

# London Stock Exchange

## Admission and Disclosure Standards

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## Contents

CONTENTS .....	I
GLOSSARY .....	1
SECTION 1: INTRODUCTION .....	12
SECTION 2: ADMISSION CONDITIONS .....	19
PART 1 – Admission Conditions .....	19
Settlement .....	20
Communication .....	20
PART 2 – Other Criteria .....	21
PART 3 – Admission process .....	21
SECTION 3: APPLICATION RULES .....	23
Introduction .....	23
Provisional application .....	23
Formal application .....	23
Further issues .....	23
Fees .....	23
When Issued Dealing .....	23
After admission .....	24
Block admission .....	24
SECTION 4: CONTINUING OBLIGATIONS .....	25
General .....	25
Provision of information .....	26
Depository receipts .....	26
EEA ETFs .....	26
Settlement .....	27
Fees .....	27
Suspension .....	27
Cancellation .....	28
Compliance and Appeals .....	28
SECTION 5 - COMPLIANCE PROCEDURES .....	30
Disciplinary process .....	30
Non-disciplinary appeal process .....	33
Process and Procedures .....	33
Burden of proof .....	33
Market guidance .....	34

## ADMISSION AND DISCLOSURE STANDARDS

Warning Notices .....	34
Function of Warning Notices.....	34
Executive Panel.....	34
Role .....	34
Disciplinary Powers .....	34
Appeal powers .....	34
Membership .....	35
Confidentiality .....	35
Mode of referral when acting as a tribunal of first instance .....	35
Mode of referral when acting as an appellate tribunal .....	36
Procedure .....	36
Deliberations and decisions .....	36
Appeal.....	37
Changes to the procedures.....	38
Disciplinary Committee .....	38
Role .....	38
Disciplinary powers .....	38
Membership .....	38
Secretary .....	39
Confidentiality .....	40
Mode of referral .....	40
Procedure .....	40
Directions.....	40
The hearing.....	41
Deliberations and decisions .....	43
Appeal.....	44
Changes to the procedures.....	44
Appeals Committee .....	44
Role .....	44
Sanctions .....	44
Membership .....	45
Secretary .....	45
Confidentiality .....	46
Procedure .....	46
Directions.....	47

## ADMISSION AND DISCLOSURE STANDARDS

The hearing.....	47
Deliberations and decisions .....	48
Changes to the procedures.....	49
Consent orders .....	49
SCHEDULE 1 – ADMISSION PROCEDURES .....	51
Part A – Provisional Application.....	51
Part B – Formal Application .....	51
Part C – Applications for certain securities .....	52
SCHEDULE 2 – WHEN ISSUED DEALING .....	55
SCHEDULE 3 – CORPORATE ACTIONS .....	56
Timetable for corporate actions.....	56
Timetable for open offer .....	57
Continuing obligations for depositary receipt issuers .....	58
SCHEDULE 4 – SPECIALIST FUND SEGMENT .....	60
SCHEDULE 5 –HIGH GROWTH SEGMENT RULEBOOK .....	61
INTRODUCTION.....	66
SECTION A – ADMISSION.....	66
A1: Eligibility for admission .....	66
A2: Procedure for admission .....	68
SECTION B – CONTINUING OBLIGATIONS .....	70
B1: Continuing eligibility requirements.....	70
B2: Advice of Key Advisers .....	70
B3: Notifiable transactions.....	71
B4: Related party transactions.....	72
B5: Reverse takeovers .....	73
B6: Requirement for notifications to a RIS.....	75
B7: Continuing website disclosures .....	75
B8: Corporate governance .....	76
B9: Cancellation of admission .....	76
B10: Discipline of Issuers .....	78
SECTION C - KEY ADVISERS .....	79
ANNEX 1 - CLASS TESTS .....	80
ANNEX 2 - NOTIFIABLE TRANSACTIONS.....	86
ANNEX 3 - KEY ADVISERS .....	88
Responsibilities of a Key Adviser .....	88

## **ADMISSION AND DISCLOSURE STANDARDS**

Principles for Key Advisers .....	88
Role of a Key Adviser .....	89
Criteria for Approval as a Key Adviser .....	90
List of Key Advisers .....	90
Application for approval as a Key Adviser.....	90
Criteria for approval as a Key Adviser .....	91
Competence of a Key Adviser .....	91
Record management .....	91
Contact persons.....	92
Supervision of Key Advisers .....	92
General notifications .....	93
Cancellation of Key Adviser Status .....	94
Publication of the cancellation of Key Adviser status .....	95
Discipline of Key Advisers.....	95
Disciplinary process .....	95
Sanctions .....	95
Appeals by Key Advisers .....	96
SCHEDULE 6 – ADMISSION TO TRADING ONLY .....	97
At admission.....	97
All securities.....	97
Additional obligations for issuers of unlisted DRs .....	97
Continuing obligations .....	99
All securities.....	99
Additional obligations for issuers of unlisted DRs .....	100
SCHEDULE 7 – SHANGHAI-LONDON STOCK CONNECT AND SHENZHEN-LONDON STOCK CONNECT .....	102
SCHEDULE 8 – VOLUNTARY CARBON MARKET .....	103
Definitions.....	103
Voluntary Carbon Market Designation Requirements.....	105
Continuing Obligations .....	109
Liaising with the Exchange .....	112
Refusal and Removal of the Voluntary Carbon Market Designation.....	113
Confidential Information.....	115
Sanctions.....	115

## Glossary

The following terms have the following meanings when used in the **Standards** unless the context otherwise requires. For any defined terms not listed here, please refer to the Rules of the **London Stock Exchange**.

Where **UK** legislative or regulatory references are used in the **Standards**, these should be read as referring to the law or regulation in force from time to time.

For the avoidance of doubt: (i) reference to any EU regulation as applied in the **UK** means a reference to the relevant regulation as it is applied in the **UK** pursuant to the European Union (Withdrawal) Act 2018 and regulations made pursuant to the Act following IP Completion Day (as defined in the European Union (Withdrawal Agreement) Act 2020); and (ii) references to **regulated market** and **MTF** are references to **UK regulated markets** and **UK MTFs** unless stated otherwise.

The **High Growth Segment** rulebook at Schedule 5 contains a separate glossary which should be read in conjunction with that schedule only.

<b>Admission and Disclosure Standards (Standards)</b>	the <b>Exchange's</b> Admission and Disclosure Standards for <b>securities admitted</b> or seeking to be <b>admitted to trading</b> , as set out in this document (including the schedules), as amended from time to time.
<b>admission/admitted</b> or <b>admission/admitted to trading</b> or <b>admission/admitted to trading on the Exchange's markets</b>	admission to trading on the <b>Exchange's</b> markets (other than <b>AIM</b> ) and 'admitted' and 'traded' shall be construed accordingly. For the avoidance of doubt this does not include ' <b>when issued dealing</b> '.
<b>Admission to Trading Only</b> or <b>ATT Only</b>	'Admission to Trading Only' allows eligible <b>issuers</b> to trade on the <b>Exchange's</b> trading services on the basis of a <b>listing</b> on a <b>suitable exchange</b> , where the <b>issuer</b> has agreed to comply with the <b>Standards</b> . 'Admission to Trading Only' is part of the <b>Exchange's UK MTF</b> . <b>Securities admitted</b> to 'Admission to Trading Only' are not <b>admitted</b> to the <b>Official List</b> .
<b>AIM</b>	the <b>Exchange's</b> market for smaller, growing companies. <b>Securities</b> admitted to <b>AIM</b> are not <b>admitted</b> to the <b>Main Market</b> .
<b>applicant</b>	an <b>issuer</b> that is proposing to apply, or is applying, for <b>admission to trading</b> of any of its <b>securities</b> .
<b>application</b>	an application made by an <b>applicant</b> .

## ADMISSION AND DISCLOSURE STANDARDS

<b>block admission</b>	<p>an <b>issuer</b> may apply for a block admission of a specified number of <b>securities</b> if:</p> <ul style="list-style-type: none"><li>(a) the <b>securities</b> are not allotted prior to <b>admission</b>;</li><li>(b) no <b>prospectus</b> or <b>listing particulars</b> are required for the <b>securities</b>; and</li><li>(c) the <b>application</b> process can be made more efficient due to the frequent or irregular nature of allotments.</li></ul> <p>Examples may include an employee share scheme or a regular savings scheme and the exercise of options.</p>
<b>bonus issue</b>	issue of shares to existing shareholders, free of charge, in proportion to their holding.
<b>business day</b>	any day on which the <b>Exchange</b> is open for dealing.
<b>capital reorganisation</b>	reorganisation of a company's share capital resulting in a change in nominal value.
<b>capitalisation issue</b>	see "bonus issue".
<b>capitalisation of reserves</b>	distributing existing financial reserves to existing shareholders by issuing extra shares, free of charge, in proportion to their holding.
<b>central counterparty</b>	a body that assumes the risk for <b>central counterparty transactions</b> .
<b>central counterparty security</b>	a security designated by the <b>Exchange</b> and a <b>central counterparty</b> as eligible for <b>central counterparty</b> processing.
<b>central counterparty transactions</b>	an electronically matched order on the <b>trading system</b> in a <b>central counterparty security</b> .
<b>central securities depositary</b>	an entity which operates a system enabling clients to hold, manage and transfer <b>securities</b> by book entry.
<b>class</b>	<b>securities</b> , the rights attaching to which are, or will be, identical and which form a single issue (or series of issues).
<b>competent authority</b>	a <b>competent authority</b> for <b>listing</b> and approval of <b>prospectuses</b> in the <b>UK</b> or the relevant <b>EEA</b> member state. In the <b>UK</b> , the competent authority is the primary market function of the <b>FCA</b> .

## ADMISSION AND DISCLOSURE STANDARDS

<b>Compliance Procedures</b>	the compliance procedures as issued by the <b>Exchange</b> from time to time, setting out procedures for the <b>Exchange</b> when imposing sanctions on an <b>issuer</b> who has contravened the <b>Standards</b> and procedures for <b>issuers</b> in relation to appeals regarding the <b>Exchange's</b> application and interpretation of the <b>Standards</b> , contained herein.
<b>conversions</b>	conversion from one class of security to another (e.g. Preference to Ordinary).
<b>consolidations</b>	where a company changes the structure of its share capital by reducing the number of shares it has in issue and increasing the nominal value and share price.
<b>covered warrant</b>	a <b>listed</b> security issued by a party other than the <b>issuer</b> or originator of the underlying asset, that gives the holder the right, but not the obligation, to buy or sell an underlying asset at a specified price during, or at the end of, a specified time period.
<b>currency elections</b>	distribution of cash to shareholders in proportion to their holdings, where holders have the option to elect for payment in alternative currencies.
<b>Datasync Email Service</b>	the Datasync Email Service is disseminated hourly from 10:00 to 18:00. Subscribers receive an email containing a report in an excel format which provides advanced notification of revisions to Exchange reference data and details updates to the trading system, which are effective on the following <b>trading day</b> .
<b>debt securities</b>	<b>securities</b> representing a loan from an investor to an <b>issuer</b> for which an <b>issuer</b> generally promises to pay a certain amount in excess of the nominal rate (usually deemed interest) on a specified date. For example debentures, debenture or loan stock, bonds and notes, whether secured or unsecured.
<b>demergers</b>	free distribution of stock in a subsidiary company or a holding in another company to existing shareholders.
<b>deposit agreement</b>	an appropriate agreement in place between an <b>issuer</b> of <b>depositary receipts</b> and its <b>depositary bank</b> .
<b>depositary bank</b>	the bank who issues the <b>depositary receipts</b> .
<b>depositary receipt (DR)</b>	a transferable certificate that represents shares in a company and confers certain rights in respect of those shares, issued by a <b>depositary bank</b> for the purposes of <b>admission to trading</b> .



## ADMISSION AND DISCLOSURE STANDARDS

<b>designated representative</b>	a representative of the <b>issuer</b> (not being an employee of the <b>issuer</b> ) acting on behalf of the <b>issuer</b> as the primary day-to-day contact point with the <b>Exchange</b> on regulatory matters.
<b>designation</b>	a designation provided by the <b>Exchange</b> to certain <b>securities</b> , subject to requirements, as set out in the <b>Standards</b> .
<b>Disclosure Guidance and Transparency Rules (DTR)</b>	the Disclosure Guidance and Transparency Rules of the <b>FCA</b> , which can be found in the <b>FCA Handbook</b> .
<b>Dividend Re-Investment Program (DRIP)</b>	cash dividend where holders have the option to reinvest the cash into existing shares of the company at the market price.
<b>Dividend Re-Investment Scheme (DRIS)</b>	cash dividend where holders have the option to reinvest the cash into new shares of the company at the market price or net asset value.
<b>EEA</b>	the European Economic Area.
<b>EEA ETFs</b>	an <b>ETF</b> incorporated in a jurisdiction within the <b>EEA</b> and which is <b>listed</b> with an <b>EEA competent authority</b> .
<b>EEA MTF</b>	an <b>MTF</b> which operates in accordance with Title II of <b>MiFID</b> .
<b>EEA regulated market</b>	a <b>regulated market</b> which is authorised and functions regularly and in accordance with Title III of <b>MiFID</b> .
<b>enfranchisements</b>	change of voting rights in a class of shares, normally by a conversion into a new class.
<b>Exchange</b>	London Stock Exchange plc, which trades as “London Stock Exchange”.
<b>Exchange Traded Funds (ETFs)</b>	<b>listed</b> funds that track the performance of an underlying index or basket and can be traded in the same way as an ordinary share.
<b>Exchange Traded Products (ETPs)</b>	<b>listed securities</b> (asset backed notes) that track the performance of a single underlying index or basket. Exchange Traded Commodities (ETCs) and Exchange Traded Notes (ETNs) are classified as <b>ETPs</b> .

