should consider its obligations under ■ DTR 4 (Periodic financial reporting), ■ DTR 5 (Vote holder and issuer notification rules) and ■ DTR 6 (Access to information).

14.3.23 FCA R A *listed company* that is not already required to comply with the *transparency rules* (or with corresponding requirements imposed by another *EEA Member State*) must comply with ■ DTR 4, ■ DTR 5 and ■ DTR 6 as if it were an *issuer* for the purposes of the *transparency rules*.

14.3.24 FCA R A *listed company* that is not already required to comply with ■ DTR 7.2 (Corporate governance statements), or with corresponding requirements imposed by another *EEA State*, must comply with ■ DTR 7.2 as if it were an *issuer* to which that section applies.



14.4

[Deleted]

Chapter 15

Closed-Ended Investment Funds: Premium listing



15.1 Application

15.1.1

FCA

R

This chapter applies to a *closed-ended investment fund* applying for, or with, a *premium listing* .

15.1.2

[Deleted]



15.2 Requirements for listing

15.2.1

FCA

R

To be *listed*, an *applicant* must comply with:

- (1) ■ LR 2 (Requirements for listing);
- (2) the following provisions of ■ LR 6 (Additional requirements for premium listing (commercial company)) :
 - (a) ■ LR 6.1.3R (1)(d) and ■ (e), if the *applicant* is a *new applicant* for the *admission* of *equity shares* and it has published or filed audited accounts;
 - (b) ■ LR 6.1.3R (2);
 - (c) ■ LR 6.1.16 R to ■ LR 6.1.25 R and ■ LR 6.1.28 R; and
- (3) ■ LR 15.2.2 R to ■ LR 15.2.13A R.

Shares of a non-EEA company

15.2.1A

FCA

R

The *FCA* will not admit *shares* of a *company* incorporated in a *non-EEA State* that are not listed either in its country of incorporation or in the country in which a majority of its *shares* are held, unless the *FCA* is satisfied that the absence of the listing is not due to the need to protect investors.

[Note: Article 51 CARD]

Investment activity

15.2.2

FCA

R

An *applicant* must invest and manage its assets in a way which is consistent with its object of spreading investment risk.

15.2.3

G

[deleted]

15.2.3A

FCA

R

- (1) An *applicant* and its *subsidiary undertakings* must not conduct any trading activity which is significant in the context of its *group* as a whole.

- (2) This rule does not prevent the businesses forming part of the investment portfolio of the *applicant* from conducting trading activities themselves.

15.2.4 **R** [deleted]

15.2.4A **G** Although there is no restriction on an *applicant* taking a controlling stake in an investee company, to ensure a spread of investment risk an *applicant* should avoid:

FCA

- (1) cross-financing between the businesses forming part of its investment portfolio including, for example, through the provision of undertakings or security for borrowings by such businesses for the benefit of another; and
- (2) the operation of common treasury functions as between the *applicant* and investee companies.

Cross-holdings

15.2.5 **R** (1) No more than 10%, in aggregate, of the value of the total assets of an *applicant* at admission may be invested in other *listed closed-ended investment funds*.

FCA

(2) The restriction in (1) does not apply to investments in *closed-ended investment funds* which themselves have published investment policies to invest no more than 15% of their total assets in other *listed closed-ended investment funds*.

Feeder funds

15.2.6 **R** (1) If an *applicant* principally invests its funds in another *company* or fund that invests in a portfolio of *investments* (a "master fund"), the *applicant* must ensure that:

FCA

- (a) the master fund's investment policies are consistent with the *applicant's* published investment policy and provide for spreading investment risk; and
- (b) the master fund in fact invests and manages its investments in a way that is consistent with the *applicant's* published investment policy and spreads investment risk.

(2) Paragraph (1) applies whether the *applicant* invests its funds in the master fund directly or indirectly through other intermediaries.

(3) Where the *applicant* invests in the master fund through a chain of intermediaries between the applicant and the master fund, the *applicant* must ensure that each intermediary in the chain complies with paragraphs (1)(a) and (b).

Investment policy

15.2.7 **R** An *applicant* must have a published investment policy that contains information about the policies which the *closed-ended investment fund* will follow relating to asset allocation, risk diversification, and gearing, and that includes maximum exposures.
FCA

15.2.8 **G** The information in the investment policy, including quantitative information concerning the exposures mentioned in **LR 15.2.7 R**, should be sufficiently precise and clear as to enable an investor to:

- (1) assess the investment opportunity;
- (2) identify how the objective of risk spreading is to be achieved; and
- (3) assess the significance of any proposed change of investment policy.

15.2.9 **R** [deleted]

15.2.10 **G** [deleted]

Independence

15.2.11 **R** The board of *directors* or equivalent body of the *applicant* must be able to act independently :

FCA

- (1) of any *investment manager* appointed to manage *investments* of the *applicant*; and
- (2) if the *applicant* (either directly or through other intermediaries) has an investment policy of principally investing its funds in another *company* or fund that invests in a portfolio of investments ("a master fund"), of the master fund and of any *investment manager* of the master fund.

15.2.11A **R** **LR 15.2.11 R (2)** does not apply if the *company* or fund which invests its funds in another *company* or fund is a *subsidiary undertaking* of the *applicant*.
FCA

15.2.12 **G** [deleted]

15.2.12-A **R** For the purposes of **LR 15.2.11 R**:

FCA

- (1) the chairman of the board or equivalent body of the *applicant* must be independent; and
- (2) a majority of the board or equivalent body of the *applicant* must be independent (the chairman may be included within that majority).

- 15.2.12A **R** For the purposes of ■ LR 15.2.11 R and ■ LR 15.2.12-A R, the following are not independent:
FCA
- (1) *directors, employees*, partners, officers or professional advisers of or to:
 - (a) an *investment manager* of the *applicant*; or
 - (b) a master fund or *investment manager* referred to in ■ LR 15.2.11 R (2); or
 - (c) any other *company* in the same *group* as the *investment manager* of the *applicant*; or
 - (2) *directors, employees* or professional advisers of or to other *investment companies* or funds that are:
 - (a) managed by the same *investment manager* as the *investment manager* to the *applicant*; or
 - (b) managed by any other *company* in the same *group* as the *investment manager* to the *applicant*.
- 15.2.13 **G** [deleted]
- 15.2.13A **R** A *person* referred to in ■ LR 15.2.12A R (1) or ■ (2) who is a *director* of the *applicant* must be subject to annual re-election by the *applicant's* shareholders.
FCA
- 15.2.14 **R** [deleted]
- 15.2.15 **G** [deleted]
- 15.2.16 **R** [deleted]
- 15.2.17 **R** [deleted]
- 15.2.18 **G** [deleted]
- 15.2.19 **R** The board of *directors* or equivalent body of the *applicant* must be in a position to effectively monitor and manage the performance of its key service providers, including any *investment manager* of the *applicant*.
FCA



15.3 Listing applications and procedures

15.3.1

FCA

G

An *applicant* is required to comply with ■ LR 3 (Listing applications).

Sponsors

15.3.2

FCA

G

An *applicant* that is seeking admission of its *equity shares* is required to retain a *sponsor* in accordance with ■ LR 8 (Sponsors).

15.3.3

FCA

R

An *applicant* must appoint a *sponsor* on each occasion that it makes an application for *admission of equity shares* which requires the production of *listing particulars*.

Multi-class fund or umbrella fund

15.3.4

FCA

R

An application for the *listing of securities* of a multi-class fund or umbrella fund must provide details of the various classes or designations of *securities* intended to be issued by the *applicant*.

15.3.5

[Deleted]

15.3.6

[Deleted]

15.3.7

[Deleted]

15.3.8

[Deleted]

15.3.9

[Deleted]

15.3.10

[Deleted]



15.4 Continuing obligations

Compliance with LR 9

- 15.4.1 **R** *A closed-ended investment fund* must comply with all of the requirements of ■ LR 9 (Continuing obligations) subject to the modifications and additional requirements set out in this section.
- FCA**

Investment policy

- 15.4.1A **R** *A closed-ended investment fund* must, at all times, have a published investment policy which complies with ■ LR 15.2.7 R.
- FCA**

- 15.4.1B **G** *A closed-ended investment fund* should have regard to the guidance in ■ LR 15.2.8 G at all times.
- FCA**

Investment activity and compliance with investment policy

- 15.4.2 **R** *A closed-ended investment fund* must, at all times, invest and manage its assets:
- FCA**

- (1) in a way which is consistent with its object of spreading investment risk; and
- (2) in accordance with its published investment policy.

- 15.4.3 **G** [deleted]

- 15.4.3A **R** *A closed-ended investment fund* must comply with ■ LR 15.2.3A R at all times.
- FCA**

- 15.4.4 **R** [deleted]

- 15.4.4A **G** *A closed-ended investment fund* should have regard to the guidance in ■ LR 15.2.4A G at all times.
- FCA**

Cross-holdings

15.4.5 **R** A *closed-ended investment fund* must, when making an acquisition of a constituent investment, observe the principles relating to cross-holdings in **LR 15.2.5 R**.
FCA

Feeder funds

15.4.6 **R** If a *closed-ended investment fund* principally invests its funds in the manner set out in **LR 15.2.6 R**, the *closed-ended investment fund* must ensure that **LR 15.2.6 R** is complied with at all times.
FCA

15.4.6A **G** **LR 15.2.6 R** and **LR 15.4.6 R** are not intended to require the *closed-ended investment fund* to be able to control or direct the master fund or intermediary (as the case may be). But if the *closed-ended investment fund* becomes aware that the master fund or intermediary (as the case may be) is not investing or managing its investments in accordance with that rule it will need to immediately consider withdrawal of its funds from the master fund or intermediary (as the case may be) or other appropriate action so that it is no longer in breach of the *rules*.
FCA

Independence and effective management

15.4.7 **R** **LR 15.2.11 R** to **LR 15.2.13A R** apply at all times to a *closed-ended investment fund*.
FCA

15.4.7A **R** The board of *directors* or equivalent body of the *issuer* must effectively monitor and manage the performance of its key service providers, including any *investment manager* appointed by the *issuer*, on an on-going basis.
FCA

Shareholder approval for material changes to investment policy

15.4.8 **R** A *closed-ended investment fund* must obtain the prior approval of its shareholders to any material change to its published investment policy.
FCA

15.4.9 **G** In considering what is a material change to the published investment policy, the *closed-ended investment fund* should have regard to the cumulative effect of all the changes since its shareholders last had the opportunity to vote on the investment policy or, if they have never voted, since the *admission to listing*.
FCA

Conversion of an existing listed class of equity shares

15.4.10 **R** An existing *listed class* of *equity shares* may not be converted into a new *class* or an *unlisted class* unless prior approval has been given by the shareholders of that existing *class*.
FCA

Further issues

15.4.11 **R** (1) Unless authorised by its shareholders, a *closed-ended investment fund* may not issue further *shares* of the same class as existing *shares* (including issues of *treasury shares*) for cash at a price below the net asset value per *share* of those *shares* unless they are first offered pro rata to existing holders of *shares* of that class.
FCA

(2) When calculating the net asset value per *share*, *treasury shares* held by the *closed-ended investment fund* should not be taken into account.

Cancellation of premium listing

15.4.11A G A *closed-ended investment fund* must comply with ■ LR 5.2.7A R
FCA

15.4.12 R [deleted]

15.4.13 R [deleted]

15.4.14 R [deleted]

15.4.15 R [deleted]

15.4.16 R [deleted]

15.4.17 R [deleted]

15.4.18 R [deleted]

15.4.19 R [deleted]

15.4.20 R [deleted]

15.4.21 R [deleted]

15.4.22 G [deleted]

15.4.23 R [deleted]

15.4.24 R [deleted]

15.4.25 R [deleted]

Externally managed companies

15.4.26 R A *closed-ended investment fund* is not required to comply with ■ LR 9.2.20 R.
FCA

Independent business

15.4.27 R A *closed-ended investment fund* is not required to comply with ■ LR 9.2.2A R to ■ LR 9.2.2G R.
FCA

Notifications to the FCA

15.4.28 R (1) A *closed-ended investment fund* is not required to comply with ■ LR 9.2.23 R in so far as it relates to ■ LR 9.2.2A R, ■ LR 9.2.2E R and ■ LR 9.2.2F R.
FCA

(2) *A closed-ended investment fund* is not required to comply with
■ LR 9.2.24 R to ■ LR 9.2.25 R.

Annual financial statement

15.4.29

FCA

R

A closed-ended investment fund is not required to comply with
■ LR 9.8.4 R (14).

Election of independent directors

15.4.30

FCA

R

A closed-ended investment fund is not required to comply with
■ LR 13.8.17 R.

15.5 Transactions

Compliance with the Model Code

15.5.1

FCA

R

- (1) A *closed-ended investment fund* must comply with the provisions of the *Model Code*.
- (2) ■ LR 9.2.7 R to ■ LR 9.2.10 R do not apply to a *closed-ended investment fund*.
- (3) Paragraph (1) does not apply to:
 - (a) dealings by *persons discharging managerial responsibilities* in the *closed-ended investment fund*;
 - (b) purchases by the *closed-ended investment fund* of its own *securities*; and
 - (c) sales of *treasury shares* for cash or transfers (except for sales and transfers by the *closed-ended investment fund* of *treasury shares* in the circumstances set out in ■ LR 12.6.2 R); if the *closed-ended investment fund* satisfies the requirements of (4).
- (4) The transactions described in (3) may be entered into during a *close period* if:
 - (a) the *closed-ended investment fund* is satisfied that all *inside information* which the *directors* and the entity may have in periods leading up to an announcement of results has previously been notified to a *RIS*; and
 - (b) the *closed-ended investment fund* notifies a *RIS* that it is satisfied that all *inside information* has previously been notified.

Significant transactions

15.5.2

FCA

R

A *closed-ended investment fund* must comply with ■ LR 10 (Significant transactions) and ■ LR 5.6 , except in relation to transactions that are executed in accordance with the scope of its published investment policy.

Transactions with related parties

15.5.3

G

■ LR 11 (Related party transactions) applies to a *closed-ended investment fund*.

FCA

15.5.4

R

In addition to the definition in ■ LR 11.1.4 R a *related party* includes any *investment manager* of the *closed-ended investment fund* and any member of such *investment manager's* group.

FCA

Additional exemption from related party requirements

15.5.5

R

(1) ■ LR 11.1.7 R to ■ LR 11.1.11 R do not apply to an arrangement between a *closed-ended investment fund* and its *investment manager* or any member of that *investment manager's* group where the arrangement is such that each invests in or provides finance to an entity or asset and the investment or provision of finance is either:

- (a) made at the same time and on substantially the same economic and financial terms; or
- (b) referred to in the *closed-ended investment fund's* published investment policy; or
- (c) made in accordance with a pre-existing agreement between the *closed-ended investment fund* and its *investment manager*.

(2) For the purposes of paragraph (1)(c), a pre-existing agreement is an agreement which was entered into at the time the *investment manager* was appointed.

15.5.6

[Deleted]

15.5.7

[Deleted]

15.5.8

[Deleted]

15.5.9

[Deleted]

15.5.10

[Deleted]

15.5.11

[Deleted]

15.5.12

[Deleted]

15.5.13

[Deleted]

15.5.14

[Deleted]

15.5.15

[Deleted]

15.5.16

[Deleted]

15.5.17

[Deleted]

15.5.18

[Deleted]

15.5.19

[Deleted]

15.5.20

[Deleted]

15.5.21

[Deleted]

15.5.22

[Deleted]

15.5.23

[Deleted]



15.6 Notifications and periodic financial information

Changes to tax status

15.6.1
FCA

R

A *closed-ended investment fund* must notify any change in its taxation status to a *RIS* as soon as possible.

Annual financial report

15.6.2
FCA

R

In addition to the requirements in ■ LR 9.8 (Annual financial report), a *closed-ended investment fund* must include in its annual financial report:

- (1) a statement (including a quantitative analysis) explaining how it has invested its assets with a view to spreading investment risk in accordance with its published investment policy;
- (2) a statement, set out in a prominent position, as to whether in the opinion of the *directors*, the continuing appointment of the *investment manager* on the terms agreed is in the interests of its shareholders as a whole, together with a statement of the reasons for this view;
- (3) the names of the fund's *investment managers* and a summary of the principal contents of any agreements between the *closed-ended investment fund* and each of the *investment managers*, including but not limited to :
 - (a) an indication of the terms and duration of their appointment;
 - (b) the basis for their remuneration; and
 - (c) any arrangements relating to the termination of their appointment, including compensation payable in the event of termination;
- (4) [deleted]
- (5) the full text of its current published investment policy; and
- (6) a comprehensive and meaningful analysis of its portfolio.

Annual financial report additional requirements for property investment entities

15.6.3
FCA

R A *closed-ended investment fund* that, as at the end of its financial year, has invested more than 20% of its assets in *property* must include in its annual financial report a summary of the valuation of its portfolio, carried out in accordance with ■ LR 15.6.4 R.

15.6.4
FCA

R A valuation required by ■ LR 15.6.3 R must:

- (1) either:
 - (a) be made in accordance with the Appraisal and Valuation Standards (6th edition) issued by the Royal Institution of Chartered Surveyors; or
 - (b) where the valuation does not comply in all applicable respects with the Appraisal and Valuation Standards (6th edition) issued by the Royal Institution of Chartered Surveyors, include a statement which sets out a full explanation of such non-compliance; and
- (2) be carried out by an external valuer as defined in the Appraisal and Valuation Standards (6th edition) issued by the Royal Institution of Chartered Surveyors.

15.6.5
FCA

R The summary described in ■ LR 15.6.3 R must include:

- (1) the total value of *properties* held at the year end;
- (2) totals of the cost of *properties* acquired;
- (3) the net book value of *properties* disposed of during the year; and
- (4) an indication of the geographical location and type of *properties* held at the year end.

Statement regarding compliance with UK Corporate Governance Code

15.6.6
FCA

- R**
- (1) This *rule* applies to a *closed-ended investment fund* that has no executive *directors*.
 - (2) A *closed-ended investment fund's* statement required by ■ LR 9.8.6 R (6) need not include details about the following principles and provisions of the *UK Corporate Governance Code* except to the extent that those principles or provisions relate specifically to non-executive *directors*:
 - (a) Principle D.1 (including Code Provisions D.1.1 to D.1.5): and
 - (b) Principle D.2 (including Code Provisions D.2.1 to D.2.4).

Annual financial and half yearly report

15.6.7
FCA

R

In addition to the requirements in ■ LR 9 (Continuing obligations), half-yearly reports and, if applicable, preliminary statements of annual results must include information showing the split between:

- (1) dividend and interest received; and
- (2) other forms of income (including income of associated companies).

Notification of cross-holdings

15.6.8
FCA

R

A closed-ended investment fund must notify to a RIS within five business days of the end of each quarter a list of all investments in other listed closed-ended investment funds, as at the last business day of that quarter, which themselves do not have stated investment policies to invest no more than 15% of their total assets in other listed closed-ended investment funds.

15.6.9

[Deleted]

15.6.10

[Deleted]

15.6.11

[Deleted]



15.7 [Deleted]



16.4 Requirements with continuing application

16.4.1

FCA

R

An *open-ended investment company* must comply with:

- (1) ■ LR 9 (Continuing obligations) except ■ LR 9.2.2A R to ■ LR 9.2.2G R, ■ LR 9.2.6B R, ■ LR 9.2.15 R, ■ LR 9.2.20 R, ■ LR 9.2.21 R, ■ LR 9.2.23 R, ■ LR 9.2.24 R, ■ LR 9.2.25 R, ■ LR 9.3.11 R and ■ LR 9.8.4 R (14);
- (2) ■ LR 15.5.1 R;
- (3) ■ LR 15.6.1 R; and
- (4) the condition set out in ■ LR 16.1.1 R (1) or (2).

16.4.2

FCA

R

■ LR 15.6.6 R applies to an *open-ended investment company* if it has no executive *directors*.

16.4.3

FCA

R

The interests of a single *person* or entity which exceeds 10% of the issued *shares* (calculated exclusive of *treasury shares*) of any *class* of *share* in the capital of the *open-ended investment company* must, so far as they are known to it, be notified to a *RIS* as soon as possible following the *open-ended investment company* becoming aware of those interests.

16.4.4

FCA

R

■ LR 10 (Significant transactions) and ■ LR 12 (Dealing in own securities and treasury shares) do not apply to an *open-ended investment company*.

Cancellation of premium listing

16.4.5

FCA

R

An *open-ended investment company* must comply with ■ LR 5.2.7A R

16.4.6

[Deleted]

Election of independent directors

PAGE
5

16.4.7

FCA

R

An *open-ended investment company* is not required to comply with ■ LR 13.8.17 R.