## ADMISSION AND DISCLOSURE STANDARDS

<b>‘ex’ date</b>	when a stock or dividend is issued by a company it is based upon an "on register" or " <b>record date</b> ". However, to create a level playing field, when shares are traded on the <b>Exchange</b> , during a benefit event (e.g. a dividend payment) an ‘ex’ date is set. Before this ‘ex’ date, if the shares are sold, the buying party is entitled to the benefit. If the benefit is received by the selling party the selling party will be required to pass on the benefit to the buying party.
<b>FCA</b>	Financial Conduct Authority.
<b>FCA Handbook</b>	the <b>FCA</b> Handbook of rules and guidance.
<b>FCA recognition status</b>	EEA UCITS which have been individually recognised by the <b>FCA</b> pursuant to section 272 of <b>FSMA</b> or temporary recognition of <b>UCITS</b> under Part 6 of the Collective Investment Schemes (Amendment etc.) (EU Exit) Regulations 2019.
<b>Form 1</b>	the <b>Exchange’s</b> form to complete for formal <b>application</b> of <b>admission</b> of <b>securities</b> to trading. The Form 1 can be found on the <b>Exchange’s</b> website.
<b>freely negotiable</b>	<b>transferable securities</b> shall be considered freely negotiable if they can be traded between the parties to a transaction, and subsequently transferred without restriction, and if all <b>securities</b> within the same class as the <b>security</b> in question are fungible.
<b>FSMA</b>	Financial Services and Markets Act 2000.
<b>High Growth Segment</b>	the High Growth Segment of the <b>Main Market</b> , principally for high growth, trading businesses that intend in due course to seek admission to the <b>Official List</b> but that may not yet meet the applicable eligibility criteria, in particular due to having a lower proportion of <b>securities</b> in public hands. The High Growth Segment is part of the <b>Exchange’s regulated market</b> . <b>Securities</b> admitted to the High Growth Segment are not admitted to the <b>Official List</b> .
<b>investment entities</b>	collective investment undertakings of the closed-end type.
<b>ISM</b>	International Securities Market of the <b>Exchange</b> , which is a specialist market tailored to professional investors. ISM is an <b>MTF</b> operated by the <b>Exchange</b> . Securities (as defined in the <b>ISM Rulebook</b> ) <b>admitted to trading</b> on ISM are not admitted to the <b>Official List</b> maintained by the <b>FCA</b> .

## ADMISSION AND DISCLOSURE STANDARDS

<b>ISM Rulebook</b>	the rules which apply to an <b>issuer</b> seeking <b>admission to trading</b> of Securities (as defined in the ISM Rulebook), or whose Securities (as defined in the ISM Rulebook) are <b>admitted to trading</b> , on <b>ISM</b> .
<b>issuer</b>	any company or other legal person or undertaking (including a <b>public sector issuer</b> ) any <b>class</b> of whose <b>securities</b> has been <b>admitted</b> , or is proposed to be, the subject of an <b>application</b> for <b>admission to trading</b> .
<b>listed or listing</b>	<p>(i) for companies for which the <b>FCA</b> is the home <b>competent authority</b>, <b>listed</b> is as defined under the <b>Listing Rules</b>.</p> <p>(ii) for other companies, <b>listed</b> is defined as admitted to <b>listing</b> in accordance with their <b>securities regulator's</b> rules.</p> <p><b>Listing</b>, <b>listed</b> and <b>unlisted</b> shall be construed accordingly.</p>
<b>listed structured products</b>	<b>listed</b> , cash settled, securitised derivatives issued by a party other than the <b>issuer</b> or originator of the underlying asset.
<b>listing particulars</b>	a document in such form and containing such information as may be specified in the <b>Listing Rules</b> , including any supplementary listing particulars.
<b>Listing Rules</b>	the Listing Rules of the <b>FCA</b> , which can be found in the <b>FCA Handbook</b> .
<b>Main Market</b>	the <b>Exchange's regulated market</b> for <b>securities admitted to trading</b> , which must meet the associated requirements for a <b>UK regulated market</b> and the <b>Listing Rules</b> . The Main Market includes <b>securities admitted</b> to the <b>Official List</b> (premium or standard <b>listing</b> ), the <b>Specialist Fund Segment</b> and the <b>High Growth Segment</b> .
<b>market capitalisation</b>	is the aggregate market value of all the <b>securities</b> (excluding treasury shares).
<b>MiFID</b>	the European Parliament and Council Directive on markets in financial instruments (No. 2014/65/EU) as applied in the <b>EEA</b> .
<b>multilateral trading facility or MTF</b>	a multilateral system, operated by an investment firm or market operator, which brings together multiple third-party buying and selling interests in financial instruments (in the system and in accordance with non-discretionary rules) in a way which results in a contract.
<b>new applicant</b>	an applicant with no <b>securities</b> already <b>admitted to trading</b> .

## ADMISSION AND DISCLOSURE STANDARDS

<b>offer for subscription</b>	an invitation to the public by, or on behalf of, an <b>issuer</b> to subscribe for <b>securities</b> of the <b>issuer</b> not yet in issue or allotted (and may be in the form of an invitation to tender at or above a stated minimum price).
<b>Official List</b>	the list maintained by the <b>FCA</b> in accordance with section 74(1) of the Financial Services and Markets Act 2000.
<b>open offer</b>	offer to existing shareholders where they can buy new shares in the company in proportion to their existing holding, usually at a discount to the market price. Holders cannot trade in the open offer entitlement. Also known as “non-renounceable rights”.
<b>order book</b>	a facility operated by the <b>Exchange</b> for the electronic submission and automatic execution of orders in any <b>order book security</b> .
<b>Order book for Retail Bonds</b>	the <b>trading service</b> operated by the <b>Exchange</b> for <b>debt securities</b> that are eligible for the <b>Order book for Retail Bonds</b> .
<b>order book security</b>	a security which the <b>Exchange</b> has <b>admitted to trading</b> on an <b>order book</b> .
<b>order-driven trading service</b>	a trading service based on an <b>order book</b> .
<b>prescribed market</b>	a market which has been prescribed by the Financial Services and Markets Act 2000 (Prescribed Markets and Qualifying Investments) Order 2001 (SI 2001/996).
<b>Prospectus</b>	the document prepared in connection with an <b>application</b> for <b>admission</b> of <b>securities</b> to trading on a <b>UK regulated market</b> or an offer of <b>securities</b> to the public in the <b>UK</b> pursuant to the <b>Prospectus Rules</b> .
<b>Prospectus Rules</b>	The Prospectus Regulation Rules sourcebook which can be found in the <b>FCA Handbook</b> .
<b>Prospectus Regulation</b>	Regulation (EU) 2017/1129 of the European Parliament and of the Council as applied in the <b>UK</b> .
<b>PSM</b>	the Professional Securities Market, which is a market for <b>debt securities</b> or <b>depositary receipts</b> of any denomination, aimed at professional investors. PSM is a <b>UK MTF</b> operated by the Exchange. <b>Securities admitted to trading</b> on PSM must be <b>listed</b> in accordance with Chapter 4 of the <b>Listing Rules</b> .

## ADMISSION AND DISCLOSURE STANDARDS

<b>public sector issuers</b>	states and their regional and local authorities, state monopolies, state finance organisations, public international bodies and statutory bodies.
<b>Recognised Investment Exchange</b>	an organisation that is recognised by <b>FCA</b> as complying with the recognition requirements laid down in the <b>Recognition Requirements Regulations</b> .
<b>Recognition Requirements Regulations</b>	the Financial Services and Markets Act 2000 (Recognition Requirements for Investment Exchanges, Clearing Houses and Central Securities Depositories) Regulations 2001.
<b>record date</b>	the date on which a shareholder must be registered as the owner of shares in order to receive a dividend or other entitlement.
<b>redenomination</b>	the process of changing the currency on a financial security.
<b>Redemptions</b>	repayment of a holding of a <b>class</b> of security.
<b>Reference Data Service</b>	the <b>Exchange's</b> Reference Data Service, designed to enable market participants to synchronise their trading database with that of the <b>Exchange</b> .
<b>Regulatory Information Service (RIS)</b>	as such term is defined in the <b>FCA Handbook</b> .
<b>regulated market</b>	a multilateral system operated or managed by a market operator, which brings together or facilitates the bringing together of multiple third-party buying and selling interests in financial instruments (in the system and in accordance with non-discretionary rules) in a way that results in a contract, in respect of the financial instruments admitted to trading under its rules or systems.
<b>return of capital/cash</b>	distribution of cash normally resulting from the sale of an asset or <b>securities</b> or other transaction unrelated to retained earnings.
<b>rights issue</b>	offer to existing shareholders where they can buy new shares in the company in proportion to their existing holding usually at a discount to the market price. Holders also have the ability to trade in the rights.
<b>RNS</b>	the <b>Regulatory Information Service</b> of the <b>Exchange</b> .
<b>scheme of arrangement</b>	a scheme of arrangement requiring shareholder approval under Part 26 of the Companies Act 2006.
<b>scheme of reconstruction</b>	a reconstruction under section 110 of the Insolvency Act 1986.

## ADMISSION AND DISCLOSURE STANDARDS

<b>scrip dividend</b>	distribution of a dividend to shareholders with an option to elect to receive new shares in the company based on a predetermined price instead of a cash payment.
<b>securities</b>	shares, <b>depository receipts</b> , units in a collective investment scheme (as defined in the Financial Services and Markets Act 2000), options to subscribe or purchase <b>securities</b> , treasury shares, <b>specialist securities</b> and other instruments specified in part 1 of Schedule 2 to the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 ("financial instruments").
<b>securities regulator</b>	any regulator of financial services to which the <b>issuer</b> is bound to comply with its rules and regulations. This may or may not be the same as (or may be in addition to) its <b>competent authority</b> .
<b>Self Service Portal or SSP</b>	the <b>Exchange's</b> online interactive portal for the formal application in relation to the <b>admission</b> of <b>securities</b> . The portal link can be found on the <b>Exchange's</b> website.
<b>Settlement</b>	the process of completing transactions through delivery of the <b>securities</b> together with any related rights and benefits, in return for payment.
<b>Shanghai-London Stock Connect</b>	Shanghai-London Stock Connect is a collaboration between the <b>Exchange</b> and the Shanghai Stock Exchange, which enables (i) investors to access Chinese A-Shares through a <b>depository receipt</b> programme listed in London; and (ii) qualifying <b>listed issuers</b> , through separate depository receipt programmes, to be admitted to the Shanghai Stock Exchange and access Chinese investors in Shanghai.
<b>Shenzhen-London Stock Connect</b>	Shenzhen-London Stock Connect is a collaboration between the <b>Exchange</b> and the Shenzhen Stock Exchange, which enables (i) investors to access Chinese A-Shares through a <b>depository receipt</b> programme listed in London; and (ii) qualifying <b>listed issuers</b> , through separate depository receipt programmes, to be admitted to the Shenzhen Stock Exchange and access Chinese investors in Shenzhen.
<b>Specialist Fund Segment</b>	the Specialist Fund Segment of the <b>Main Market</b> , is for <b>investment entities</b> that target institutional, professional, professionally advised and knowledgeable investors. The Specialist Fund Segment is part of the <b>Exchange's regulated market</b> . <b>Securities admitted</b> to the Specialist Fund Segment are not admitted to the <b>Official List</b> .

## ADMISSION AND DISCLOSURE STANDARDS

<b>specialist securities</b>	<b>debt securities</b> , warrants and certificates representing <b>debt securities</b> which, because of their nature, are normally bought and traded by a limited number of investors who are particularly knowledgeable in investment matters. For the avoidance of doubt, “specialist securities” should not be construed as meaning <b>securities</b> that are <b>admitted</b> to the <b>Specialist Fund Segment</b> .
<b>stabilisation</b>	a stabilisation may occur after a new issue in accordance with <b>FCA</b> rules. It will entail the stabilising manager buying shares in the market in order to counter selling pressure in the initial market. This stabilisation period must be fully disclosed by way of a daily notice and last for a maximum of 30 days.
<b>Standards</b>	see <b>Admission and Disclosure Standards</b> .
<b>subdivision</b>	whereby a company splits each ordinary share into more than one share, thereby increasing the number of shares in issue and decreasing the share price and nominal value.
<b>suitable exchange</b>	an exchange deemed suitable by the <b>Exchange</b> for the purpose of <b>admitting ATT Only securities</b> .
<b>suspension of trading</b>	any cessation of trading imposed by the <b>Exchange</b> , including a trading halt.
<b>tender/ repurchase offers</b>	offer made to existing holders to sell their shares at a set price.
<b>trading system</b>	the trading system operated by the <b>Exchange</b> .
<b>transferable securities</b>	transferable securities as defined in Article 2(1)(24) of the Markets in Financial Instruments Regulation 600/2014 (UK MiFIR), as applied in the <b>UK</b> .
<b>UCITS</b>	undertakings for collective investment in transferable securities that are established: <ul style="list-style-type: none"><li>a) in the <b>UK</b>, in accordance with <b>FSMA</b>; or</li><li>b) in the <b>EEA</b>, in accordance with Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions.</li></ul>
<b>UK</b>	United Kingdom.
<b>UK MAR</b>	the Market Abuse Regulation (EU) No 596/2014, as applied in the <b>UK</b> .

## ADMISSION AND DISCLOSURE STANDARDS

<b>UK MTF</b>	an <b>MTF</b> that is operated by a <b>UK</b> investment firm or a <b>UK</b> market operator.
<b>UK regulated market</b>	a <b>regulated market</b> which is operated by a Recognised Investment Exchange but not an overseas investment exchange within the meaning of section 313(1) of <b>FSMA</b> .
<b>unlisted</b>	see <b>listed</b> .
<b>when issued dealing</b>	a period of conditional trading with deferred <b>settlement</b> wherein trades are conditional to the securities listing or trading becoming effective.



## SECTION 1: INTRODUCTION

### 1.1 Overview

This document sets out the rules and responsibilities in relation to a company's **admission to trading** and ongoing disclosure obligations for companies seeking **admission**, or already **admitted**, to trading on the **Exchange's** markets and additional requirements for **designations**.

Defined terms are in bold and definitions can be found in the Glossary.

References to times shall mean London time.

The rules include guidance, which can be located directly below the rule, in italics. From time to time, the **Exchange** may also issue separate guidance notes on specific issues which may affect certain companies.

The rules for trading **securities** are set out in the "Rules of the London Stock Exchange".

### 1.2 Purpose

The **Exchange** operates a **regulated market** and two **MTFs**, which are registered with the **FCA**. The **Main Market** is the **Exchange's regulated market** and includes **issuers admitted to trading** on the **Official List** (premium or standard **listing**), the **High Growth Segment** and the **Specialist Fund Segment**. The **Exchange's MTFs** include **AIM** and an **MTF** on which all other **MTF securities** are traded, including **ISM**, **PSM** and **ATT Only securities**.

The **Exchange** is a **Recognised Investment Exchange** under **UK** law. This means the **Exchange** must ensure that all **securities admitted to trading** on its markets, and all dealings in those **securities** are conducted in accordance with the primary and secondary market regulatory obligations set out in the **FCA's** sourcebook for **Recognised Investment Exchanges**. This requires minimum standards to be placed upon companies seeking to have their **securities admitted to trading**.

In developing the **Standards**, which are set out in this document, we have applied the following principles:

- to provide companies which meet the **admission** requirements with access to the **Exchange's** markets;
- to promote investor confidence in the markets we operate;
- to maintain the quality and attractiveness of the **Exchange's** markets to companies and investors;
- to operate proper and orderly markets; and
- to minimise any overlap with the rules of an **issuer's competent authority**.

### 1.3 Scope

The **Standards** apply to **issuers** on the **Exchange's** markets, but do not apply to **AIM** companies (other than Schedule 8 in relation to the Voluntary Carbon Market **designation**). Other than the compliance procedures set out at Section 5, the **Standards** do not apply to **ISM**.

The **Standards** also apply to an **issuer** with a prospectus approved by an **EEA competent authority** passporting to the **UK** for **admission** of its **securities** to a **regulated market** (with or without an application for the **Official List**), in accordance with the transitional provisions in Part V of the Official Listing of Securities, Prospectus and Transparency (Amendment) (EU Exit) Regulations 2019.

The **Standards** also apply to a Key Adviser in respect of relevant provisions to the **High Growth Segment**.

Where **transferable securities** (which have been **admitted to trading** on a **regulated market**) are **admitted to trading** on a **MTF** or the **regulated market** operated by the **Exchange**, without a request from the **issuer**, the **Exchange** does not require the **issuer** to demonstrate compliance with the initial, ongoing or ad hoc **disclosure obligations** set out in the **Standards** or the disclosure obligations defined in paragraph 9ZB of the **Recognition Requirements Regulations**.

For many **issuers**, a two-stage **admission** process will apply to companies who want to have their **securities admitted to trading** on the **Exchange's** markets, which will involve the **securities** being admitted to **listing** by the **issuer's securities regulator** as well as **admitted to trading** by the **Exchange**.

We require **issuers** that are **admitted to trading** on the **Exchange's** markets to comply with the disclosure obligations of the **issuer's securities regulator** to give investors dealing in those **securities** proper information for determining the current value of the **securities** and confidence that the market is well-regulated.

All of the **Exchange's** markets referred to above fall within the definition of a "**prescribed market**" for the purposes of the Financial Services and Markets Act 2000 (as amended) and are subject to the **UK's** market abuse regime.

### 1.4 Admission to the Exchange's markets

#### 1.4.1 The route to admission

##### *New applicants*

To join the **Exchange's** markets, most companies need to show that they have met the minimum requirements of the relevant **competent authority**. Companies must also commit to comply with the **Standards**. However, we retain discretion and flexibility so that, in appropriate circumstances, some areas of the **Standards** can be tailored to reflect an individual **issuer's** needs. Derogations from the **Standards** are at the sole discretion of the **Exchange** and requests should be made in writing to the **Exchange** and give sufficient time for the **Exchange** to consider the request.

Where a **prospectus** is required to be published prior to **admission to trading** by the

**Exchange**, the rules governing the publication of a **prospectus** are the **Prospectus Regulation** and the **Prospectus Rules**. A **prospectus** may also be required where an **issuer** is making an offer of its **transferable securities** to the public.

**Issuers** seeking **admission** to the **listed** segments of the **Main Market** or **PSM** should have regard to the relevant chapters of the **Listing Rules** and must be added to the **Official List**. **Issuers** applying to **Shanghai-London Stock Connect** or **Shenzhen-London Stock Connect** should also have regard to Schedule 7.

**Issuers** seeking **admission** to the **Specialist Fund Segment** should have regard to Schedule 4.

**Issuers** seeking **admission** to the **High Growth Segment** should have regard to the “High Growth Segment Rulebook” at Schedule 5 and which applies to all **issuers** seeking **admission** or **admitted** to that segment and their **Key Advisers** (as such term is defined in those rules), in addition to **these rules**.

**Issuers** seeking **admission** to **ISM** should comply with the **ISM Rulebook** and have regard to Section 5 of the **Standards**, as appropriate and as set out in the **ISM Rulebook**.

**Issuers** seeking **admission** to **Admission to Trading Only** should have regard to Schedule 6.

Prior to **admission**, **new applicants** who are applying for **admission to trading** must submit the appropriate forms within the timeframe set out in the **Standards**. The **application** includes the **issuer’s** agreement to be bound by the **Standards**, and all fields must be completed, including the proposed **settlement** solution for trading in the **issuer’s securities**. The **Exchange** considers **applications** on each **business day**.

Once **admitted to trading**, **securities** are traded on the **Exchange’s** Millennium Exchange trading system. Information on the different trading services is available in the **Exchange’s** Millennium Exchange and the TRADEcho Business Parameters, which is available on the **Exchange’s** website.

### 1.4.2 Additional guidance for certain securities

#### Debt securities

**Debt securities** are **admitted to trading** on the **Main Market**, **ISM** or **PSM**. They are traded on the **Exchange’s** dedicated trading services for **debt securities**, including the **Order book for Retail Bonds** and the Order book for Fixed Income Securities.

#### Sustainable Bond Market

The Sustainable Bond Market provides for a range of sustainable **debt securities** and can be granted to **issuers** admitted to any of the **Exchange’s** debt primary markets, subject to the criteria set out in the Sustainable Bond Market terms and conditions, as

set out on the **Exchange's** website.

### Depository receipts

**Depository Receipts** are **admitted to trading** on the **Main Market**, **PSM** or **ATT Only**. They are traded on the **Exchange's** dedicated trading service for **depository receipts**, the International Order Book.

#### *Guidance*

***Issuers of depository receipts** may wish to consider **admitting** the maximum number of **securities** which the **prospectus** or **listing particulars** allow, in order to avoid having to produce a **prospectus** whenever new **depository receipts** are created as part of the normal course of a **depository receipt** programme.*

### ETFs & ETPs (including EEA ETFs)

**ETFs** and **ETPs** are **admitted to trading** on the **Main Market**.

**Issuers of EEA ETFs** should have regard to Rule 4.9 of Section 4 of the **Standards** and Part C of Schedule 1.

#### 1.5 Transfers between the Exchange's markets and market segments

For any transfer between the **Exchange's** markets or market segments, an **issuer** must continue to comply with all applicable market rules and follow the full **admission** process for the market to which the **issuer** seeks **admission to trading**.

For further information relating to transfers between the **Exchange's** markets, please contact the relevant team at the **Exchange**.

##### 1.5.1 Transfers from AIM

A move from **AIM** to another of the **Exchange's** markets will, in most cases, require the production of a **prospectus**.

##### 1.5.2 Transfers from High Growth Segment to the Official List

**Issuers** wishing to transfer from the **High Growth Segment** to the **Official List** are required to follow the process set out in the **High Growth Segment** rulebook contained in Schedule 5.

##### 1.5.3 Transfers to ISM

**Issuers** wishing to transfer debt **securities** from any of the **Exchange's** markets to **ISM** are required to comply with the general requirements for **admission to trading** on **ISM** (as set out in Section 1 of the **ISM Rulebook**).

##### 1.5.4 Transfers between all other markets

**Issuers** wishing to transfer from any of the **Exchange's** markets not listed in 1.5.1, 1.5.2 or 1.5.3 above are required to do the following:

## ADMISSION AND DISCLOSURE STANDARDS

- comply with the **Standards** including the procedures set out in Schedule 1 (and where relevant, the criteria contained in Schedules 4 or 6). **Issuers** that wish to transfer between **listing** categories should have particular regard to Rule 4.2A of Section 4 of the **Standards**;
- issue an announcement via a **Regulatory Information Service** disclosing the **issuer's** intention to transfer to the relevant market at least five **business days** before the transfer is to take place; and
- where relevant, confirm whether a **prospectus** or **listing particulars** is required.

### 1.6 Communication with the Exchange

The **Exchange's** relationship with **issuers** is a matter of fundamental importance to the **Exchange**. Companies applying for **admission** to the **Exchange's** markets for the first time are encouraged to approach us at the earliest possible stage and, in any event, no later than the timetable outlined in the **Standards**.

**New applicants** are required to identify a contact within their organisation who will be responsible for communications with the **Exchange**, both during the initial **application** process and on an ongoing basis – this gives us a clear channel for communicating directly with the **issuer**.

The **issuer's** contact should be one of the **issuer's** directors or senior employees and should be fully conversant with all of the **issuer's** responsibilities relating to the trading of its **securities** on the **Exchange's** markets. If an **applicant** would like to discuss its **application** with the **Exchange**, we would welcome the opportunity to meet prior to **admission**.

The **issuer's** contact needs to be able to respond to requests and day-to-day market enquiries from us and, in particular, be available before the **Exchange's** markets open each morning to resolve any issues which could impact on the market's orderly operation. To ensure that someone is available to answer questions, we encourage **issuers** to appoint a **designated representative** from another organisation in addition to the company contact to help cover the day-to-day enquiries. The **designated representative** is normally the **issuer's** corporate broker, financial adviser, lawyer or accountant. **Applicants** and **issuers** will at all times be responsible for the actions and communications made to the **Exchange** by a **designated representative**.

### 1.7 Continuing obligations

The **Exchange** has a responsibility to ensure that it operates proper and orderly markets. In order to achieve this, it is essential that **issuers** on the **Exchange's** markets publish price-sensitive information on a timely basis in accordance with **UK MAR** and (if applicable) the rules of their **securities regulator**, which impose a general obligation on **issuers** whose **securities** are **admitted to trading** on a **regulated market** or **MTF** to release information of this type. Such information must be published via a **Regulatory Information Service**. The timely publication of information benefits companies by allowing the market in their **securities** to function properly and benefits investors by ensuring that all participants are operating on an equal basis.

## ADMISSION AND DISCLOSURE STANDARDS

The **Standards** relating to disclosure of information to the **Exchange** are outlined in 'Continuing Obligations' and include a requirement for an **issuer** to inform the **Exchange** of the timetable for any corporate action affecting the rights of existing shareholders.

### 1.8 Compliance

It is vital that compliance with the **Standards** is enforced for the benefit of all **issuers** and the **Exchange's** markets as a whole. Compliance with the **Standards** is important to ensure that we continue to operate high-quality and orderly markets and that there is suitable protection for all market participants.

As far as possible, when a breach is detected, action is taken on a timely basis. In particular, we are able to suspend trading in an **issuer's securities** and, in extreme circumstances, to cancel the right of an **issuer's securities** to be traded. We can also censure an **issuer** (privately or publicly) or issue a fine, if it has breached the **Standards**. The procedures relating to disciplinary and appeals matters are set out in the **Compliance Procedures**.

### 1.9 Fees

The **admission** fee is calculated in accordance with the **Exchange's** scale of fees as set out in the document "Fees for issuers". This publication, as updated from time to time, can be found on the **Exchange's** website.

The **Exchange** reserves the right to cancel an **issuer's securities** (in accordance with Rule 4.20 of Section 4 of the **Standards**) or refuse an **application** for **admission to trading** where an **applicant** or **issuer** fails to pay applicable fees owed by it to the **Exchange**.

### 1.10 Confidential Information

All communications between the **Exchange** and an **issuer** (either directly or via its advisers) are confidential to the **Exchange** and should not be disclosed without the prior written consent of the **Exchange**, except as required by any applicable regulatory or statutory body.

This Rule 1.10 continues to apply to the **issuer**, even where the **issuer** ceases to be **admitted to trading**.

### 1.11 Jurisdiction

When an **issuer** ceases to have any **securities admitted to trading**:

- (a) the **Exchange** retains jurisdiction over the **issuer** for the purposes of investigating and/or taking disciplinary action in relation to breaches or suspected breaches of the **Standards** at a time when the **issuer** had a class of securities **admitted to trading**; and
- (b) Rules 4.4 and 4.5 of Section 4 of the **Standards** shall continue to apply to the **issuer** for the purposes of any information or explanation which the **Exchange** requests to discharge its legal responsibilities and/or regulatory function

## ADMISSION AND DISCLOSURE STANDARDS

including, without limitation, for the purposes of investigating and/or taking disciplinary action relating to breaches or suspected breaches of the **Standards**.

### SECTION 2: ADMISSION CONDITIONS

**Issuers** must satisfy the obligations set forth in this section to enable the **Exchange** to perform its functions and meet its regulatory responsibilities as a **Recognised Investment Exchange** and operator of a **regulated market** and **MTFs**.

#### PART 1 – ADMISSION CONDITIONS

2.1 An **application** for **admission to trading** of any **class** of **securities** must:

- (a) relate to all **securities** of that **class**, issued or proposed to be issued; or
- (b) if **securities** of that **class** are already **admitted to trading** on the **Exchange's** markets, relate to all further **securities** of that **class**, issued or proposed to be issued.

*Guidance to Rule:*

*For **UK** incorporated **issuers** that are subject to the **Listing Rules**, an **application** for **admission to trading** of any **class** of **securities** must relate only to **securities** which are **listed** or proposed to be **listed** or equivalent.*

2.2 An **issuer** must be in compliance with the requirements of:

- (a) any **securities regulator** by which it is regulated; and /or
- (b) any stock exchange on which it has **securities admitted** to trading.