18.2 Requirements for listing

Issuer of securities is taken to be the issuer

18.2.1
FCA

R

If an application is made for the *admission of certificates representing certain securities*, the *issuer* of the *securities* which the certificates represent is the *issuer* for the purpose of the *listing rules* and the application will be dealt with as if it were an application for the *admission* of the *securities*.

Certificates representing certain securities

18.2.2
FCA

R

For *certificates representing certain securities* to be admitted to *listing* an *issuer* of the *securities* which the certificates represent must comply with ■ LR 18.2.3 R to ■ LR 18.2.7 G.

18.2.3
FCA

R

An *issuer* must be:

- (1) duly incorporated or otherwise validly established according to the relevant laws of its place of incorporation or establishment; and
- (2) operating in conformity with its *constitution*. [Note: Articles 42 and 52 CARD]

18.2.4
FCA

R

For the certificates to be *listed*, the *securities* which the certificates represent must:

- (1) conform with the law of the *issuer's* place of incorporation;
- (2) be duly authorised according to the requirements of the *issuer's constitution*; and
- (3) have any necessary statutory or other consents. [Note: Articles 45 and 53 CARD]

PAGE
3

18.2.5
FCA

R

- (1) For the certificates to be *listed*, the *securities* which the certificates represent must be freely transferable. [Note: Articles 46, 54 and 60 CARD]
- (2) For the certificates to be *listed*, the *securities* which the certificates represent must be fully paid and free from all liens and from any

restriction on the right of transfer (except any restriction imposed for failure to comply with a notice under section 793 of the Companies Act 2006 (Notice by company requiring information about interests in its shares)).

18.2.6
FCA

G

The FCA may modify ■ LR 18.2.5 R to allow partly paid *securities* if it is satisfied that their transferability is not restricted and investors have been provided with appropriate information to enable dealings in the *securities* to take place on an open and proper basis. [Note: Articles 46 and 54 CARD]

18.2.7
FCA

G

The FCA may, in exceptional circumstances, modify or dispense with ■ LR 18.2.5 R where the *issuer* has the power to disapprove the transfer of *securities* if the FCA is satisfied that this power would not disturb the market in those *securities*.

Certificates representing equity securities of an overseas company

18.2.8
FCA

R

- (1) If an application is made for the *admission* of a *class* of *certificates representing shares* of an *overseas company*, a sufficient number of certificates must, no later than the time of *admission*, be distributed to the public in one or more *EEA States*.
- (2) For the purposes of paragraph (1), account may also be taken of holders in one or more states that are not *EEA States*, if the certificates are listed in the state or states.
- (3) For the purposes of paragraph (1), a sufficient number of certificates will be taken to have been distributed to the public when 25% of the certificates for which application for *admission* has been made are in public hands.
- (4) For the purposes of paragraphs (1), (2) and (3), certificates are not held in public hands if they are :
 - (a) held, directly or indirectly by:
 - (i) a *director* of the *applicant* or of any of its *subsidiary undertakings*; or
 - (ii) a *person* connected with a *director* of the *applicant* or of any of its *subsidiary undertakings*; or
 - (iii) the trustees of any *employees' share scheme* or pension fund established for the benefit of any *directors* and *employees* of the *applicant* and its *subsidiary undertakings*; or
 - (iv) any *person* who under any agreement has a right to nominate a *person* to the board of *directors* of the *applicant*; or

(v) any *person* or *persons* in the same *group* or *persons* acting in concert who have an interest in 5% or more of the certificates of the relevant *class*.

(b) subject to a lock-up period of more than 180 calendar days.

18.2.9

FCA

G

The *FCA* may modify ■ LR 18.2.8 R to accept a percentage lower than 25% if it considers that the market will operate properly with a lower percentage in view of the large number of certificates of the same *class* and the extent of their distribution to the public. For that purpose, the *FCA* may take into account certificates of the same *class* that are held (even though they are not listed) in states that are not *EEA States*. [Note: Article 48 *CARD*]

18.2.9A

FCA

G

When calculating the number of certificates for the purposes of ■ LR 18.2.8R (4)(a)(v), holdings of *investment managers* in the same *group* where investment decisions are made independently by the individual in control of the relevant fund and those decisions are unfettered by the *group* to which the *investment manager* belongs will be disregarded.

18.2.10

R

[deleted]

Certificates representing securities of an investment entity.

18.2.10A

FCA

R

Certificates representing *equity securities* of an *investment entity* (wherever incorporated or established) will be *admitted to listing* only if the *equity securities* they represent are already *listed* or are the subject of an application for *listing* at the same time.

Additional requirements for the certificates

18.2.11

FCA

R

To be *listed*, the *certificates representing certain securities* must satisfy the requirements set out in ■ LR 2.2.2 R to ■ LR 2.2.11 R. For this purpose, in those *rules* references to *securities* are to be read as references to the *certificates representing certain securities* for which application for *listing* is made.

18.2.12

FCA

R

To be *listed*, the *certificates representing certain securities* must not impose obligations on the *depository* that issues the certificates except to the extent necessary to protect the certificate-holders rights to, and the transmission of entitlements of, the *securities*.

Additional requirements for a depository

18.2.13

FCA

R

[deleted]

18.2.14

FCA

R

A *depository* that issues *certificates representing certain securities* must maintain adequate arrangements to safeguard certificate holders' rights to the *securities* to which the certificates relate, and to all rights relating to the *securities* and all money and benefits that it may receive in respect of them, subject only to payment of the remuneration and proper expenses of the *issuer* of the certificates.



18.3 Listing applications

- 18.3.1 **R** An *applicant for admission of certificates representing certain securities* must comply with ■ LR 3.2 and ■ LR 3.4.4 R to ■ LR 3.4.8 R subject to the following modifications.

FCA
- 18.3.1A **R** An *applicant for admission of certificates representing certain securities* must submit a letter to the *FCA* setting out how it satisfies the requirements in ■ LR 2 and ■ LR 18.2 no later than when the first draft of a *prospectus* for the certificates is submitted, or if the *FCA* is not approving a *prospectus*, at a time agreed with the *FCA* .

FCA
- 18.3.2 **R** In addition to the documents referred to in ■ LR 3.4.6 R, an *applicant for admission of certificates representing certain securities* must keep a copy of the executed deposit agreement for six years after the *admission* of the relevant certificates.

FCA
- 18.3.3 **G** [deleted]

Appendix 1

Relevant definitions

1.1 Relevant definitions

App 1.1.1

FCA

Note: The following definitions relevant to the *listing rules* are extracted from the *Glossary*.

<i>Act</i>	The Financial Services and Markets Act 2000.	
<i>admission or admission to listing</i>	admission of <i>securities</i> to the <i>official list</i> .	
<i>admission to trading</i>	admission of <i>securities</i> to trading on an <i>RIE's</i> market for <i>listed securities</i> .	
<i>advertisement</i>	(as defined in the <i>PD Regulation</i>) announcements:	
	(a)	relating to a specific offer to the public of securities or to an admission to trading on a regulated market; and
	(b)	aiming to specifically promote the potential subscription or acquisition of securities.
<i>applicant</i>	an <i>issuer</i> which is applying for <i>admission of securities</i> .	
<i>asset backed security</i>	(as defined in the <i>PD Regulation</i>) <i>securities</i> which:	
	(1)	represent an interest in assets, including any rights intended to assure servicing, or the receipt or timeliness of receipts by holders of assets of amounts payable there under; or
	(2)	are secured by assets and the terms of which provide for payments which relate to payments or

		reasonable projections of payments calculated by reference to identified or identifiable assets.
<i>associate</i>	(A)	in relation to a <i>director, substantial shareholder, or person exercising significant influence</i> , who is an individual:
	(1)	that individual's spouse , civil partner or child (together "the individual's family");
	(2)	the trustees (acting as such) of any trust of which the individual or any of the individual's family is a beneficiary or discretionary object (other than a trust which is either an <i>occupational pension scheme</i> or an <i>employees' share scheme</i> which does not, in either case, have the effect of conferring benefits on persons all or most of whom are related parties;
	(3)	<p>any <i>company</i> in whose <i>equity securities</i> the individual or any member or members (taken together) of the individual's family or the individual and any such member or members (taken together) are directly or indirectly interested (or have a conditional or contingent entitlement to become interested) so that they are (or would on the fulfilment of the condition or the occurrence of the contingency be) able:</p> <p>(a) to exercise or control the exercise of 30% or more of the votes able to be cast at general meetings on all, or substantially all, matters; or</p> <p>(b) to appoint or remove <i>directors</i> holding a majority of voting rights at board meetings on all, or substantially all, matters;</p>
	(4)	<p>any partnership whether a limited partnership or <i>limited liability partnership</i> in which the individual or any member or members (taken together) of the individual's family are directly or indirectly interested (or have a conditional or contingent entitlement to become interested) so that they hold or control or would on the fulfilment of the condition or the occurrence of the contingency be able to hold or control:</p> <p>(a) a voting interest greater than 30% in the partnership; or</p> <p>(b) at least 30% of the partnership.</p>

	For the purpose of paragraph (3), if more than one <i>director</i> of the <i>listed company</i> , its <i>parent undertaking</i> or any of its <i>subsidiary undertakings</i> is interested in the <i>equity securities</i> of another <i>company</i> , then the interests of those <i>directors</i> and their <i>associates</i> will be aggregated when determining whether that <i>company</i> is an associate of the <i>director</i> .
	(B) in relation to a <i>substantial shareholder</i> or <i>person exercising significant influence</i> , which is a <i>company</i> :
	(1) any other <i>company</i> which is its <i>subsidiary undertaking</i> or <i>parent undertaking</i> or fellow <i>subsidiary undertaking</i> of the <i>parent undertaking</i> ;
	(2) any <i>company</i> whose <i>directors</i> are accustomed to act in accordance with the <i>substantial shareholder's</i> or <i>person exercising significant influence's</i> directions or instructions ;
	(3) any <i>company</i> in the capital of which the <i>substantial shareholder</i> or <i>person exercising significant influence</i> and any other <i>company</i> under paragraph (1) or (2) taken together, is (or would on the fulfilment of a condition or the occurrence of a contingency be) able to exercise power of the type described in paragraph (3)(a) or (b) above of this definition.
	(C) when used in the context of a <i>controlling shareholder</i> who is an individual:
	(1) that individual's spouse, civil partner or child (together "the individual's family");
	(2) the trustees (acting as such) of any trust of which the individual or any of the individual's family is a beneficiary or discretionary object (other than a trust which is either an <i>occupational pension scheme</i> or an <i>employees' share scheme</i> which does not, in either case, have the effect of conferring benefits on persons all or most of whom are <i>controlling shareholders</i>);
	(3) any <i>company</i> in whose <i>equity securities</i> the individual or any member or members (taken together) of the individual's family or the individual and any such member or members (taken together) are directly or indirectly interested (or have a conditional or contingent entitlement to become interested) so that they are (or would on the fulfilment of the condition or the occurrence of the contingency be) able:

(a) to exercise or control the exercise of 30% or more of the votes able to be cast at general meetings on all, or substantially all, matters; or

(b) to appoint or remove *directors* holding a majority of voting rights at board meetings on all, or substantially all, matters;

(4) any partnership whether a limited partnership or *limited liability partnership* in which the individual or any member or members (taken together) of the individual's family are directly or indirectly interested (or have a conditional or contingent entitlement to become interested) so that they hold or control or would on the fulfilment of the condition or the occurrence of the contingency be able to hold or control:

(a) a voting interest greater than 30% in the partnership; or

(b) at least 30% of the partnership.