2.3 In the case of **transferable securities**, all such **securities** must be **freely negotiable**.

2.4 **Securities** that are **admitted** to trading on any **regulated market** operated by the **Exchange** must be capable of being traded in a fair, orderly and efficient manner.

2.5 The **Exchange** may refuse an **application** for the **admission to trading** of **securities** if it considers, in its absolute discretion, that:

- (a) the **applicant's** situation is such that **admission** of the **securities** may be detrimental to the orderly operation of the **Exchange's** markets and/or to the integrity or reputation of such markets;
- (b) the **applicant** does not and/or will not comply with the **Standards** or with any special condition imposed upon the **applicant** by the **Exchange**; and/or
- (c) the **securities** are better suited to another of the **Exchange's** markets or segments.

2.6 **Issuers** must confirm that they meet the criteria and requirements of the market to which they are applying.



*Guidance to Rule:*

**Issuers** are required to tick the relevant box on the **Form 1** to indicate the market to which they are seeking **admission** and/or select the market when making a submission via the **SSP**.

### Settlement

- 2.7 To be **admitted to trading**, **securities** must be eligible for electronic **settlement**. The **issuer** must inform the **Exchange** at the time of **application** of the chosen **settlement** mechanism and if **settlement** restrictions will apply to any **securities** to be considered for **admission**.

*Guidance to Rule:*

The **Exchange** requires that an appropriate **settlement** solution is in place, dependent upon the trading platform on which the **securities** are to be traded. Accepted **central security depositaries** include Euroclear UK & Ireland, Euroclear Bank, Depository Trust Clearing Corporation (DTCC) or Monte Titoli S.p.A.. Other **central securities depositaries** will be considered on a case-by-case basis.

**Issuers** should note that certain of the **Exchange's** trading services have trades cleared by **central counterparties**. In these cases, the **securities** have to be eligible for the **central counterparty** as well as the **central securities depositary**. In addition, the **central counterparties** may restrict where **settlement** can occur.

### Communication

- 2.8 An **issuer** must identify a contact within their organisation who will be responsible for communications between the **Exchange** and the **issuer**, and the **Exchange** must be notified in writing of any changes thereafter. An **issuer** may also wish to use a **designated representative**. The **issuer** will be responsible for all actions and communications with the **Exchange** made on its behalf by a **designated representative**.

*Guidance to Rule:*

The contact should be fully conversant with the **issuer's** responsibilities under the **Standards** and will be either a director or senior employee of the **issuer** in a position to act as the **Exchange's** point of contact. At the **issuer's** discretion, a **designated representative** from another organisation may also be selected to act as the primary day-to-day contact point with the **Exchange** on regulatory matters. Details of the **issuer's** contact and any **designated representative** must be provided to the **Exchange** at the time of the **application for admission to trading** and the **Exchange** must be notified in writing of any changes thereafter.

- 2.9 An **issuer** must ensure that all information provided in connection with the **application for admission to trading** is in all respects complete, accurate and not misleading. An **issuer** must be open, honest and co-operative in all dealings with the **Exchange**.

### PART 2 – OTHER CRITERIA

#### Specialist Fund Segment

- 2.10 In addition to the provisions contained in Rules 2.1 to 2.9 (inclusive), an **issuer** applying for **admission to trading** or has been **admitted** on the **Specialist Fund Segment** must comply with Schedule 4.

#### High Growth Segment

- 2.11 In addition to the provisions contained in Rules 2.1 to 2.9 (inclusive), an **issuer** applying for **admission to trading** or has been **admitted** on the **High Growth Segment** must comply with the **High Growth Segment** rulebook at Schedule 5.

#### Admission to Trading Only

- 2.12 In addition to the provisions contained in Rules 2.1 to 2.9 (inclusive), an issuer applying for **admission** to or has been **admitted** to **Admission to Trading Only** must comply with Schedule 6.

#### Shanghai-London Stock Connect and Shenzhen-London Stock Connect

- 2.13 In addition to the provisions contained in Rules 2.1 to 2.9 (inclusive), an **issuer** applying to **Shanghai-London Stock Connect** or **Shenzhen-London Stock Connect** must comply with Schedule 7.

**Issuers** applying to the list of markets set out at paragraph 1(c) of Schedule 7 should notify the Exchange of their intentions, in writing, at the following address [stockconnect@lseg.com](mailto:stockconnect@lseg.com) and in accordance with the timetable for early notifications as set out in Part 3 of this Section 2.

#### EEA ETFs

- 2.14 In addition to the provisions contained in Rules 2.1 to 2.9 (inclusive), an **issuer** of **EEA ETFs** must follow the **EEA ETFs** procedures at Part C of Schedule 1.

#### Voluntary Carbon Market

- 2.15 In addition to the provisions contained in Rules 2.1 to 2.9 (inclusive), an **issuer** seeking the Voluntary Carbon Market **designation** must comply with Schedule 8.

### PART 3 – ADMISSION PROCESS

#### Early notification

- 2.16 In addition to the **application** requirements as set out in the **Standards**, an **applicant** who proposes to **admit** new **securities** should notify the **Exchange**, via the prescribed early notification form, no later than when it provides its eligibility letter or eligibility checklist, as applicable, to the Listing Transactions

team of the **FCA** (or at least five **business days** prior to proposed **admission to trading** of new debt **securities**<sup>1</sup> and 30 **business days** prior to proposed **admission to trading** on the **Specialist Fund Segment**, **High Growth Segment** or **ATT Only**)<sup>2</sup>. An **applicant** must, in a timely manner, provide the **Exchange** with such further information that it requests. Notifications should be made to [en@lseg.com](mailto:en@lseg.com). An **issuer** proposing to **admit securities** that will be the subject of an **application** for **admission to trading** must agree the timetable for the **admission to trading** of those **securities** in advance with the **Exchange**.

*Guidance to Rule:*

*The **Form 1** should be sent to the **Exchange** (marked for the attention of “Admissions”) and/or a submission made via the **SSP**.*

### Effective admission

- 2.17 **Admission** of **securities** becomes effective only when the decision of the **Exchange** to admit the **securities** to trading has been announced by the **Exchange** via a **Regulatory Information Service**.

### Publication of admission documentation on the Exchange’s website

- 2.18 As soon as an **applicant** has electronically published either a registration document, **prospectus**, listing particulars, **admission** particulars or a similar document, in association with an **admission** to one of the **Exchange’s** markets, the **applicant** must provide a copy of the published document to the **Exchange**. The **Exchange** may in turn make such document available on the **Exchange’s** website. A copy should be sent to [en@lseg.com](mailto:en@lseg.com).

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<sup>1</sup> For the avoidance of doubt, this does not include drawdowns under a programme, but does apply to an existing issuer of new standalone debt **securities**.

<sup>2</sup> In respect of an **issuer** that is already **admitted to trading** on the **Specialist Fund Segment** or **High Growth Segment**, this notification requirement applies if there is a new line of **securities** being issued.

### SECTION 3: APPLICATION RULES

#### Introduction

This section includes rules and guidance in respect of provisional **applications** and formal **applications** of **securities** for **admission to trading**.

#### Provisional application

- 3.1 To ensure the **Exchange** can properly consider any **application** for **admission** to trading the **issuer** must comply with the procedure contained in Part A of Schedule 1. Amendments to Schedule 1 will be made from time to time as the **Exchange** considers appropriate.
- 3.2 The **issuer** must submit a provisional **application** to the **Exchange** no later than ten **business days** before the **application** is to be considered.

#### Formal application

- 3.3 Save where otherwise agreed by the **Exchange**, an **applicant** must comply with the procedure contained in Part B of Schedule 1 in order to make its formal **application** to the **Exchange**.
- 3.4 The **Exchange** will not ordinarily **admit securities** to trading without each of the documents and items listed in Part B of Schedule 1 having been lodged with the **Exchange** (marked for the attention of “Admissions”) in so far as they are relevant. All documents submitted to the **Exchange** must be written in English and submitted electronically.
- 3.5 Part C of Schedule 1 sets out additional requirements for certain **securities**.

#### Further issues

- 3.6 When further **issues** of **securities** are **allotted** of the same class as **securities** already **admitted to trading** on the **Exchange’s** markets, **issuers** must assess whether either a **prospectus** or **listing particulars** are required. If applicable, these must be submitted to the **FCA** for review and approval in accordance with its rules. **Application** for **admission** of such further **securities** by submitting a **Form 1** and/or making a submission via the **SSP**, must also be made, at the same time as the **application** for **listing** where applicable, and in any event not later than 48 hours before the **application** is to be considered.

#### Fees

- 3.7 An invoice for the **admission** fee will be raised on **admission**. The **admission** fee is calculated in accordance with the **Exchange’s** scale of fees (see Rule 4.11 of Section 4 of the **Standards**). Payment of the **admission** fee must be received no later than 30 days after the date of this invoice.

#### When Issued Dealing

- 3.8 If a request for **when issued dealing** is to be considered, the procedure in Schedule 2 must be followed.

- 3.9 The **Exchange** may refuse **when issued dealing** if it considers that:
- a) the **when issued dealing** may be detrimental to the orderly operation of the **Exchange's** markets or to the integrity or reputation of such markets; or
  - b) the **applicant** for **when issued dealing** does not and/or will not comply with the **Standards** or with any special condition imposed upon the **applicant** by the **Exchange**.

*Guidance to Rule:*

*All **when issued dealing** trades will be for deferred **settlement** and if the resulting **securities** are not **admitted to trading** on an unconditional basis, every **when issued dealing** trade effected is void.*

### After admission

- 3.10 Where relevant, a statement of the number of **securities** which were, in fact, issued and, where different from the number which were the subject of the **application**, the aggregate number of **securities** of that class in issue must be lodged with the **Exchange** (marked for the attention of "Admissions") as soon as it becomes available.
- 3.11 An **issuer** who proposes to change its name must, as soon as possible, notify the **Exchange** in writing of the change, stating the date on which it has taken effect. The **issuer** should provide the **Exchange** with a copy of the revised change of name document as issued by the relevant registrar of companies in the **issuer's** country of incorporation.

### Block admission

- 3.12 Where an **issuer** admits **securities** that will not be allotted prior to **admission** and that do not require a **prospectus** or **listing particulars**, the **issuer** may make an **application** for a **block admission**. These **admissions** may be pursuant to employee share schemes or the exercise of options.

*Guidance to Rule:*

*Where an **issuer** wishes to **admit securities** on a regular basis, they may make an **application** for a **block admission**. **Block admissions** will usually be for the reasons stated in Rule 3.12 but the **Exchange** will consider requests for other reasons. The **Exchange** will monitor the correct usage of this facility and the number of **block admission applications** per **issuer**.*

### SECTION 4: CONTINUING OBLIGATIONS

#### General

- 4.1 In order for its **securities** to be **admitted to trading** and to remain on the **Exchange's markets**, **issuers** must be in compliance with:
- (a) the requirements of any **securities regulator** by which it is regulated; and/or
  - (b) the requirements of any stock exchange on which it has **securities admitted to trading**; and
  - (c) the provisions set out in the **Standards**, including any modification to the application of the **Standards** which has been notified via the **Exchange's** website.

This shall be without prejudice to any **securities regulator** and/or stock exchange having rights to enforce compliance under its own rules and requirements, national law and regulations.

**UK MAR** provides for separate disclosure obligations for **issuers admitted** to the **Exchange's** markets. The disclosure obligations in **UK MAR** relate to the disclosure of inside information and disclosure of transactions by persons discharging managerial responsibilities ("PDMR") and persons closely associated with them. **UK MAR** also provides for restrictions on PDMRs dealing during mandatory close periods. These obligations apply to **issuers** who have requested or approved **admission** of their securities on the **Exchange's regulated market** or **MTFs**. The **FCA**, as the **UK** competent authority, is responsible for oversight and enforcement of **UK MAR**.

- 4.2 **Issuers** must notify the **Exchange** without delay of any change of status of the information provided in respect of the **listing** or **admission to trading** (or cancellation from trading) of the **issuer's securities** on any other exchange or trading platform, where such **admission** or cancellation is at the **application** or agreement of the **issuer**.
- 4.2A An **issuer admitted to trading** on the **Main Market** that wishes to transfer between listing categories pursuant to **Listing Rule 5.4A** must notify the **Exchange** of its intention to transfer **listing** category. Such notification must be made as early as possible and no later than three **business days** before the transfer is due to take place. The notification should include details of the **issuer**, the relevant **security** and the change in **listing** category sought; an explanation of why the **issuer** is seeking to transfer; the date on which the **issuer** wishes the transfer to take effect; and contact details of the person the **Exchange** should liaise with in relation to the transfer.
- 4.3 Subject to the **Exchange's** compliance with requirements of national law and regulations, the **Exchange** may make additions to, dispense with or modify the application of the **Standards** (either unconditionally or subject to conditions) in such cases and by reference to such circumstances as it considers appropriate.

### Provision of information

- 4.4 **Issuers** and their **designated representatives** must provide to the **Exchange** without delay any information or explanation that the **Exchange** may reasonably require for the purpose of discharging its legal responsibilities and/or regulatory function, verifying whether the **Standards** are being or have been complied with or which relates to the integrity or orderly operation of the **Exchange's** markets.
- 4.5 An **issuer** must deal with the **Exchange** promptly and in an open, transparent and co-operative way and should reasonably satisfy itself that all information provided by it to the **Exchange** is complete, accurate and not misleading and, if it comes to the subsequent attention of the **issuer** that the information provided does not meet this requirement, the **issuer** should advise the **Exchange** as soon as practicable.

### Depository receipts

- 4.6 An **issuer** of **depository receipts admitted to trading** must ensure it has in place arrangements to provide to the **Exchange** each quarter, information on the number of **securities** issued and outstanding. An **issuer** of **depository receipts** must also, upon request from the **Exchange**, provide an end of day number of **securities** issued and outstanding at any other time that the **Exchange** considers appropriate.