For the purpose of paragraph (3), if more than one *controlling shareholder* of the *listed company*, its *parent undertaking* or any of its *subsidiary undertakings* is interested in the *equity securities* of another *company*, then the interests of those *controlling shareholders* and their *associates* will be aggregated when determining whether that *company* is an associate of the *controlling shareholder*.

(D) when used in the context of a *controlling shareholder* which is a company:

(1) any other *company* which is its *subsidiary undertaking* or *parent undertaking* or fellow *subsidiary undertaking* of the *parent undertaking*;

(2) any *company* whose *directors* are accustomed to act in accordance with the *controlling shareholder's* directions or instructions;

(3) any *company* in the capital of which the *controlling shareholder* and any other *company* under paragraph (1) or (2) taken together, is (or would on the fulfilment of a condition or the occurrence of a contingency be) able to exercise power of the type described in paragraph (C)(3)(a) or (b) of this definition.

authorised person

(in accordance with section 31 of the *Act* (Authorised persons)) one of the following:

	(a)	a person who has a <i>Part 4A permission</i> to carry on one or more <i>regulated activities</i> ;
	(b)	an <i>incoming EEA firm</i> ;
	(c)	an <i>incoming Treaty firm</i> ;
	(d)	a <i>UCITS qualifier</i> ;
	(e)	an <i>ICVC</i> ;
	(f)	the <i>Society of Lloyd's</i> .
<i>bank</i>	(a)	a firm with a <i>Part 4A permission</i> which includes <i>accepting deposits</i> , and: (i) which is a <i>credit institution</i> ; or (ii) whose <i>Part 4A permission</i> includes a requirement that it comply with the <i>rules in GENPRU and BIPRU</i> relating to <i>banks</i> ; but which is not a <i>building society</i> , a <i>friendly society</i> or a <i>credit union</i> ;
	(b)	an <i>EEA bank</i> which is a <i>full credit institution</i> .
<i>base prospectus</i>		a base prospectus referred to in PR 2.2.7 R
<i>body corporate</i>		(in accordance with section 417(1) of the <i>Act</i> (Definitions)) any body corporate, including a body corporate constituted under the law of a country or territory outside the <i>United Kingdom</i> .
<i>book value of property</i>		(in relation to a <i>property company</i>) the value of a <i>property</i> (which is not classified as a net current asset) before the deduction of mortgages or borrowings as shown in the <i>company's</i> latest annual report and accounts.
<i>break fee arrangement</i>		an arrangement falling within the description in LR 10.2.6A R .
<i>building block</i>		(as defined in the <i>PD Regulation</i>) a list of additional information requirements, not included in one of the schedules, to be added to one or more schedules, as the case may be, depending on the type of instrument and/or transaction for which a prospectus or base prospectus is drawn up.
<i>business day</i>	(1)	(in relation to anything done or to be done in (including to be submitted to a place in) any part of the <i>United Kingdom</i>), any <i>day</i> which is not a Saturday or Sunday, Christmas Day, Good Friday or a bank holiday in that part of the <i>United Kingdom</i> ;
	(2)	(in relation to anything done or to be done by reference to a market outside the <i>United Kingdom</i>) any

		<i>day on which that market is normally open for business.</i>
<i>Buy-back and Stabilisation Regulation</i>		Commission Regulation (EC) of 22 December 2003 implementing the <i>Market Abuse Directive</i> as regards exemptions for buy-back programmes and stabilisation of financial instruments (No 2273/2003).
<i>CARD</i>		<i>Consolidated Admissions and Reporting Directive.</i>
<i>certificate representing certain securities</i>		the <i>investment</i> specified in article 80 of the <i>Regulated Activities Order</i> (Certificates representing certain securities), which is in summary: a certificate or other instrument which confers contractual or property rights (other than rights consisting of <i>options</i>):
	(a)	in respect of any <i>share, debenture, alternative debenture, government and public security</i> or <i>warrant</i> held by a <i>person</i> other than the <i>person</i> on whom the rights are conferred by the certificate or instrument; and
	(b)	the transfer of which may be effected without requiring the consent of that <i>person</i> ;
		but excluding any certificate or other instrument which confers rights in respect of two or more <i>investments</i> issued by different <i>persons</i> or in respect of two or more different <i>government and public securities</i> issued by the same <i>person</i> .
<i>certificate representing debt securities</i>		a <i>certificate representing certain securities</i> where the certificate or other instrument confers rights in respect of <i>debentures, alternative debentures, or government and public securities</i> .
<i>certificate representing equity securities</i>		a <i>certificate representing certain securities</i> where the certificate or other instrument confers rights in respect of <i>equity securities</i> .
<i>certificate representing shares</i>		a <i>certificate representing certain securities</i> where the certificate or other instrument confers rights in respect of <i>equity shares</i> .
<i>charge</i>		(in relation to <i>securitised derivatives</i>) means any payment identified under the terms and conditions of the <i>securitised derivatives</i> .
<i>Chinese wall</i>		an arrangement that requires information held by a <i>person</i> in the course of carrying on one part of its business to be withheld from, or not to be used for, <i>persons</i> with or for whom it acts in the course of carrying on another part of its business.

<i>circular</i>	any document issued to holders of <i>listed securities</i> including notices of meetings but excluding <i>prospectuses, listing particulars, annual reports and accounts, interim reports, proxy cards and dividend or interest vouchers.</i>
<i>class</i>	<i>securities</i> the rights attaching to which are or will be identical and which form a single issue or issues.
<i>class 1 acquisition</i>	a <i>class 1 transaction</i> that involves an acquisition by the relevant <i>listed company</i> or its <i>subsidiary undertaking</i> .
<i>class 1 circular</i>	a <i>circular</i> relating to a <i>class 1 transaction</i> .
<i>class 1 disposal</i>	a <i>class 1 transaction</i> that consists of a disposal by the relevant <i>listed company</i> or its <i>subsidiary undertaking</i> .
<i>class 1 transaction</i>	a transaction classified as a class 1 transaction under LR 10.
<i>class 2 transaction</i>	a transaction classified as a class 2 transaction under LR 10 .
<i>class tests</i>	the tests set out in LR 10 Annex 1 G (and for certain specialist companies, those tests as modified or added to by LR 10.7), which are used to determine how a transaction is to be classified for the purposes of the <i>listing rules</i> .
<i>closed-ended</i>	(in relation to investment entities) an <i>investment company</i> which is not an <i>open-ended investment company</i> .
<i>closed-ended investment fund</i>	an entity:
	(a) which is an undertaking with limited liability, including a company, limited partnership, or <i>limited liability partnership</i> ; and
	(b) whose primary object is investing and managing its assets (including pooled funds contributed by holders of its <i>listed securities</i>):
	(i) in property of any description; and
	(ii) with a view to spreading investment risk.
<i>close period</i>	as defined in paragraph 1(a) of the <i>Model Code</i> .
<i>COBS</i>	the Conduct of Business sourcebook, from 1 November 2007 .
<i>Combined Code</i>	in relation to an <i>issuer</i> the Combined Code on Corporate Governance published in June 2008 by the Financial Reporting Council.

<i>company</i>	any <i>body corporate</i> .
<i>competent authority</i>	(in relation to the functions referred to in Part VI of the <i>Act</i>):
	(a) the authority designated under Schedule 8 to the <i>Act</i> (transfer of functions under Part VI (Official listing)) as responsible for performing those functions under the <i>Act</i> ; for the time being the <i>FCA</i> in its capacity as such; or
	(b) an authority exercising functions corresponding to those functions under the laws of another <i>EEA State</i> .
<i>connected client</i>	in relation to a <i>sponsor</i> or securities house, any client of the <i>sponsor</i> or securities house who is:
	(a) a partner, <i>director</i> , employee or controller (as defined in section 422 of the <i>Act</i>) of the <i>sponsor</i> or securities house or of an undertaking described in paragraph (d);
	(b) the spouse, civil partner or child of any individual described in paragraph (a);
	(c) a <i>person</i> in his capacity as trustee of a private trust (other than a pension scheme or an <i>employees' share scheme</i>) the beneficiaries of which include any <i>person</i> described in paragraph (a) or (b); or
	(d) an undertaking which in relation to the <i>sponsor</i> or securities house is a group undertaking.
<i>connected person</i>	as defined in section 96B(2) of the <i>Act</i> .
<i>Consolidated Admissions and Reporting Directive</i>	Directive of the European Parliament and of the Council on the admission of securities to official stock exchange listing and on information to be published on those securities (No 2001/34/EC).
<i>constitution</i>	memorandum and articles of association or equivalent constitutional document.
<i>contingent liability investment</i>	a <i>derivative</i> under the terms of which the <i>client</i> will or may be liable to make further payments (other than <i>charges</i> , and whether or not secured by <i>margin</i>) when the transaction falls to be completed or upon the earlier <i>closing out</i> of his position.

<i>contract of significance</i>	a contract which represents in amount or value (or annual amount or value) a sum equal to 1% or more, calculated on a <i>group</i> basis where relevant, of:
	(1) in the case of a capital transaction or a transaction of which the principal purpose or effect is the granting of credit, the aggregate of the <i>group's</i> share capital and reserves; or
	(2) in other cases, the total annual purchases, sales, payments or receipts, as the case may be, of the <i>group</i> .
<i>controlling shareholder</i>	as defined in LR 6.1.2A R.
<i>convertible securities</i>	a <i>security</i> which is:
	(1) convertible into, or exchangeable for, other <i>securities</i> ; or
	(2) accompanied by a <i>warrant</i> or <i>option</i> to subscribe for or purchase other <i>securities</i> .
<i>deal</i>	a <i>dealing</i> transaction;
<i>dealing</i>	(in accordance with paragraph 2 of Schedule 2 to the <i>Act</i> (Regulated activities)) buying, selling, subscribing for or underwriting <i>investments</i> or offering or agreeing to do so, either as <i>principal</i> or as agent, including, in the case of an <i>investment</i> which is a <i>contract of insurance</i> , carrying out the contract.
<i>debt security</i>	<i>debentures</i> , <i>alternative debentures</i> , debenture stock, loan stock, bonds, certificates of deposit or any other instrument creating or acknowledging indebtedness.
<i>deferred bonus</i>	any arrangement pursuant to the terms of which an <i>employee</i> or <i>director</i> may receive a bonus (including cash or any security) in respect of service and/or performance in a period not exceeding the length of the relevant financial year notwithstanding that the bonus may, subject only to the <i>person</i> remaining a <i>director</i> or <i>employee</i> of the group, be receivable by the <i>person</i> after the end of the period to which the award relates.
<i>defined benefit scheme</i>	in relation to a <i>director</i> , means a pension scheme which is not a <i>money purchase scheme</i> .
<i>depository</i>	a <i>person</i> that issues <i>certificates representing certain securities</i> that have been <i>admitted to listing</i> or are the subject of an application for <i>admission to listing</i> .
DEPP	the Decision Procedure and Penalties manual

<i>designated professional body</i>	<p>a professional body designated by the Treasury under section 326 of the <i>Act</i> (Designation of professional bodies) for the purposes of Part XX of the <i>Act</i> (Provision of Financial Services by Members of the Professions); as at 21 June 2001 the following professional bodies have been designated in the Financial Services and Markets Act 2000 (Designated Professional Bodies) Order 2001 (SI 2001/1226):</p> <ul style="list-style-type: none"> (a) The Law Society (England and Wales); (b) The Law Society of Scotland; (c) The Law Society of Northern Ireland; (d) The Institute of Chartered Accountants in England and Wales; (e) The Institute of Chartered Accountants of Scotland; (f) The Institute of Chartered Accountants in Ireland; (g) The Association of Chartered Certified Accountants; (h) The Institute of Actuaries.
<i>director</i>	(in accordance with section 417(1)(a) of the <i>Act</i>) a <i>person</i> occupying in relation to it the position of a director (by whatever name called) and, in relation to an <i>issuer</i> which is not a <i>body corporate</i> , a <i>person</i> with corresponding powers and duties.
<i>disclosure rules</i>	(in accordance with sections 73A(1) and 73A(3) of the <i>Act</i>) rules relating to the disclosure of information in respect of <i>financial instruments</i> which have been admitted to trading on a <i>regulated market</i> or for which a request for <i>admission to trading</i> on such a market has been made.
<i>document</i>	any piece of recorded information, including (in accordance with section 417(1) of the <i>Act</i> (Interpretation)) information recorded in any form; in relation to information recorded otherwise than in legible form, references to its production include references to producing a copy of the information in legible form.
<i>document viewing facility</i>	a location identified on the <i>FCA</i> website where the public can inspect documents referred to in the <i>listing rules</i> as being documents to be made available at the document viewing facility.
<i>DTR</i>	the Disclosure Rules and Transparency Rules sourcebook containing the <i>disclosure rules</i> , <i>transparency rules</i> , <i>corpo-</i>

	<i>rate governance rules and the rules relating to primary information providers .</i>
<i>E-Commerce Directive</i>	the Council Directive of 8 June 2002 on legal aspects of <i>information society services</i> , in particular electronic commerce, in the Internal Market (No 2000/31/EC).
<i>EEA State</i>	(in accordance with paragraph 8 of Schedule 3 to the <i>Act (EEA Passport Rights)</i>) a State which is a contracting party to the agreement on the European Economic Area signed at Oporto on 2 May 1992, as it has effect for the time being; as at 1 May 2004, the following are the <i>EEA States</i> : Austria, Belgium, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden and the <i>United Kingdom</i> .
<i>EG</i>	the Enforcement Guide
<i>employee</i>	an individual:
	(a) who is employed or appointed by a <i>person</i> in connection with that <i>person's</i> business, whether under a contract of service or for services or otherwise; or
	(b) whose services, under an arrangement between that <i>person</i> and a third party, are placed at the disposal and under the control of that <i>person</i> ;
	but excluding an <i>appointed representative</i> or, where applicable, a <i>tied agent</i> of that <i>person</i> .
<i>employees' share scheme</i>	has the same meaning as in section 1166 of the Companies Act 2006 .
<i>equity security</i>	<i>equity shares</i> and <i>securities</i> convertible into <i>equity shares</i> .
<i>equity share</i>	<i>shares</i> comprised in a <i>company's equity share capital</i> .
<i>equity share capital</i>	(for a <i>company</i>), its issued share capital excluding any part of that capital which, neither as respects dividends nor as respects capital, carries any right to participate beyond a specified amount in a distribution.
<i>equivalent document</i>	a document containing information equivalent to a <i>prospectus</i> for the purposes of PR 1.2.2 R (2) or (3) or PR 1.2.3 R (3) or (4).
<i>ESMA recommendations</i>	the recommendations for the consistent implementation of the European Commission's Regulation on Prospectuses No 809/2004 published by the European Securities and Markets Authority (ESMA/2011/81).

<i>exercise notice</i>	(in relation to <i>securitised derivatives</i>), a document that notifies the <i>issuer</i> of a holder's intention to exercise its rights under the <i>securitised derivative</i> .	
<i>exercise price</i>	(in relation to <i>securitised derivatives</i>), the price stipulated by the <i>issuer</i> at which the holder can buy or sell the <i>underlying instrument</i> from or to the <i>issuer</i> .	
<i>exercise time</i>	(in relation to <i>securitised derivatives</i>), the time stipulated by the <i>issuer</i> by which the holder must exercise their rights.	
<i>expiration date</i>	(in relation to <i>securitised derivatives</i>), the date stipulated by the <i>issuer</i> on which the holder's rights in respect of the <i>securitised derivative</i> ends.	
<i>external management company</i>	has the meaning in PR 5.5.3A R (i.e., in relation to an <i>issuer</i> that is a <i>company</i> which is not a collective investment undertaking, a <i>person</i> who is appointed by the <i>issuer</i> (whether under a contract of service, a contract for services or any other commercial arrangement) to perform functions that would ordinarily be performed by <i>officers</i> of the <i>issuer</i> and to make recommendations in relation to strategic matters).	
<i>extraction</i>	(in relation to <i>mineral companies</i>), includes mining, quarrying or similar activities and the reworking of mine tailings or waste dumps.	
<i>FCA</i>	the Financial Conduct Authority.	
<i>final terms</i>	the document containing the final terms of each issue which is intended to be <i>listed</i> .	
<i>financial information table</i>	financial information presented in a tabular form that covers the reporting period set out in LR 13.5.13 R in relation to the entities set out in LR 13.5.14 R, and to the extent relevant LR 13.5.17A R .	
<i>group</i>	(1)	except in LR 6.1.4A G, LR 6.1.19 R, LR 6.1.20B G, LR 8.7.8R (10), LR 14.2.2 R, LR 14.2.3A G, LR 18.2.8 R and LR 18.2.9A G, an <i>issuer</i> and its <i>subsidiary undertakings</i> (if any); and
	(2)	in LR 6.1.4A G, LR 6.1.19 R, LR 6.1.20B G, LR 8.7.8R (10), LR 14.2.2 R, LR 14.2.3A G, LR 18.2.8 R and LR 18.2.9A G as defined in section 421 of the <i>Act</i> .
<i>guarantee</i>	(in relation to <i>securitised derivatives</i>), either:	
	(1)	a guarantee given in accordance with LR 19.2.2 R (3) (if any); or
	(2)	any other guarantee of the issue of <i>securitised derivatives</i> .

<i>guidance</i>	guidance given by the <i>FCA</i> under the <i>Act</i> .
<i>Handbook</i>	the <i>FCA</i> 's Handbook of rules and guidance.
<i>holding company</i>	(as defined in section 1159(1) of the Companies Act 2006 (Meaning of "subsidiary" etc) (in relation to another <i>body corporate</i> ("S")) a <i>body corporate</i> which:
	(a) holds a majority of the voting rights in S; or
	(b) is a member of S and has the right to appoint or remove a majority of its board of directors; or
	(c) is a member of S and controls alone, under an agreement with other shareholders and members, a majority of the voting rights in S.
<i>Home Member State or Home State</i>	(as defined in section 102C of the <i>Act</i>) in relation to an issuer of <i>transferable securities</i> , the <i>EEA State</i> which is the "home Member State" for the purposes of the <i>prospectus directive</i> (which is to be determined in accordance with Article 2.1(m) of that directive.
<i>Host Member State or Host State</i>	(as defined in Article 2.1(n) of the <i>prospectus directive</i>) the State where an offer to the public is made or admission to trading is sought, when different from the <i>home Member State</i> .
<i>IAS</i>	<i>International Accounting Standards</i> .
<i>independent director</i>	a <i>director</i> whom a <i>new applicant</i> or <i>listed company</i> has determined to be independent under the <i>UK Corporate Governance Code</i> .
<i>independent shareholder</i>	any <i>person</i> entitled to vote on the election of <i>directors</i> of a <i>listed company</i> that is not a <i>controlling shareholder</i> of the <i>listed company</i> .
<i>information society service</i>	an information society service, as defined by article 2(a) of the <i>E-Commerce Directive</i> and article 1(2) of the Technical Standards and Regulations Directive (98/34/EC), which is in summary any service normally provided for remuneration, at a distance, by means of electronic equipment for the processing (including the digital compression) and storage of data at the individual request of a service recipient.
<i>inside information</i>	as defined in section 118C of the <i>Act</i> .
<i>insider list</i>	a list of persons with access to <i>inside information</i> as required by DTR 2.8.1 R.