*Guidance to Rule:*

*The quarterly information required under this rule is the quarterly average of each end of **business day** number of issued and outstanding **depository receipts**. The information must be provided to the **Exchange** by the tenth **business day** of January, April, July and October in respect of the preceding calendar quarter. An **issuer** of **depository receipts** may prefer to instruct their **depository bank** to make this information available to the **Exchange** on their behalf.*

### Corporate actions

- 4.7 **Issuers** must inform the Corporate Actions Team at the **Exchange** (marked for the attention of the "Corporate Actions Team" and sent to [ssn@lseg.com](mailto:ssn@lseg.com)) in advance of any notification of the timetable for any proposed action affecting the rights of its existing holders of its **securities** traded on the **Exchange's** markets. **Issuers** are reminded of their responsibilities in Rules 4.4 and 4.5, in particular any information provided to the Corporate Actions Team must be complete, accurate and not misleading.
- 4.8 **Issuers** must comply with the provisions of Schedule 3 in order to comply with Rule 4.7.

### EEA ETFs

- 4.9 **Issuers** of **EEA ETFs**, for whom the **FCA** is not the **listing** authority, must:
- (i) Have **FCA recognition status**.
  - (ii) Comply with the **listing** rules of the **EEA** state in which they are listed.
  - (iii) Notify a **Regulatory Information Service** as soon as possible of all

## ADMISSION AND DISCLOSURE STANDARDS

circulars, notices, reports (as required by the **listing** rules of the **EEA** state in which they are **listed**), at the same time as any such documents are issued.

Unless the full text of the document is provided to the **Regulatory Information Service**, the notification must set out where copies of the relevant document can be obtained.

- (iv) Appoint a registrar in the **UK** if: (a) there are 200 or more holders resident in the **UK**; or (b) 10% or more of the equity **securities** are held by persons resident in the **UK**.
- (v) Notify a **Regulatory Information Service** on a daily basis of the number of outstanding shares and the Net Asset Value per share.

*Guidance to Rule:*

*In relation to sub-paragraph (iii) above, an **issuer** should also consider the requirements of any settlement venue for a **UK** registrar.*

*An **issuer** must consider its obligations under **UK MAR**.*

*An **issuer** must also adhere to the applicable continuing obligations contained within **FSMA** and the applicable implementation of the **UCITS Directives**.*

### Settlement

- 4.10 The **Exchange** requires that the **securities** continue to be eligible for electronic **settlement**, as set out in the Guidance to Rule 2.7 of Section 2 of the **Standards**.

### Fees

- 4.11 An **issuer** with **securities admitted to trading** shall pay to the **Exchange** all applicable charges set out in the document “Fees for issuers” as soon as payment becomes due. This publication, as updated from time to time, can be found on the **Exchange’s** website.

Where an **issuer** fails to comply with this requirement, the **Exchange** may cancel the **issuer’s securities** in accordance with Rule 4.20.

### Suspension

- 4.12 The **Exchange** will ordinarily suspend the **admission** to and trading of any **securities** on its markets if a **listing** of such **securities** is suspended.
- 4.13 The **Exchange** may suspend trading of such **securities** with effect from such time as it may determine, and in such circumstances as it thinks fit where the ability of the **Exchange** to ensure the orderly operation of its markets is, or may be, jeopardised, even if only temporarily.
- 4.14 Any request by an **issuer** to suspend trading of its **securities** must be confirmed to the **Exchange** in writing by the **issuer** or its **designated representative**.



## ADMISSION AND DISCLOSURE STANDARDS

- 4.15 Where trading has been suspended, the **Exchange** may impose such conditions as it considers appropriate prior to resumption of trading.
- 4.16 An **issuer** must continue to comply with the **Standards**, even when **admission** of its **securities** to trading is suspended, unless the **Exchange** otherwise agrees.

### Cancellation

- 4.17 The **Exchange** will ordinarily cancel the **admission** to and trading of any **securities** on its markets if a **listing** of such **securities** is delisted by the relevant **competent authority** (and where the **issuer** has not undertaken a transfer in accordance with Rule 1.5 of Section 1 of the **Standards**). The **Exchange** may cancel an **issuer's admission** to and trading of its **securities** if it is satisfied that there are special circumstances that preclude normal dealings in such **securities**. For the purposes of this paragraph, special circumstances may include a situation where the **securities' listing** has been suspended for more than six months.
- 4.18 An **issuer** that wishes the **Exchange** to cancel the **admission** of its **securities** to trading must inform the **Exchange** in writing, not later than 20 **business days** before the date of cancellation. An **issuer** is also required to announce the intended cancellation of any of its **securities** through a **Regulatory Information Service**. The **Exchange** will announce the cancellation of the **issuer's securities** through the **Datasync Email Service** and through a **Regulatory Information Service**.
- 4.19 Cancellation at the request of the **issuer**, in accordance with Rule 4.18, will only be effective subject to the **issuer** complying with any legal or regulatory obligation and providing the **Exchange** with appropriate confirmation.

### *Guidance to Rules*

*The **Exchange** will not exercise its powers under Rules 4.12 to 4.19 (inclusive), in respect of an **issuer** which does not or no longer complies with the Standards, where suspension or cancellation of an **issuer's securities** would, in the **Exchange's** determination, be likely to cause significant damage to the interests of investors or the orderly functioning of the financial markets.*

### Compliance and Appeals

- 4.20 Where the **Exchange** considers that an **issuer** has contravened the **Standards** and considers it appropriate to impose any sanction as set out in Rule 4.21, it will follow the procedure set out in the **Compliance Procedures**.
- 4.21 If an **issuer** has contravened the **Standards**, one or more of the following actions may result:
- (a) censure of the **issuer** and, in addition, publication of such censure;
  - (b) a fine; and/or
  - (c) cancellation of the right of the **issuer** to have its **securities**, or any **class** of

## ADMISSION AND DISCLOSURE STANDARDS

its **securities**, traded on the **Exchange's** markets.

- 4.22 An **issuer** may appeal against a decision of the **Exchange** in relation to the application and interpretation of the **Standards**. The procedures for such appeals are set out in the **Compliance Procedures**.

### SECTION 5 - COMPLIANCE PROCEDURES

#### DISCIPLINARY PROCESS

Where the **Exchange** believes there has been a breach of the **Standards** or the **ISM Rulebook** by an **issuer**, the **Exchange** may commence disciplinary action against such **issuer**. In this Section 5, references to a breach of the **Standards** also includes a breach of the **ISM Rulebook**. The **Exchange** may issue a warning notice and/or refer disciplinary matters to either the Executive Panel or the Disciplinary Committee. In appropriate cases (including where a greater sanction than the Executive Panel is authorised to impose is deemed appropriate by the Executive Panel), the Executive Panel may refer the case to the Disciplinary Committee.

There are a number of factors which the **Exchange** takes into account when considering what disciplinary action to take in relation to a rule breach. These are set out below:

- The seriousness, size and nature of the rule breach
- How the rule breach came to light
- The actual or potential market impact of the rule breach, and any likely repercussions
- The general compliance history of the **issuer**, and specific history regarding the rule breach in question
- Consistent and fair application of the rules (any precedents of previous similar rule breaches); and
- The responsiveness and conduct of the **issuer** in relation to the matter under investigation.

The **Exchange's** approach to regulation is aimed at maintaining the integrity, orderliness, transparency and good reputation of its markets and changing **issuers'** behaviour in those markets where necessary. The **Exchange** will investigate the facts of each case, seeking to understand why the rule breach occurred and will assess whether any remedial action the **issuer** has taken is adequate to prevent similar future occurrences.

The Executive Panel is a panel comprised of appropriately experienced senior members of the **Exchange's** staff. The procedures followed by the Executive Panel are set out in Rules 5.5 to 5.38 (inclusive). Any final decision of the Executive Panel (other than a decision to refer a matter to the Disciplinary Committee) may be appealed to the Appeals Committee. There is no appeal on interim decisions.

The Disciplinary Committee is drawn from a pool of appropriately experienced (non-**Exchange**) persons and its procedures are set out in Rules 5.39 to 5.80 (inclusive). The Disciplinary Committee may impose a wider range of sanctions than the Executive Panel and has discretion to publicise its findings. Any final decision of the Disciplinary Committee may be appealed to the Appeals Committee. There is no appeal on interim

## ADMISSION AND DISCLOSURE STANDARDS

decisions.

The Appeals Committee is also drawn from a pool of appropriately experienced (non-**Exchange**) persons and hears appeals against the findings of both the Executive Panel and the Disciplinary Committee. The procedures followed by the Appeals Committee are set out in Rules 5.81 to 5.115 (inclusive). The Appeals Committee may uphold, quash or vary any decision it is asked to consider. The Appeals Committee decision is final.

The table below summarises the disciplinary process operated by the **Exchange**.

Process	Normal use	Constitution	Appellate
Warning Notices	<ul style="list-style-type: none"> <li>Rule breaches</li> </ul>	(no hearing)	
Executive Panel	<ul style="list-style-type: none"> <li>Disciplinary matters</li> </ul>	Senior Exchange staff	Appeals Committee
Disciplinary Committee	<ul style="list-style-type: none"> <li>Disciplinary matters</li> </ul>	Appropriately experienced (non- <b>Exchange</b> ) persons	Appeals Committee
Appeals Committee	<ul style="list-style-type: none"> <li>Disciplinary appeals against Executive Panel findings</li> <li>Disciplinary appeals against Disciplinary Committee findings</li> </ul>	Appropriately experienced (non- <b>Exchange</b> ) persons	binding

## ADMISSION AND DISCLOSURE STANDARDS

The table below summarises the sanctions available to the **Exchange** for any breach of the **Standards**.

Process	Available sanctions	Appellate body
Warning Notices	<ul style="list-style-type: none"> <li>May stipulate corrective action required</li> <li>Formal record of action for <b>issuer's</b> case history</li> </ul>	
Executive Panel <sup>1</sup>	One of: <ul style="list-style-type: none"> <li>Private censure</li> <li>Fine up to £100,000 per breach</li> <li>Referral to Disciplinary Committee</li> </ul>	Appeals Committee
Disciplinary Committee <sup>2</sup>	One or more of: <ul style="list-style-type: none"> <li>Private censure</li> <li>Public censure</li> <li>Unlimited fine</li> <li>cancellation of the right of the <b>issuer</b> to have its <b>securities</b>, or any <b>class</b> of its <b>securities</b>, traded on the <b>Exchange's</b> markets</li> </ul>	Appeals Committee
Appeals Committee <sup>2</sup>	Executive Panel referrals: <ul style="list-style-type: none"> <li>Any sanction available to the Executive Panel</li> </ul> Disciplinary Committee referrals: <ul style="list-style-type: none"> <li>Any sanction available to the Disciplinary Committee</li> </ul>	binding

<sup>1</sup> Findings of the Executive Panel in respect of breaches of the **Standards** by **issuers** are published anonymously by the **Exchange** from time to time.

<sup>2</sup> Disclosure of findings is at the discretion of the Committee hearing the case (subject to Rule 5.2) in accordance with the **Standards**. Matters subject to appeal will not be published before the appeal is completed.

## ADMISSION AND DISCLOSURE STANDARDS

### NON-DISCIPLINARY APPEAL PROCESS

In the first instance, appeals against decisions of the **Exchange** are heard by the Executive Panel. The Executive Panel may uphold, quash or vary any decision it is asked to consider. There is no appeal on the **Exchange's** decision to refer a matter to the Executive Panel or the Disciplinary Committee.

Appeals against the findings of the Executive Panel, and referrals from the Executive Panel are heard by the Appeals Committee. The Appeals Committee may uphold, quash or vary any decision it is asked to consider. The Appeals Committee decision is binding.

The table below summarises the non-disciplinary process operated by the **Exchange**.

Process	Normal use	Constitution	Appellate
Executive Panel	<ul style="list-style-type: none"><li>All non-disciplinary appeals (in the first instance)</li></ul>	Senior Exchange staff	Appeals Committee
Appeals Committee	<ul style="list-style-type: none"><li>Appeals against Executive Panel findings in non-disciplinary matters</li></ul>	Appropriately experienced (non- <b>Exchange</b> ) persons	binding

The table below summarises the sanctions available to the **Exchange** for any breach of the **Standards**.

Process	Sanction	Appellate
Executive Panel	One of: <ul style="list-style-type: none"><li>Uphold decision</li><li>Quash decision</li><li>Vary decision</li></ul>	Appeals Committee
Appeals Committee	One of: <ul style="list-style-type: none"><li>Uphold decision</li><li>Quash decision</li><li>Vary decision</li></ul>	binding

### PROCESS AND PROCEDURES

#### Burden of proof

- 5.1. The burden of proof shall be on the **Exchange**. The **Exchange**, the Executive Panel, the Disciplinary Committee or the Appeals Committee (as appropriate) shall not find an allegation proved unless it is satisfied on the balance of

probabilities.

### Market guidance

- 5.2. The **Exchange** reserves the right to publish, without disclosing the identity of any party concerned, in part, in summary or in full, the findings of the Executive Panel, Disciplinary Committee or Appeals Committee where the **Exchange** believes that to do so would be of assistance to the market.

### WARNING NOTICES

#### Function of Warning Notices

- 5.3. The **Exchange** may issue a **warning notice** to an **issuer** for a breach of the rules.
- 5.4. A **warning notice** forms part of an **issuer's** formal compliance record.

### EXECUTIVE PANEL

#### Role

- 5.5. The Executive Panel shall, when acting as a tribunal of first instance, hear and determine charges against an **issuer** in respect of a breach of the **Standards**.
- 5.6. The Executive Panel shall, when acting as an appellate tribunal, hear and determine appeals by an appellant against a decision of the **Exchange**.

#### Disciplinary Powers

- 5.7. Where the Executive Panel acting as a tribunal of first instance finds an allegation proven on the balance of probabilities, the Executive Panel may:
- 5.7.1. issue a written warning (a private censure); or
  - 5.7.2. impose a fine of up to £100,000 for each breach; or
  - 5.7.3. refer the case to the Disciplinary Committee for hearing.
- 5.8. The Executive Panel may grant a consent order in respect of any settlement within its powers that may be negotiated between the **Exchange** and an **issuer** in relation to any disciplinary action taken by the **Exchange**.