<i>intermediaries offer</i>	a marketing of <i>securities</i> already or not yet in issue, by means of an offer by, or on behalf of, the <i>issuer</i> to intermediaries for them to allocate to their own clients.	
<i>International Accounting Standards</i>	international accounting standards within the meaning of EC Regulation No 1606/2002 of the European Parliament and of the Council of 19 July 2002 as adopted from time to time by the European Commission in accordance with that Regulation.	
<i>in the money</i>	(in relation to <i>securitised derivatives</i>):	
	(a)	where the holder has the right to buy the <i>underlying instrument</i> or instruments from the <i>issuer</i> , when the <i>settlement price</i> is greater than the <i>exercise price</i> ; or
	(b)	where the holder has the right to sell the <i>underlying instrument</i> or instruments to the <i>issuer</i> , when the <i>exercise price</i> is greater than the <i>settlement price</i> .
<i>investment entity</i>	an entity whose primary object is investing and managing its assets with a view to spreading or otherwise managing investment risk.	
<i>investment manager</i>	a person who, on behalf of a <i>client</i> , manages <i>investments</i> and is not a wholly-owned <i>subsidiary</i> of the <i>client</i> .	
<i>investment trust</i>	a company listed in the <i>United Kingdom</i> or another <i>EEA State</i> which:	
	(a)	is approved by the Commissioners for HM Revenue and Customs under section 842 of the Income and Corporation Taxes Act 1988 (or, in the case of a newly formed <i>company</i> , has declared its intention to conduct its affairs so as to obtain such approval); or
	(b)	is resident in an <i>EEA State</i> other than the <i>United Kingdom</i> and would qualify for such approval if resident and listed in the <i>United Kingdom</i> .
<i>issuer</i>	any <i>company</i> or other legal person or undertaking (including a <i>public sector issuer</i>), any <i>class</i> of whose <i>securities</i> has been <i>admitted to listing</i> or is the subject of an application for <i>admission to listing</i> .	
<i>limited liability partnership</i>	(a) a <i>body corporate</i> incorporated under the Limited Liability Partnerships Act 2000;	
	(b) a <i>body corporate</i> incorporated under legislation having the equivalent effect to the Limited Liability Partnerships Act 2000.	

<i>list of sponsors</i>	the list of <i>sponsors</i> maintained by the <i>FCA</i> in accordance with section 88(3)(a) of the <i>Act</i> .
<i>listed</i>	admitted to the <i>official list</i> maintained by the <i>FCA</i> in accordance with section 74 of the <i>Act</i> .
<i>listed company</i>	a <i>company</i> that has any <i>class</i> of its <i>securities listed</i> .
<i>listing particulars</i>	(in accordance with section 79(2) of the <i>Act</i>), a document in such form and containing such information as may be specified in <i>listing rules</i> .
<i>listing rules</i>	(in accordance with sections 73A(1) and 73A(2) of the <i>Act</i>) <i>rules</i> relating to admission to the <i>official list</i> .
<i>London Stock Exchange</i>	London Stock Exchange Plc.
<i>long-term incentive scheme</i>	any arrangement (other than a retirement benefit plan, a deferred bonus or any other arrangement that is an element of an executive <i>director's</i> remuneration package) which may involve the receipt of any asset (including cash or any <i>security</i>) by a <i>director</i> or <i>employee</i> of the <i>group</i> :
	(1) which includes one or more conditions in respect of service and/or performance to be satisfied over more than one financial year; and
	(2) pursuant to which the <i>group</i> may incur (other than in relation to the establishment and administration of the arrangement) either cost or a liability, whether actual or contingent.
<i>LR</i>	the sourcebook containing the <i>listing rules</i> .
<i>MAD</i>	<i>Market Abuse Directive</i> .
<i>major subsidiary undertaking</i>	a <i>subsidiary undertaking</i> that represents 25% or more of the aggregate of the gross assets or profits (after deducting all charges except taxation) of the <i>group</i> .
<i>Market Abuse Directive</i>	Directive of the European Parliament and of the Council of 28 January 2003 on insider dealing and market manipulation (market abuse) (No 2003/6/EC).
<i>member</i>	(in relation to a profession) a <i>person</i> who is entitled to practise that profession and, in practising it, is subject to the rules of the relevant <i>designated professional body</i> , whether or not he is a member of that body.
<i>mineral company</i>	a <i>company</i> or <i>group</i> , whose principal activity is, or is planned to be, the <i>extraction</i> of <i>mineral resources</i> (which may or may not include exploration for <i>mineral resources</i>).

<i>mineral expert's report</i>	a competent person's report prepared in accordance with paragraph 133 of the <i>ESMA recommendations</i>	
<i>mineral resources</i>	include metallic and non-metallic ores, mineral concentrates, industrial minerals, construction aggregates, mineral oils, natural gases, hydrocarbons and solid fuels including coal.	
<i>miscellaneous securities</i>	securities which are not:	
	(a)	<i>shares; or</i>
	(b)	<i>debt securities; or</i>
	(c)	<i>asset backed securities; or</i>
	(d)	<i>certificates representing debt securities; or</i>
	(e)	<i>convertible securities which convert to debt securities; or</i>
	(f)	<i>convertible securities which convert to equity securities; or</i>
	(g)	<i>convertible securities which are exchangeable for securities of another company; or</i>
	(h)	<i>certificates representing certain securities; or</i>
	(i)	<i>securitised derivatives.</i>
<i>Model Code</i>	the Model Code on <i>directors' dealings in securities</i> set out in LR 9 Annex 1 R.	
<i>modified report</i>	an accountant's or auditor's report:	
	(a)	in which the opinion is modified; or
	(b)	which contains an emphasis-of-matter paragraph.
<i>money purchase scheme</i>	in relation to a <i>director</i>, means a pension scheme under which all of the benefits that may become payable to or in respect of the <i>director</i> are money purchase benefits.	
<i>net annual rent</i>	(in relation to a <i>property</i>) the current income or income estimated by the valuer:	
	(1)	ignoring any special receipts or deductions arising from the <i>property</i>;
	(2)	excluding Value Added Tax and before taxation (including tax on profits and any allowances for interest on capital or loans); and
	(3)	after making deductions for superior rents (but not for amortisation) and any disbursements including,

		if appropriate, expenses of managing the <i>property</i> and allowances to maintain it in a condition to command its rent.
<i>new applicant</i>		an <i>applicant</i> that does not have any <i>class</i> of its <i>securities</i> already <i>listed</i> .
<i>non-EEA State</i>		a country or state that is not an <i>EEA State</i> .
<i>OECD state guaranteed issuer</i>		an <i>issuer</i> of <i>debt securities</i> whose obligations in relation to those securities have been guaranteed by a member state of the <i>OECD</i> .
<i>offer</i>		an <i>offer of transferable securities to the public</i> .
<i>offer for sale</i>		an invitation to the public by, or on behalf of, a third party to purchase <i>securities</i> of the <i>issuer</i> already in issue or allotted (and may be in the form of an invitation to tender at or above a stated minimum price).
<i>offer for subscription</i>		an invitation to the public by, or on behalf of, an <i>issuer</i> to subscribe for <i>securities</i> of the <i>issuer</i> not yet in issue or allotted (and may be in the form of an invitation to tender at or above a stated minimum price).
<i>offer of transferable securities to the public</i>		(as defined in section 102B of the <i>Act</i>), in summary:
	(a)	a communication to any person which presents sufficient information on:
		(i) the transferable securities to be offered, and (ii) the terms on which they are offered,
		to enable an investor to decide to buy or subscribe for the securities in question;
	(b)	which is made in any form or by any means;
	(c)	including the placing of securities through a financial intermediary;
	(d)	but not including a communication in connection with trading on: (i) a regulated market; (ii) a multilateral trading facility; or (iii) any market prescribed by an order under section 130A of the <i>Act</i> .
		Note: This is only a summary, to see the full text of the definition, readers should consult section 102B of the <i>Act</i> .

<i>offeror</i>	(a)	in LR 5.2.10 R to LR 5.2.11D R, an offeror as defined in the <i>Takeover Code</i> ; and
	(b)	elsewhere in LR, a <i>person</i> who makes an <i>offer of transferable securities to the public</i> .
<i>official list</i>		the list maintained by the <i>FCA</i> in accordance with section 74(1) of the <i>Act</i> for the purposes of Part VI of the <i>Act</i> .
<i>open-ended investment company</i>		as defined in section 236 of the <i>Act</i> (Open-ended investment companies).
<i>open offer</i>		an invitation to existing <i>securities</i> holders to subscribe or purchase <i>securities</i> in proportion to their holdings, which is not made by means of a renounceable letter (or other negotiable document).
<i>operational objectives</i>		as defined in section 1B(3) of the <i>Act</i> .
<i>option</i>		the <i>investment</i> , specified in article 83 of the <i>Regulated Activities Order</i> (Options), which is an option to acquire or dispose of: <ul style="list-style-type: none"> (a) a <i>designated investment</i> (other than an option); or (b) currency of the <i>United Kingdom</i> or of any other country or territory; or (c) palladium, platinum, gold or silver; or (d) an option to acquire or dispose of an option specified in (a), (b) or (c).
<i>overseas</i>		outside the <i>United Kingdom</i> .
<i>overseas company</i>		a <i>company</i> incorporated outside the <i>United Kingdom</i> .
<i>overseas investment exchange</i>		an investment exchange which has neither its head office nor its registered office in the <i>United Kingdom</i> .
<i>parent undertaking</i>		as defined in section 1162 of the Companies Act 2006 .
<i>Part 6 rules</i>		(in accordance with section 73A(1) of the <i>Act</i>) <i>rules</i> made for the purposes of Part 6 of the <i>Act</i> .
<i>PD</i>		<i>prospectus directive</i> .
<i>PD Regulation</i>		Regulation number 809/2004 of the European Commission
<i>percentage ratio</i>		(in relation to a transaction) the figure, expressed as a percentage, that results from applying a calculation under a <i>class test</i> to the transaction.
<i>person</i>		(in accordance with the Interpretation Act 1978) any person, including a body of persons corporate or unincorporate