### Appeal powers

- 5.9. The Executive Panel may, when acting as an appellate tribunal, uphold, quash or vary (in accordance with the **Standards**) any decision by the **Exchange** which can be appealed under the **Standards**, or refer the matter to the Appeals Committee for further consideration.

### Membership

- 5.10. Members of the Executive Panel shall be appropriately experienced senior members of the **Exchange's** staff.
- 5.11. The Executive Panel appointed pursuant to a referral or an appeal shall have between three and five members (including the Chairman) and shall have a quorum of three.
- 5.12. No member of the **Exchange's** staff who has been involved in the investigation or prosecution of the charge(s) in a disciplinary case shall be appointed to the Executive Panel considering that disciplinary case.
- 5.13. No member of the **Exchange's** staff who has been involved in a decision by the **Exchange** which is the subject of an appeal to the Executive Panel shall be appointed to the Executive Panel considering an appeal against that decision.
- 5.14. The names of the members of the Executive Panel will be disclosed to the **issuer**.
- 5.15. Each Executive Panel hearing a case shall appoint one of its members to be the Chairman.
- 5.16. A party may object to the membership of the Executive Panel on the grounds of conflict of interest or breach of Rule 5.12 or 5.13. Such objection must be notified in writing, promptly, and prior to the hearing of the case, to the **Exchange**. If the Executive Panel upholds the objection, it will take appropriate action to address the objection. The decision of the Executive Panel under this rule is an interim decision and cannot be appealed separately from an appeal against the final decision of the Executive Panel under Rule 5.34.

### Confidentiality

- 5.17 Other than as set out in the Standards, and other than as between a party and its advisers, each party shall keep confidential any matters relating to any proceedings save where disclosure is permitted or required by law.

### Mode of referral when acting as a tribunal of first instance

- 5.18. Proceedings before the Executive Panel shall be commenced by the **Exchange** submitting a statement of case to the **issuer**. The statement of case shall set out the charge(s) and all material facts taken into account and shall have attached to it copies of all documents relevant to the charge(s).
- 5.19. The **issuer** may, within five **business days** (or such other period agreed between the parties) of receipt of the statement of case, submit to the **Exchange** a statement of response setting out all material facts and having attached to it copies of all documents relied upon.
- 5.20. The Chairman of the Executive Panel may vary the period referred to in Rule 5.19 at the request of the **issuer**.



## ADMISSION AND DISCLOSURE STANDARDS

- 5.21. Following receipt of the **issuer's** statement of response, the **Exchange** shall submit to the Executive Panel the statement of case and the **issuer's** response (if any), together with copies of all other relevant documents.

### Mode of referral when acting as an appellate tribunal

- 5.22. Appeals to the Executive Panel must be commenced by service of a notice in writing on the **Exchange** within 10 **business days** of the service of the decision by the **Exchange**. The notice should set out the name of the appellant, the decision appealed against, the grounds of appeal, all material facts and shall have attached to it copies of all documents relevant to the appeal. The notice should be copied to the **Exchange's** Company Secretary, who will ensure that the notice is transmitted to the Chairman of the Executive Panel.
- 5.23. The **Exchange** may, within 10 **business days** (or such other period agreed between the parties) of receipt of the notice under Rule 5.22, submit to the Chairman of the Executive Panel a statement of response setting out all material facts and having attached to it copies of all documents relied upon. Such statement shall be copied to the appellant (subject to any legal duty of confidentiality with respect to any details in such response).
- 5.24. On receipt of a notice under Rule 5.22 and any statement of response under Rule 5.23, the Chairman of the Executive Panel will arrange a hearing as soon as reasonably practicable.
- 5.25. The Chairman of the Executive Panel may vary the time periods referred to in Rules 5.22 to 5.24 (inclusive and other than the period during which an appeal may be made under Rule 5.22) at the request of either party.

### Procedure

- 5.26. Save in circumstances where either party notifies the Chairman of the Executive Panel that it believes an oral hearing is essential to establish all the relevant facts and requests the Chairman to hold such an oral hearing, proceedings before the Executive Panel will take place through the consideration of documents with no oral hearing.
- 5.27. Where there is to be a hearing, in accordance with Rule 5.26, the Executive Panel will conduct it in private.
- 5.28. The parties may attend the hearing but any hearing may proceed in the absence of one or both of the parties.
- 5.29. The Executive Panel will give not less than five **business days'** notice of the time and place of any hearing to the parties. This notice period may be shortened with the agreement of the parties.

### Deliberations and decisions

- 5.30. The Executive Panel may deliberate at any time and make any decision in the absence of the parties. The Executive Panel is entitled to reach decisions on a majority basis. Where a majority decision is reached, this will not be disclosed.

## ADMISSION AND DISCLOSURE STANDARDS

- 5.31. When considering appeals, the Executive Panel will only quash or vary a decision of the **Exchange** if it is satisfied, on the balance of probabilities, that the decision is a misinterpretation or an erroneous application of any of the **Standards** or is not justified by the evidence on which it is based.
- 5.32. Following its determination, the Executive Panel will notify the parties in writing of:
- 5.32.1. its decision;
  - 5.32.2. the reason(s) for its decision;
  - 5.32.3. in disciplinary cases, whether any penalty is to be imposed under Rule 5.7. Any fine must be paid by the **issuer** within 30 days of receipt of such notification unless appealed in accordance with the **Standards**; and
  - 5.32.4. a time limit for lodging any appeal against the decision or any part thereof, which will be not less than 10 **days** from the date of service of the decision on the parties.
- 5.33. If the Executive Panel decides to refer a case to the Disciplinary Committee as set out under Rule 5.7.3, no public announcement will be made until the Disciplinary Committee has reached a decision.

### Appeal

- 5.34. Appeals against final decisions of the Executive Panel (as notified to the parties under Rule 5.32) are heard by the Appeals Committee, in accordance with its procedures. Appeals must be commenced by service of a notice in writing on the Chairman of the Executive Panel within 10 **business days** of the service of the Executive Panel's decision (or such other time period as prescribed under Rule 5.32.4), setting out the name of the appellant, the decision appealed against, the grounds of appeal, all material facts and attaching copies of all documents relevant to the appeal.
- 5.35. On receipt of a notice under Rule 5.34, the Chairman of the Executive Panel will arrange for the appointment of a Secretary of the Appeals Committee, who will arrange a hearing as soon as reasonably practicable (and no later than one month).
- 5.36. The Chairman of the Executive Panel or the Appeals Committee may extend the time for appeal.
- 5.37. Notwithstanding Rule 5.34, appeals against decisions of the Executive Panel on grounds of new evidence (including those where there are other grounds of appeal), shall be heard by way of rehearing by the Executive Panel before the right of appeal to the Appeals Committee arises. Where the appellant wishes to rely on evidence which was not before the Executive Panel, this shall be stated in the appeal notice and copies or details of such evidence shall be attached to the notice.

### Changes to the procedures

- 5.38. The Executive Panel may vary any of its procedures to adapt to the circumstances of any particular case.

### DISCIPLINARY COMMITTEE

#### Role

- 5.39. The Disciplinary Committee shall, as a tribunal of first instance, hear and determine charges against an **issuer** in respect of a breach of the **Standards**.

#### Disciplinary powers

- 5.40. If the Disciplinary Committee finds an allegation proven on the balance of probabilities, it may impose one or more of the following sanctions:
- 5.40.1. a written warning (censure) which may be public or private;
  - 5.40.2. an unlimited fine for each breach; and
  - 5.40.3. cancellation of the right of the **issuer** to have its **securities**, or any **class** of its **securities**, traded on the **Exchange's** markets.
- 5.41. The Disciplinary Committee may grant a consent order in respect of any settlement that may be negotiated between the **Exchange** and an **issuer** in relation to any disciplinary action taken.

#### Membership

- 5.42. The Disciplinary Committee appointed pursuant to a referral shall have a quorum of three (including the Chairman). The maximum number of members of the Disciplinary Committee shall be seven. Any person whom the Disciplinary Committee co-opts will count as a member of the Disciplinary Committee.
- 5.43. Members of the Disciplinary Committee are drawn from a panel (the "**panel**") appointed by the **Exchange**.
- 5.44. The Disciplinary Committee may co-opt any person whom it considers appropriate.
- 5.45. No-one who is a member of the **Exchange's** staff may be appointed or co-opted.
- 5.46. The Chairman may appoint a legally qualified adviser who shall be independent of any party. Such legal adviser will not be counted as a member of the Disciplinary Committee but shall advise the Disciplinary Committee on legal matters. The Chairman may replace the legal adviser.
- 5.47. Members of the Disciplinary Committee will notify the Secretary or the Chairman of any possible conflict of interest at the earliest possible opportunity and, in any event, prior to any hearing to be held under Rule 5.60 or 5.61. The Chairman will take appropriate action and will then notify the parties to the

## ADMISSION AND DISCLOSURE STANDARDS

disciplinary proceedings of the names of the members of the Disciplinary Committee and any proposed legal adviser. If any party to the disciplinary proceedings believes that a potential conflict of interest exists, it shall notify the Chairman in writing, at the earliest possible opportunity. The Chairman will take appropriate action.

5.48. Where the Disciplinary Committee wishes to co-opt a person or to appoint a person to replace a member unable to act whether because of illness, conflict of interest or otherwise and/or the Chairman wishes to replace the legal adviser and the hearing has commenced:

5.48.1. the appointment shall only take effect with the consent of the parties and the person co-opted or appointed will be subject to the provisions of Rule 5.66; and

5.48.2. if, in the absence of such consent, the Disciplinary Committee does not wish or is not able to continue with the hearing, it will cease to deal with the referral and an entirely new Disciplinary Committee will be appointed from the panel, and a new legal adviser will be appointed by the new Chairman in both cases in accordance with these procedures, and the hearing, but not any pre-hearing procedures, will start afresh in front of the new Disciplinary Committee.

### Secretary

5.49. A Secretary ("the Secretary") to the Disciplinary Committee shall be appointed by the **Exchange**. The parties will be notified of the name of the Secretary as soon as reasonably practicable. For the avoidance of doubt, the Secretary may be a member of the **Exchange's** staff.

5.50. The Secretary will carry out any administrative functions. Any notices, notifications and other documents required to be submitted to the Disciplinary Committee must be served upon the Secretary who will ensure that copies are provided to the other parties, the members of the Disciplinary Committee and any legal adviser as appropriate. Where the Disciplinary Committee wishes to notify the parties of any matter it shall do so through the Secretary.

5.51. Any notices or other documents required to be served shall be served by delivering by hand or posting by first class post to the addresses set out below, save that the Secretary may agree with any of those referred to at Rules 5.51.1 and 5.51.2 a different place for service upon them:

5.51.1. in the case of an **issuer**, to its head office;

5.51.2. in the case of the **Exchange**, to the Secretary with a copy to the Company Secretary, at the **Exchange's** registered office; and

5.51.3. in the case of any other party, to a place agreed with the Secretary.

5.52. Service shall be deemed effective on the date of delivery by hand or, where first class post is used, on the second day after posting.

## ADMISSION AND DISCLOSURE STANDARDS

### Confidentiality

- 5.53. All communications relating to the proceedings (save those which would be privileged from production in a court of law) between the parties and with the Disciplinary Committee shall be channelled through the Secretary.
- 5.54. If any Disciplinary Committee member or the legal adviser is approached by any person to discuss any matter connected with the proceedings such member shall, without delay, notify the Chairman who will take appropriate action.
- 5.55. Other than as set out in the **Standards**, and other than as between the parties and their advisers, all parties shall keep confidential any matters relating to any proceedings save where disclosure is permitted or required by law.

### Mode of referral

- 5.56. The **Exchange** shall refer cases to the Disciplinary Committee by service of a written statement of case on the Secretary, who will as soon as reasonably practicable serve a copy of the statement of case on the **issuer**. The statement of case shall set out the charges and a summary of the main facts to be relied on.
- 5.57. In the case of referral by the Executive Panel (under Rule 5.7.3), the **Exchange** shall serve a copy of the statement of case together with the statement of response made by the **issuer**.

### Procedure

- 5.58 Following service of a statement of case pursuant to Rule 5.56 or 5.57:
  - 5.58.1 the **issuer** may submit to the Disciplinary Committee a statement of response (or in the event of referral under Rule 5.7.3 – a further statement of response) and shall submit to the Disciplinary Committee a statement of all material facts and attach to it copies of all documents relied upon; and
  - 5.58.2 each party will then notify the Disciplinary Committee of any directions to be sought at a pre-hearing review or their assessment that there is no need for a pre-hearing review.
- 5.59. The Secretary may, by agreement with the parties, set a timetable for the completion of the steps under Rule 5.58. If no agreement is reached, the Chairman of the Disciplinary Committee may specify, by notice in writing to the parties, the time limits within which the steps at Rule 5.58 are to be carried out.

### Directions

- 5.60. Following the completion of the procedures set out in Rule 5.58, the Chairman or any member of the Disciplinary Committee whom he nominates may give any directions and take any other steps he considers appropriate for the clarification of the facts and issues and generally for their just, efficient and expeditious presentation and the determination of the matters in issue. The

## ADMISSION AND DISCLOSURE STANDARDS

Chairman or any member of the Disciplinary Committee whom he nominates may hold one or more pre-hearing reviews for those purposes and the determination of the matters in issue. By way of example, these directions may include:

- 5.60.1. fixing a time and place for any pre-hearing review and hearing;
- 5.60.2. by written consent of all parties, directing that the hearing or any part of the hearing shall proceed by written representations;
- 5.60.3. recording any admissions made by any party and any request to any party to make admissions;
- 5.60.4. directing any party to indicate whether it admits any particular fact(s) or document(s);
- 5.60.5. directing any party to disclose and serve copies of any documents;
- 5.60.6. setting time limits for any purpose of the proceedings;
- 5.60.7. extending or abridging time limits;
- 5.60.8. adjourning the pre-hearing review, with such orders as it thinks fit;
- 5.60.9. granting leave to amend (including adding documents to) any statement submitted pursuant to Rule 5.58;
- 5.60.10. varying any previous directions; and
- 5.60.11. making any order for the payment of costs of or in connection with pre-hearing preparation or any pre-hearing review.