	(that is, a natural person, a legal person and, for example, a <i>partnership</i>).
<i>person discharging managerial responsibilities</i>	as defined in section 96B(1) of the <i>Act</i> .
<i>person exercising significant influence</i>	in relation to a <i>listed company</i> , a <i>person</i> or entity which exercises significant influence over that <i>listed company</i> .
<i>placing</i>	a marketing of <i>securities</i> already in issue but not <i>listed</i> or not yet in issue, to specified <i>persons</i> or clients of the <i>sponsor</i> or any securities house assisting in the placing, which does not involve an offer to the public or to existing holders of the <i>issuer's securities</i> generally.
<i>PR</i>	the sourcebook containing the <i>Prospectus Rules</i> .
<i>preference share</i>	a <i>share</i> conferring preference as to income or return of capital which does not form part of the <i>equity share capital</i> of a <i>company</i> .
<i>premium listing</i>	(a) in relation to <i>equity shares</i> (other those of a <i>closed-ended investment fund</i> or of an <i>open-ended investment company</i>), means a <i>listing</i> where the <i>issuer</i> is required to comply with those requirements in LR 6 (Additional requirements for premium listing (commercial company)) and the other requirements in the <i>listing rules</i> that are expressed to apply to such <i>securities</i> with a <i>premium listing</i> ;
	(b) in relation to <i>equity shares</i> of a <i>closed-ended investment fund</i> , means a <i>listing</i> where the <i>issuer</i> is required to comply with the requirements in LR 15 (Closed-Ended Investment Funds: Premium listing) and other requirements in the <i>listing rules</i> that are expressed to apply to such <i>securities</i> with a <i>premium listing</i> ;
	(c) in relation to <i>equity shares</i> of an <i>open-ended investment company</i> , means a <i>listing</i> where the <i>issuer</i> is required to comply with LR 16 (Open-ended investment companies: Premium listing) and other requirements in the <i>listing rules</i> that are expressed to apply to such <i>securities</i> with a <i>premium listing</i> .
<i>premium listing (commercial company)</i>	a <i>premium listing</i> of <i>equity shares</i> (other than those of a <i>closed-ended investment fund</i> or of an <i>open-ended investment company</i>).

<i>premium listing (investment company)</i>	a <i>premium listing</i> of equity shares of a closed-ended investment fund or of an open-ended investment company.	
<i>primary information provider</i>	a person approved by the <i>FCA</i> under section 89P of the <i>Act</i> .	
<i>probable reserves</i>	(1)	in respect of <i>mineral companies</i> primarily involved in the <i>extraction</i> of oil and gas resources, those reserves which are not yet <i>proven</i> but which, on the available evidence and taking into account technical and economic factors, have a better than 50% chance of being produced; and
	(2)	in respect of <i>mineral companies</i> other than those primarily involved in the <i>extraction</i> of oil and gas resources, those <i>measured</i> and/or <i>indicated mineral resources</i> , which are not yet <i>proven</i> but of which detailed technical and economic studies have demonstrated that <i>extraction</i> can be justified at the time of the determination and under specified economic conditions.
<i>profit estimate</i>	(as defined in the <i>PD Regulation</i>) a profit forecast for a financial period which has expired and for which results have not yet been published.	
<i>profit forecast</i>	(as defined in the <i>PD Regulation</i>) a form of words which expressly states or by implication indicates a figure or a minimum or maximum figure for the likely level of profits or losses for the current financial period and/or financial periods subsequent to that period, or contains data from which a calculation of such a figure for future profits or losses may be made, even if no particular figure is mentioned and the word "profit" is not used.	
<i>prohibited period</i>	as defined by paragraph 1(e) of the <i>Model Code</i> .	
<i>property</i>	freehold, heritable or leasehold property.	
<i>property company</i>	a <i>company</i> primarily engaged in <i>property</i> activities including:	
	(1)	the holding of <i>properties</i> (directly or indirectly) for letting and retention as investments;
	(2)	the development of <i>properties</i> for letting and retention as investments;
	(3)	the purchase and development of <i>properties</i> for subsequent sale; or
	(4)	the purchase of land for development <i>properties</i> for retention as investments.

<i>property valuation report</i>	a <i>property valuation report</i> prepared by an independent expert in accordance with :	
	(1)	for an <i>issuer</i> incorporated in the <i>United Kingdom</i> , the Channel Islands or the Isle of Man, the Appraisal and Valuation Standards (5th edition) issued by the Royal Institution of Chartered Surveyors; or
	(2)	for an <i>issuer</i> incorporated in any other place, either the standards referred to in paragraph (1) of this definition or the International Valuation Standards (7th edition) issued by the International Valuation Standards Committee.
<i>prospectus</i>	a prospectus required under the <i>prospectus directive</i> .	
<i>prospectus directive</i>	the Directive of the European Parliament and of the Council of 4 November 2003 on the prospectus to be published when securities are offered to the public or admitted to trading (No 2003/71/EC).	
<i>prospectus rules</i>	(as defined in section 73A(4) of the <i>Act</i>) rules expressed to relate to <i>transferable securities</i> .	
<i>proven reserves</i>	(1)	in respect of <i>mineral companies</i> primarily involved in the <i>extraction</i> of oil and gas resources, those reserves which, on the available evidence and taking into account technical and economic factors, have a better than 90% chance of being produced; and
	(2)	in respect of <i>mineral companies</i> other than those primarily involved in the <i>extraction</i> of oil and gas resources, those measured <i>mineral resources</i> of which detailed technical and economic studies have demonstrated that <i>extraction</i> can be justified at the time of the determination, and under specified economic conditions.
<i>public international body</i>	the African Development bank, the Asian Development Bank, the Caribbean Development Bank, the Council of Europe Development Bank, the European Atomic Energy Community, the European Bank for Reconstruction and Development, the European Company for the Financing of Railroad Stock, the <i>EU</i> , the European Investment Bank, the Inter-American Development bank, the International Bank for Reconstruction and Development, the International Finance Corporation, the International Monetary Fund, the Nordic Investment bank.	

<i>public sector issuer</i>	states and their regional and local authorities, <i>state monopolies</i> , <i>state finance organisations</i> , <i>public international bodies</i> , statutory bodies and <i>OECD state guaranteed issuers</i> .
<i>recognised scheme</i>	a <i>scheme</i> recognised under:
	(a) section 264 of the <i>Act</i> (Schemes constituted in other EEA States); or
	(b) [deleted]
	(c) section 272 of the <i>Act</i> (Individually recognised overseas schemes).
<i>registration document</i>	a registration document referred to in PR 2.2.2 R .
<i>Regulated Activities Order</i>	the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (SI 2001/544).
<i>regulated market</i>	a multilateral system operated and/or managed by a <i>market operator</i> , which brings together or facilitates the bringing together of multiple third-party buying and selling interests in <i>financial instruments</i> - in the system and in accordance with its non-discretionary rules -in a way that results in a contract, in respect of the <i>financial instruments</i> admitted to trading under its rules and/or systems, and which is authorised and functions regularly and in accordance with the provisions of Title III of <i>MiFID</i> . [Note: article 4(1)(14) of <i>MiFID</i>]
<i>regulatory information service or RIS</i>	(a) a <i>primary information provider</i> ; or (b) an incoming <i>information society service</i> that has its <i>establishment</i> in an <i>EEA State</i> other than the <i>United Kingdom</i> and that disseminates <i>regulated information</i> in accordance with the minimum standards set out in article 12 of the <i>TD implementing Directive</i> ; or (c) a <i>person</i> to whom DTR TP1.22 applies, for as long as DTR TP 1.22 remains in force.
<i>related party</i>	as defined in LR 11.1.4 R.
<i>related party circular</i>	a <i>circular</i> relating to a <i>related party transaction</i> .
<i>related party transaction</i>	as defined in LR 11.1.5 R.

<i>retail securitised derivative</i>	a <i>securitised derivative</i> which is not a specialist securitised derivative; in this definition, a "specialist securitised derivative" is a <i>securitised derivative</i> which, in accordance with the <i>listing rules</i> , is required to be admitted to listing with a clear statement on any disclosure document that the issue is intended for a purchase by only investors who are particularly knowledgeable in investment matters.
<i>reverse takeover</i>	a transaction classified as a <i>reverse takeover</i> under LR 5.6.
<i>RIE</i>	<i>recognised investment exchange</i> .
<i>rights issue</i>	an offer to existing <i>security</i> holders to subscribe or purchase further <i>securities</i> in proportion to their holdings made by means of the issue of a renounceable letter (or other negotiable document) which may be traded (as "nil paid" rights) for a period before payment for the <i>securities</i> is due.
<i>rule</i>	(in accordance with section 417(1) of the <i>Act</i> (Definitions)) a rule made by the <i>FCA</i> under the <i>Act</i> , including: (a) a <i>Principle</i> ; and (b) an <i>evidential provision</i> .
<i>schedule</i>	(as defined in the <i>PD Regulation</i>) a list of minimum information requirements adapted to the particular nature of the different types of <i>issuers</i> and/or the different <i>securities</i> involved.
<i>scientific research based company</i>	a <i>company</i> primarily involved in the laboratory research and development of chemical or biological products or processes or any other similar innovative science based company.
<i>securities note</i>	a securities note referred to in PR 2.2.2 R .
<i>securitised derivative</i>	an <i>option</i> or <i>contract for differences</i> which, in either case, is listed under LR 19 (including such an <i>option</i> or <i>contract for differences</i> which is also a <i>debenture</i>).
<i>security</i>	(in accordance with section 102A of the <i>Act</i>) anything which has been, or may be admitted to the <i>official list</i> .
<i>settlement price</i>	(in relation to <i>securitised derivatives</i>), the reference price or prices of the <i>underlying instrument</i> or instruments stipulated by the <i>issuer</i> for the purposes of calculating its obligations to the holder.
<i>shadow director</i>	as in sub-paragraph (b) of the definition of director in section 417(1) of the <i>Act</i> .

share	(in accordance with section 540(1) of the Companies Act 2006) a share in the share capital of a <i>company</i> , and includes:	
	(a)	stock (except where a distinction between shares and stock is express or implied); and
	(b)	<i>preference shares</i> .
specialist investor	an investor who is particularly knowledgeable in investment matters.	
specialist securities	<i>securities</i> which, because of their nature, are normally bought and traded by a limited number of investors who are particularly knowledgeable in investment matters.	
specialist securitised derivative	a <i>securitised derivative</i> which because of its nature is normally bought and traded by a limited number of investors who are particularly knowledgeable in investment matters.	
specified investment	any of the following <i>investments</i> specified in Part III of the <i>Regulated Activities Order</i> (Specified Investments):	
	(a)	<i>deposit</i> (article 74);
	(aa)	<i>electronic money</i> (article 74A);
	(b)	<i>contract of insurance</i> (article 75); for the purposes of the permission regime, this is sub-divided into: (i) <i>general insurance contract</i> ; (ii) <i>long-term insurance contract</i> ;
		and then further sub-divided into classes of <i>contract of insurance</i> ;
	(c)	<i>share</i> (article 76);
	(d)	<i>debenture</i> (article 77);
	(da)	<i>alternative debenture</i> (article 77A);
	(e)	<i>government and public security</i> (article 78);
	(f)	<i>warrant</i> (article 79);
	(g)	<i>certificate representing certain securities</i> (article 80);
	(h)	<i>unit</i> (article 81);
	(i)	<i>stakeholder pension scheme</i> (article 82);
	(ia)	<i>emissions auction product</i> (article 82A);
	(j)	<i>option</i> (article 83); for the purposes of the <i>permission</i> regime, this is sub-divided into: (i) <i>option</i> (excluding a <i>commodity option</i> and an <i>option on a commodity future</i>);