### The hearing

- 5.61. The Disciplinary Committee will usually conduct hearings in private, although an **issuer** which is subject to proceedings has the right to ask for such hearing to be conducted in public. An **issuer** requiring such hearing to be conducted in public shall notify the Chairman, in writing, at least five **business days** prior to commencement of the hearing.
- 5.62. A party may be legally represented at any pre-hearing review or hearing.
- 5.63. A party may submit evidence to the Disciplinary Committee at any time until two **business days** before the hearing.
- 5.64. The parties will be given not less than three **business days'** notice of the time and place of a pre-hearing review and seven **business days'** notice of the time and place of the hearing by the Secretary. Any shorter notice period may apply if the parties agree.
- 5.65. If any party fails to attend or be represented at a pre-hearing review or a hearing, the Disciplinary Committee may proceed in its absence.

## ADMISSION AND DISCLOSURE STANDARDS

5.66. At the hearing:

- 5.66.1. the members of the Disciplinary Committee and the legal adviser will be introduced to the parties by the Chairman who will state that each of the members and the legal adviser believes himself to have no conflict of interest in hearing the case;
- 5.66.2. the parties will be asked to confirm that there is no reasonable objection to any of the Disciplinary Committee members hearing the case or the legal adviser on the grounds of conflict of interest; and
- 5.66.3. if the Disciplinary Committee, which for these purposes shall exclude any member objected to and shall have a quorum of two, upholds an objection, it may appoint another **person** from the panel to replace any relevant member and where the objection relates to the legal adviser, the Chairman may appoint another **person** to replace the legal adviser; in all cases the appointment shall be made in accordance with these procedures.

5.67. Unless otherwise ordered by the Disciplinary Committee, the order of proceedings at the hearing shall be as follows:

- 5.67.1. the allegation(s) made by the **Exchange** will be read and the **issuer** will state whether the allegation(s) is/are admitted;
- 5.67.2. each party (the **Exchange** followed by the other party(ies)) may present its evidence and/or call witnesses, who may be cross- examined and re-examined by the other parties and questioned by the Disciplinary Committee, and may make submissions to the Disciplinary Committee; and
- 5.67.3. where the Disciplinary Committee is satisfied that any allegation has been proved it shall take into account any representations made by the parties on whether any, and if so what, sanction(s) should be imposed before deciding whether, and if so what, sanction(s) should be imposed.

5.68. At a hearing the Disciplinary Committee may:

- 5.68.1. admit any evidence whether oral or written, whether direct or hearsay, without any requirement that it be on oath and whether or not the same would be admissible in a court of law;
- 5.68.2. make any directions which may be given at a pre-hearing review, and vary any direction which has been made; and
- 5.68.3. make all such directions with regard to the conduct of and procedure at the hearing as the Disciplinary Committee considers appropriate for securing a proper opportunity for the parties to present their cases and otherwise as may be just.

5.69. A record of the pre-hearing review may be made at the request of any party or if the Chairman so decides. A transcription or copy of the record will be made available to a party on payment of the cost of making such transcription or copy or a proportion thereof as the Secretary in his discretion shall determine. For

## ADMISSION AND DISCLOSURE STANDARDS

the avoidance of doubt, it shall be sufficient for such record to be in the form of minutes taken by the Secretary.

- 5.70. A record of the hearing will be made. A transcription or copy of the record will be made available to a party on payment of the cost of making such transcription or copy, or a proportion thereof, as the Secretary in his discretion shall determine. For the avoidance of doubt, it shall be sufficient for such record to be in the form of minutes taken by the Secretary.

### Deliberations and decisions

- 5.71. The Disciplinary Committee may deliberate at any time and make any decision in the absence of the parties. The Disciplinary Committee may adjourn any hearing at any time as it thinks fit. The Disciplinary Committee is entitled to reach decisions on a majority basis. Where a majority decision is reached, this fact will not be disclosed. In the case of an equality of votes, the Chairman shall have a second or casting vote.
- 5.72. Following the conclusion of the proceedings, the Disciplinary Committee will notify the parties in writing of:
- 5.72.1. its decision(s), including any penalty under Rule 5.40 and any statement intended for publication;
  - 5.72.2. the reason(s) for its decision(s);
  - 5.72.3. any order for costs to be imposed; and
  - 5.72.4. a time limit for the lodging of any appeal against the written decision or any part thereof which will be not less than 10 **business days** from the date of service on the parties of the written decision, save in exceptional circumstances where the Disciplinary Committee may order a shorter period.
- 5.73. The matters at Rules 5.72.1 to 5.72.3 (inclusive) will not take effect until the expiry of the period for the lodging of any appeal or any extension thereof. If an appeal is lodged in relation to any or all of Rules 5.72.1 to 5.72.3 (inclusive), the relevant matters at Rules 5.72.1 to 5.72.3 (inclusive) will not take effect until the appeal is withdrawn or the Disciplinary Appeals Committee orders that they or any of them shall take effect.
- 5.74. The Disciplinary Committee may order any party to pay such reasonable costs as it thinks fit, regardless of any finding or the outcome of the case. Such costs may include the remuneration and expenses of members of the Disciplinary Committee, the legal adviser, the Secretary and any costs incurred by the other party in the preparation and presentation of its case. Costs may be awarded against the **Exchange** only if, in the opinion of the Disciplinary Committee, the **Exchange** has acted in bad faith in bringing or conducting the proceedings. Such order will be made only after the parties to the proceedings have been given the opportunity to make submissions on costs to the Disciplinary Committee.



## ADMISSION AND DISCLOSURE STANDARDS

- 5.75. Any fine shall be paid within 30 days of receipt of the written decision of the Disciplinary Committee or the conclusion of any appeal against that determination and any costs ordered to be paid shall be paid within 30 days of receipt of the notification in writing of the amount payable.
- 5.76. The Disciplinary Committee may publish part or all of its written decision or a summary of it, and the reasons for the decision. Where the sanction imposed is a private censure, the Disciplinary Committee may publish its decision in part or a summary of it and the reasons for the decision without revealing the identity of the **issuer** sanctioned.

### Appeal

- 5.77. Appeals must be made by service of a notice in writing, within 10 **business days** of the service of the Disciplinary Committee's decision, setting out the name of the appellant, the decision appealed against, the grounds of appeal, the principal matters relied upon and attaching copies of any documents relied upon on to the Secretary to the Disciplinary Committee, who will as soon as reasonably practicable serve a copy on the other party. Where the appellant wishes to rely on evidence or documentation which was not before the Disciplinary Committee, this shall be stated in the notice together with details of such evidence and copies of such documentation shall be attached to the notice.
- 5.78. On receipt of a notice under Rule 5.77, the Secretary to the Disciplinary Committee will arrange for the **Exchange** to appoint the Chairman and Members of the Appeals Committee and the Chairman will arrange a hearing as soon as reasonably practicable.
- 5.79. The Disciplinary Committee or the Appeals Committee may extend the time for appeal.

### Changes to the procedures

- 5.80. The Disciplinary Committee may vary any of these procedures to adapt to the circumstances of any particular case.

## APPEALS COMMITTEE

### Role

- 5.81. The Appeals Committee shall hear and determine appeals against decisions of the Disciplinary Committee made pursuant to referrals made under Rule 5.77 and appeals against decisions of the Executive Panel made pursuant to Rule 5.34.

### Sanctions

- 5.82. The Appeals Committee may uphold, quash or vary any decision by the Disciplinary Committee or the Executive Panel. In the case of an appeal from the Executive Panel in a disciplinary case, the Appeals Committee may vary any penalty imposed by the Executive Panel subject to imposing a maximum

fine of £100,000 for each breach.

### Membership

- 5.83. The Appeals Committee appointed following service of a notice pursuant to Rule 5.34 or Rule 5.77 (as applicable) shall have a quorum of three (including the Chairman). The maximum number of members of the Appeals Committee shall be seven. Any person whom the Appeals Committee co-opts will count as a member of the Appeals Committee.
- 5.84. Members of the Appeals Committee are drawn from the panel referred to in Rule 5.43.
- 5.85. The Appeals Committee may co-opt any person whom it considers appropriate.
- 5.86. The Chairman may appoint a legally qualified adviser who shall be independent of any party. Such legal adviser will not be counted as a member of the Appeals Committee but shall advise the Appeals Committee on legal matters. The Chairman may replace the legal adviser.
- 5.87. No-one who served on the Disciplinary Committee, whose decision is the subject of the appeal, nor its legal adviser nor anyone who is at the relevant time a member of the **Exchange's** staff, may be appointed or co-opted to the Appeals Committee.
- 5.88. Members of the Appeals Committee will notify the Secretary or the Chairman of any possible conflict of interest at the earliest possible opportunity and in any event prior to any hearing to be held under Rule 5.99 or 5.100. The Chairman will take appropriate action and will then notify the parties to the disciplinary proceedings of the names of the members of the Appeals Committee and any proposed legal adviser. If any party to the disciplinary proceedings believes that a potential conflict of interest exists, it shall notify the Chairman at the earliest possible opportunity. The Chairman will take appropriate action.
- 5.89. Where the Appeals Committee wishes to co-opt a person or to appoint a person to replace a member unable to act whether because of illness, conflict of interest or otherwise and the hearing has commenced:
  - 5.89.1. the appointment shall only take effect with the consent of the parties and the person co-opted or appointed will be subject to the provisions of Rule 5.103; or
  - 5.89.2. if, in the absence of consent in accordance with Rule 5.89.1, the Appeals Committee does not wish or is not able to continue with the hearing, it will cease to deal with the appeal and an entirely new Appeals Committee will be appointed in accordance with these procedures and the hearing, but not any pre-hearing procedures, will start afresh in front of the new Appeals Committee.

### Secretary

- 5.90. The Secretary will carry out any administrative functions and act as secretary

## ADMISSION AND DISCLOSURE STANDARDS

to the Appeals Committee. The parties will be notified of the name of such person as soon as reasonably practicable. For the avoidance of doubt, the Secretary may be a member of the **Exchange's** staff and notwithstanding Rule 5.87 may be the same Secretary who was Secretary of the Disciplinary Committee.

- 5.91. Any notices, notifications and other documents required to be submitted to the Appeals Committee must be served upon the Secretary who will ensure that copies are provided to the other parties, the members of the Appeals Committee and any legal adviser as appropriate. Where the Appeals Committee wishes to notify the parties of any matter it shall do so through the Secretary.
- 5.92. Any notices or other documents required to be served shall be served by delivering by hand or posting by first class post to the addresses set out below, save that the Secretary may agree with any of those referred to at 5.92.1 to 5.92.2 a different place for service upon them:
  - 5.92.1. in the case of an appellant, to its head office;
  - 5.92.2. in the case of the **Exchange**, to the Secretary with a copy to the Company Secretary, at the **Exchange's** registered office; and
  - 5.92.3. in the case of any other party, to a place agreed with the Secretary.
- 5.93. Service shall be deemed effective on the date of delivery by hand or, where first class post is used, on the second day after posting.

### Confidentiality

- 5.94. All communications relating to the proceedings (save those which would be privileged from production in a court of law) between the parties and with the Appeals Committee shall be channelled through the Secretary.
- 5.95. If any Appeals Committee member or the legal adviser is approached by any person to discuss any matter connected with the hearing, the member or legal adviser, as appropriate, shall notify the Chairman without delay, who will take appropriate action.
- 5.96. Other than as set out in the **Standards**, and other than as between the parties and their advisers, all parties shall keep confidential any matters related to the appeal save where disclosure is permitted or required by law.

### Procedure

- 5.97. Following service of a notice pursuant to Rule 5.34 or 5.77 and the appointment of the Appeals Committee:
  - 5.97.1. the appellant may submit to the Appeals Committee a statement amending or expanding upon the notice; and
  - 5.97.2. any other party may submit to the Appeals Committee a statement in

## ADMISSION AND DISCLOSURE STANDARDS

support of its case and any such party wishing to rely on evidence or documents not already before the Appeals Committee must submit a statement containing details thereof and attach to it copies of any such documents.

- 5.98. If both parties consent in writing to the Secretary, the appeal may be by written submissions only.

### Directions

- 5.99. The Appeals Committee shall make any directions including any that may be made by the Disciplinary Committee and take any other steps it considers appropriate including holding pre-hearing reviews for the clarification of the facts and issues and generally for their just, efficient and expeditious presentation and the proper determination of the appeal.

### The hearing

- 5.100. The Appeals Committee will usually conduct hearings in private, although an appellant which is subject to proceedings has the right to ask for such hearing to be conducted in public. An appellant requiring such hearing to be conducted in public shall notify the Chairman at least five **business days** prior to commencement of the hearing.
- 5.101. Any party may be legally represented at any hearing.
- 5.102. The parties will be given not less than 10 **business days'** notice of the time and place of the hearing by the Secretary. The notice period may be shortened with the consent of the parties.
- 5.103. If a party fails to attend or be represented at any hearing or pre-hearing review, the Appeals Committee may proceed in its absence.
- 5.104. At the hearing:
- 5.104.1. the members of the Appeals Committee and the legal adviser will be introduced to the parties by the Chairman who will state that each of the members and the legal adviser believes himself to have no conflict of interest in hearing the appeal;
  - 5.104.2. the parties will be asked to confirm that there is no reasonable objection to any of the Appeals Committee members hearing the appeal or to the legal adviser on the grounds of conflict of interest or otherwise; and
  - 5.104.3. if the Appeals Committee, which for these purposes shall exclude any member objected to and shall have a quorum of two, upholds an objection, the Chairman may appoint a replacement in accordance with these procedures.
- 5.105. The order of proceedings shall be at the discretion of the Appeals Committee.
- 5.106. No party may rely on any statement or document not served on the Appeals

## ADMISSION AND DISCLOSURE STANDARDS

Committee more than two **business days** before the hearing save with the leave of the Appeals Committee.