		(ii) <i>commodity option</i> and an <i>option on a commodity future</i> ;
	(k)	<i>future</i> (article 84); for the purposes of the <i>permission</i> regime, this is sub-divided into: (i) <i>future</i> (excluding a <i>commodity future</i> and a <i>rolling spot forex contract</i>); (ii) <i>commodity future</i> ; (iii) <i>rolling spot forex contract</i> ;
	(l)	<i>contract for differences</i> (article 85); for the purposes of the <i>permission</i> regime, this is sub-divided into: (i) <i>contract for differences</i> (excluding a <i>spread bet</i> and a <i>rolling spot forex contract</i>); (ii) <i>spread bet</i> ; (iii) <i>rolling spot forex contract</i> ;
	(m)	<i>underwriting capacity of a Lloyd's syndicate</i> (article 86(1));
	(n)	<i>membership of a Lloyd's syndicate</i> (article 86(2));
	(o)	<i>funeral plan contract</i> (article 87);
	(oa)	<i>regulated mortgage contract</i> (article 61(3));
	(ob)	<i>home reversion plan</i> (article 63B(3));
	(oc)	<i>home purchase plan</i> (article 63F(3));
	(od)	<i>regulated sale and rent back agreement</i> (article 63J(3));
	(p)	<i>rights to or interests in investments</i> (article 89).
<i>sponsor</i>		a <i>person</i> approved, under section 88 of the <i>Act</i> by the <i>FCA</i> , as a <i>sponsor</i> .
<i>sponsor service</i>		a service relating to a matter referred to in LR 8.2 that a <i>sponsor</i> provides or is requested or appointed to provide including preparatory work that a <i>sponsor</i> may undertake before a decision is taken as to whether or not it will act as <i>sponsor</i> for a <i>listed company</i> or <i>applicant</i> or in relation to a particular transaction, and including all the <i>sponsor's</i> communications with the <i>FCA</i> in connection with the service . But nothing in this definition is to be taken as requiring a <i>sponsor</i> when requested to agree to act as a <i>sponsor</i> for a <i>company</i> or in relation to a transaction.
<i>standard listing</i>		in relation to <i>securities</i> , means a <i>listing</i> that is not a <i>premium listing</i> .
<i>standard listing (shares)</i>		a <i>standard listing of shares</i> other than <i>preference shares</i> that are <i>specialist securities</i> .

<i>state finance organisation</i>	a legal person other than a <i>company</i>:	
	(1)	which is a national of an <i>EEA State</i>;
	(2)	which is set up by or pursuant to a special law;
	(3)	whose activities are governed by that law and consist solely of raising funds under state control through the issue of <i>debt securities</i>;
	(4)	which is financed by means of the resources they have raised and resources provided by the <i>EEA State</i>; and
	(5)	the <i>debt securities</i> issued by it are considered by the law of the relevant <i>EEA State</i> as securities issued or guaranteed by that state.
<i>state monopoly</i>	a <i>company</i> or other legal person which is a national of an <i>EEA State</i> and which:	
	(1)	in carrying on its business benefits from a monopoly right granted by an <i>EEA state</i>; and
	(2)	is set up by or pursuant to a special law or whose borrowings are unconditionally and irrevocably guaranteed by an <i>EEA state</i> or one of the federated states of an <i>EEA state</i>.
<i>subsidiary undertaking</i>	as defined in section 1162 of the Companies Act 2006 .	
<i>substantial shareholder</i>	as defined in LR 11.1.4A R.	
<i>summary</i>	(in relation to a <i>prospectus</i>) the <i>summary</i> included in the <i>prospectus</i>.	
<i>SUP</i>	the Supervision manual.	
<i>supplementary listing particulars</i>	(in accordance with section 81(1) of the <i>Act</i>), supplementary listing particulars containing details of the change or new matter.	
<i>supplementary prospectus</i>	a supplementary prospectus containing details of a new factor, mistake or inaccuracy.	
<i>Takeover Code</i>	the City Code on Takeovers and Mergers issued by the <i>Takeover Panel</i>.	
<i>target</i>	the subject of a <i>class 1 transaction</i> or <i>reverse takeover</i> .	

<i>tender offer</i>	an offer by a <i>company</i> to purchase all or some of a <i>class</i> of its <i>listed equity securities</i> at a maximum or fixed price (that may be established by means of a formula) that is:
	(1) communicated to all holders of that <i>class</i> by means of a <i>circular</i> or advertisement in two national newspapers;
	(2) open to all holders of that <i>class</i> on the same terms for at least 7 days; and
	(3) open for acceptance by all holders of that <i>class</i> pro rata to their existing holdings.
<i>trading day</i>	a day included in the calendar of trading days published by the <i>FCA</i> at www.fca.org.uk .
<i>trading plan</i>	a written plan between a restricted person and an independent third party which sets out a strategy for the acquisition and/or disposal of <i>securities</i> by a specified person and: <p>(a) specifies the amount of <i>securities</i> to be dealt in and the price at which and the date on which the <i>securities</i> are to be dealt in; or</p> <p>(b) gives discretion to that independent third party to make trading decisions about the amount of <i>securities</i> to be dealt in and the price at which and the date on which the <i>securities</i> are to be dealt in; or</p> <p>(c) includes a written formula or algorithm, or computer program, for determining the amount of <i>securities</i> to be dealt in and the price at which and the date on which the <i>securities</i> are to be dealt in.</p>
<i>transferable security</i>	(as defined in section 102A of the <i>Act</i>) anything which is a transferable security for the purposes of <i>MiFID</i> , other than money-market instruments for the purposes of that directive which have a maturity of less than 12 months.
<i>transparency rules</i>	in accordance with sections 73A(1) and 89A of the <i>Act</i> , rules relating to the notification and dissemination of information in respect of <i>issuers of transferable securities</i> and relating to major shareholdings.
<i>treasury shares</i>	shares which meet the conditions set out in paragraphs (a) and (b) of subsection 724(5) of the Companies Act 2006.
<i>trust deed</i>	a trust deed or equivalent document securing or constituting <i>debt securities</i> .
<i>UK</i>	<i>United Kingdom</i> .

<i>UK Corporate Governance Code</i>	in relation to an <i>issuer</i> , the UK Corporate Governance Code published in May 2010 by the Financial Reporting Council.	
<i>underlying instrument</i>	(in relation to <i>securitised derivatives</i>) means either:	
	(1)	if the <i>securitised derivative</i> is an <i>option</i> or <i>debt security</i> with the characteristics of an <i>option</i> , any of the underlying investments listed in article 83 of the <i>Regulated Activities Order</i> ; or
	(2)	if the <i>securitised derivative</i> is a <i>contract for differences</i> or <i>debt security</i> with the characteristics of a <i>contract for differences</i> , any factor by reference to which a profit or loss under article 85 of the <i>Regulated Activities Order</i> can be calculated.
<i>unrecognised scheme</i>	a <i>collective investment scheme</i> which is neither a <i>recognised scheme</i> nor a scheme that is constituted as an <i>authorised unit trust scheme</i> or an <i>authorised contractual scheme</i> .	
<i>vendor consideration placing</i>	a marketing, by or on behalf of vendors, of <i>securities</i> that have been allotted as consideration for an acquisition.	
<i>venture capital trust</i>	a <i>company</i> which is, or which is seeking to become, approved as a venture capital trust under section 842AA of the Income and Corporation Taxes Act 1988.	
<i>warrant</i>	the <i>investment</i> , specified in article 79 of the <i>Regulated Activities Order</i> (Instruments giving entitlements to investments), which is in summary: a warrant or other instrument entitling the holder to subscribe for a <i>share</i> , <i>debenture</i> , <i>alternative debenture</i> or <i>government and public security</i> .	

Listing Rules

LR TR 12 Transitional Provisions in relation to continuing obligations regarding premium listing

FCA

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provision: coming into force
1.	LR 9.2.2AR (2)(a)	R	LR 9.2.2AR (2)(a) does not apply.	From 16 May 2014 up to and including 16 November 2014	16 May 2014
2.	LR 9.2.2AR (2)(b)	R	LR 9.2.2AR (2)(b) does not apply.	From 16 May 2014 up to and including the date of the next annual general meeting of the <i>listed company</i> , other than an annual general meeting for which notice: <p>(i) has already been given; or</p> <p>(ii) is given within a period of 3 months from the event that resulted in a <i>person</i> becoming a <i>controlling shareholder</i> of a <i>listed company</i>.</p>	16 May 2014
3.	LR 9.2.2E R	R	LR 9.2.2E R does not apply.	From 16 May 2014 up to and including the date of the next annual general meeting of the <i>listed company</i> other than	16 May 2014

(1)	(2) Material to which the transitional provision applies	(3)	(4) Transitional provision	(5) Transitional provision: dates in force	(6) Handbook provision: coming into force
				<p>an annual general meeting for which notice:</p> <p>(i) has already been given; or</p> <p>(ii) is given within a period of 3 months from the event that resulted in a <i>person</i> becoming a <i>controlling shareholder</i> of a <i>listed company</i>.</p>	
4.	LR 9.2.21 R	R	Where a <i>listed company</i> is admitted to the <i>premium listing</i> category of the <i>official list</i> on or before 15 May 2014, LR 9.2.21 R does not apply.	From 16 May 2014 up to and including 16 May 2016	16 May 2014
5.	LR 9.8.4C R	R	LR 9.8.4C R does not apply to a <i>listed company</i> with a financial year ending on or before 31 August 2014.	From 16 May 2014	16 May 2014
6.	LR 13.8.17 R	R	LR 13.8.17 R does not apply.	From 16 May 2014 up to and including 16 August 2014	16 May 2014