- 5.107. Save in exceptional circumstances and with the leave of the Appeals Committee, no party may present evidence (including calling new witnesses) that was not available to the Disciplinary Committee or the Executive Panel, although additional submissions may be made. Whether such new evidence should be permitted and, where it is permitted, the procedure for its presentation shall be decided on a case-by-case basis by the Appeals Committee.
- 5.108. A record of any hearing will be made. A transcription or copy of the record will be available to any party, on payment of the cost of making such transcription or copy or a proportion thereof as the Secretary in his discretion shall determine. For the avoidance of doubt, it shall be sufficient for such record to be in the form of minutes taken by the Secretary.

### Deliberations and decisions

- 5.109. The Appeals Committee may deliberate at any time and make any decision in the absence of the parties. The Appeals Committee may adjourn any hearing at any time as it thinks fit. The Appeals Committee is entitled to reach decisions on a majority basis. Where a majority decision is reached, this will not be disclosed. In the case of an equality of votes, the Chairman shall have a second or casting vote.
- 5.110. The Appeals Committee will only quash or vary a decision of the Disciplinary Committee or the Executive Panel if it is satisfied, on the balance of probabilities, that the decision is a misinterpretation of or an erroneous application of any of the **Standards** or is not justified by the evidence on which it is based.
- 5.111. Following the conclusion of the proceedings, the Appeals Committee will notify the parties in writing of:
- 5.111.1.its decision(s), including any statement intended for publication;
  - 5.111.2.the reason(s) for its decision; and
  - 5.111.3.any order for costs to be imposed.
- 5.112. The Appeals Committee may order any party to the proceedings to pay such reasonable costs as it thinks fit regardless of any finding or the outcome of the case. Such costs may include the remuneration and expenses of members of the Appeals Committee, the Secretary and the legal adviser and any costs incurred by any other party in the preparation and presentation of its case. Costs may be awarded against the **Exchange** only if, in the opinion of the Appeals Committee, the **Exchange** has acted in bad faith in bringing or conducting the proceedings. Such order will be made only after the parties to the proceedings have been given the opportunity to make submissions on costs to the Appeals Committee.

## ADMISSION AND DISCLOSURE STANDARDS

- 5.113. Any fine shall be paid within 30 days of receipt of the written decision of the Appeals Committee and any costs ordered to be paid shall be paid within 30 days of receipt of the notification in writing of the amount payable.
- 5.114. The Appeals Committee may publish part or all of its written decision or a summary of it, and the reasons for the decision. The decisions of the Appeals Committee are binding.

### Changes to the procedures

- 5.115. The Appeals Committee may vary any of these procedures to adapt to the circumstances of any particular case.

### CONSENT ORDERS

- 5.116. At any time after the **Exchange** has decided to refer a case to the Executive Panel or the Disciplinary Committee, the **Exchange** and the **issuer** may, without prejudice, negotiate a proposed settlement ("consent order") and jointly submit it in writing to the Executive Panel or Disciplinary Committee for approval. A disciplinary action may at the discretion of the **Exchange** be delayed, and if already commenced – halted, by the commencement of the negotiation of a consent order.
- 5.117. At the request of the **issuer**, the consent order submitted to the Disciplinary Committee for approval may be anonymous, provided that this will have no impact on the decision taken by the Disciplinary Committee. The Disciplinary Committee retains the right to insist that the name of the **issuer** is disclosed to them.
- 5.118. If the Executive Panel or Disciplinary Committee approve the proposed consent order, or any variation agreed by the **Exchange** and the **issuer**, it shall immediately make the order.
- 5.119. The consequences of a consent order made by the Executive Panel or Disciplinary Committee shall be the same as those of a decision made by the Executive Panel or Disciplinary Committee sitting as a tribunal of first instance, except that there can be no appeal and the consent order and penalties on any charges to which it relates shall have immediate effect.
- 5.120. The Executive Panel or Disciplinary Committee shall, in considering the consent order, take into account and give due weight to the fact that the parties are jointly applying for the consent order to be made.
- 5.121. If the Executive Panel or Disciplinary Committee does not approve the proposed consent order, there shall be no reference in any hearing before the Executive Panel or Disciplinary Committee to the negotiations, the proposed consent order or the submissions made to the Executive Panel or Disciplinary Committee, all of which shall be confidential.
- 5.122. Where Rule 5.121 applies, the Executive Panel or Disciplinary Committee constituted to hear the disciplinary charges shall contain no person who was

## **ADMISSION AND DISCLOSURE STANDARDS**

part of the Executive Panel or Disciplinary Committee that considered the consent order.

### SCHEDULE 1 – ADMISSION PROCEDURES

#### PART A – PROVISIONAL APPLICATION

To ensure the **Exchange** can properly consider any **application** for **admission to trading** the **issuer** must:

- 1.1 For new **issuers**, submit the **Form 1** and/or make a submission via the **SSP** and submit a draft copy of the **prospectus**, **listing particulars**, circular, announcement or other document relating to the issue, to the **Exchange** (marked for the attention of “Admissions” to admissions@lseg.com) by no later than 12:00 at least ten **business days** prior to the consideration of the **application** for **admission to trading**.
- 1.2 The submission of the **Form 1** and/or any submission via the **SSP** shall be provisional. Formal **application** will only be deemed to be made when a **prospectus** relating to the **securities** to be **admitted to trading** has been approved.
- 1.3 The formal **application** and supporting documentation must be submitted in accordance with Rule 3.3 of Section 3 of the **Standards** and Part B of Schedule 1.

*Guidance:*

***New applicants of securities** should refer to the early notification requirements in Part 3 of Section 2 of the **Standards**.*

***Admission of securities** becomes effective only when the decision of the **Exchange** to admit the **securities** to trading has been announced by the **Exchange** via a **Regulatory Information Service** announcement. (Should the **Regulatory Information Service** suffer an outage, a notice will be made available at the **Exchange’s** ground floor reception).*

*Except where otherwise agreed by the **Exchange**, **applications** for **admission to trading** are considered on **business days** between the hours of 09:00 and 17:30.*

*An invoice for the **admission** fee will be raised on **admission**. The **admission** fee is calculated in accordance with the **Exchange’s** scale of fees (see Rule 4.11 of Section 4 of the **Standards**). Payment of the **admission** fee must be received no later than 30 days after the date of this invoice.*

#### PART B – FORMAL APPLICATION

- 2.1 The following documents must be submitted to the **Exchange** by no later than 12:00 at least two **business days** prior to the consideration of the **application** for **admission to trading**:
  - an **application** for **admission to trading** on the finalised **Form 1** issued by the **Exchange** signed by a duly authorised officer of the **issuer** and/or submission via the **SSP**;



## ADMISSION AND DISCLOSURE STANDARDS

- an electronic copy of any **prospectus**, **listing particulars**, circular, announcement or other document relating to the issue, together with copies of any notice of meeting referred to in such documents; and
- written confirmation of the number of **securities** to be allotted or issued pursuant to the board resolution should be provided and must be received by the **Exchange** no later than 16:00 on the **business day** before **admission** is expected to become effective. By prior arrangement in writing this may be extended to 07:00 on the day of **admission**. The **applicant** should keep a copy of the resolution on its records for six years.

*Guidance:*

*If the **FCA** has considered an **application** for **listing** and the **securities** the subject of the **application** are not all allotted and **admitted** following the initial allotment of the **securities** (for example, under an **offer for subscription**), further allotments of **securities** may be **admitted** if, before 16:00 on the day before **admission** is sought, the **Exchange** has been informed and the **FCA** has been provided with the information required under **Listing Rule 3.3.4 A R**.*

*The **Exchange** may require proof of allotment for any **securities** which are being issued on **admission**. A copy of the **applicant's** board minutes allocating such **securities** or confirmation from the **issuer** will suffice in most cases.*

*The documents required under Part B of Schedule 1 should at least include:*

- *number of **securities** to be **admitted**;*
- *par value of **securities**;*
- *expected **admission** date; and*
- *nature of **admission**.*

### PART C – APPLICATIONS FOR CERTAIN SECURITIES

3.1 **Issuers** seeking **admission to trading** to the **Order book for Retail Bonds** should ensure that they submit a **Form 1** and/or submit via the **SSP** and an ORB static data form.

*Issuance programmes*

3.2 Where **debt securities** or **depository receipts** are issued under an issuance programme, an **applicant** must submit a subsequent **application** for **admission to trading** in the case of an increase in the maximum number of **securities** which may be in issue and **listed** at any one time under an issuance programme.

If the **Exchange** approves the **application**, it will **admit to trading** all **securities** which may be issued under the programme within 12 months after the publication of the **prospectus** or **listing particulars**, subject to the **Exchange** receiving:

- (a) advice of the final terms of each issue;
- (b) electronic copies of any supplementary **prospectus** or **listing**

**particulars**; and

(c) confirmation that the **securities** in question have been issued.

- 3.3 The final terms of each issue which is intended to be **admitted to trading** must be submitted in writing to the **Exchange** as soon as possible after they have been agreed and, in any event, no later than 14:00 on the **business day** before **admission** is required to become effective. The final terms may be submitted by the **issuer** or its **designated representative**.

### *Guidance for sustainable bonds*

*In addition to the requirements of the **Standards**, **issuers of debt securities** seeking the Sustainable Bond Market, must follow the guidance set out in the Sustainable Bond Market terms and conditions (available on the **Exchange's** website), which will include the provision of all relevant supporting materials and documentation and the acknowledgement of and commitment to post-issuance reporting obligations.*

### **ETFs, EEA ETFs and ETPs**

- 3.4 Prior to any potential **admission to trading** of an **ETF, EEA ETF** or **ETP**, **issuers** must liaise with the **FCA**. New **ETF, EEA ETF** or **ETP issuers** should refer to the early notification requirements in Part 3 of Section 2 of the **Standards**.
- 3.5 All **ETFs** and **EEA ETFs** must be either **FCA** authorised or have **FCA recognition status**.

For **ETFs** and other **ETPs** admitting on the basis of an **FCA listing**, the below documents must be submitted to the **Exchange**, via the **SSP**, 11 **business days** (by 12:00) before the target **admission** date, unless a sub-fund, whereby these can be submitted five **business days** before the target **admission** date:

- **Form 1**
- Trading form
- **Prospectus/pricing supplement**
- Stamped **listing particulars**
- For **ETFs** - Certificate of **UCITS** compliance or other **FCA** recognised non-UCITS scheme
- For other **ETPs** – Final terms

- 3.6 For **ETFs** admitting on the basis of an **EEA listing**, the below documents must be submitted to the **Exchange**, via the **SSP**, 11 **business days** (by 12:00) before the target **admission** date unless a sub-fund, whereby these can be submitted five **business days** before the target **admission** date:

- **Form 1**
- Trading form
- Evidence of **FCA recognition status**
- **Prospectus/pricing supplement**
- Stamped **listing particulars** from an **EEA competent authority**

- (English version)  
Certificate of **UCITS** compliance from the home **competent authority** or other **FCA** recognised non-UCITS scheme (English version)

*Guidance to paragraphs 3.4 to 3.6*

*For each **ETF/ETP admitted to trading** on the **Exchange**, we require at least one registered market maker to provide two-way prices on the **Exchange's order book** from the first day of trading. If no market makers are registered by 15:30 on the **business day** before the **admission** date the **security** will not be **admitted**.*

*Further information can be found on the **Exchange's** website.*

### **Covered warrants and listed structured products**

- 3.7 **Issuers of covered warrants and listed structured products** must provide a finalised **Form 1** and/or make a submission via the **SSP**, a pricing supplement, indicative price and a completed trading form (depending on the number of products being launched simultaneously) and any additional forms, as appropriate. If products are to be launched under a new **prospectus** then it must also be provided.

### SCHEDULE 2 – WHEN ISSUED DEALING

1. A provisional “**when issued dealing application form**” (which is available on the **Exchange’s** website) must be submitted via the **SSP**, together with a draft **prospectus**, at least 10 **business days** prior to the day on which the **issuer** is requesting that the **Exchange** consider the **application** for **when issued dealing**.
2. The final “**when issued dealing application form**” must be submitted (with a draft **stabilisation** notice if appropriate) at least two **business days** prior to the day on which the **issuer** is requesting that the **Exchange** consider the **application** for **when issued dealing**.
3. On the **business day** prior to the start of **when issued dealing** the **Exchange** must receive:
  - a copy of the **listing particulars**, admission document or **prospectus** or confirmation of the expectation that the **Listing Particulars**, admission document or **prospectus** will be approved by the **FCA** during the first day of **when issued dealing**;
  - confirmation of when allocation is due to take place and an indication of the expected trading price; and
  - the draft **stabilisation** notice, if applicable.

#### Guidance to Schedule 2

*Subject to Rule 3.9 of Section 3 of the **Standards**, **when issued dealing** will only commence once:*

- *the offer price (where applicable) and allocation details have been publicly announced;*
- *the **issuer**, or its advisers, have confirmed that they are not aware of any reason why the **listing particulars**, admission document or **prospectus** will not be approved by the **FCA** during the first day of **when issued dealing**; and*
- *the **Exchange** is satisfied that all relevant regulatory and operational approvals have been obtained by the **issuer**. This includes acceptance of the **security** by the venue in which it is due to settle and, if applicable, the relevant **central counterparty**.*

*Further guidance on **when issued dealing** can be found on the **Exchange’s** website.*

***Issuers** seeking **admission** to the **Order book for Retail Bonds** should contact the **Exchange** in respect of any **application** for **when issued dealing**.*

### SCHEDULE 3 – CORPORATE ACTIONS

#### Timetable for corporate actions

1. An **issuer** must contact the Corporate Actions team at the **Exchange** (marked for the attention of the “Corporate Actions Team” and sent to [ssn@lseg.com](mailto:ssn@lseg.com)) in advance of any announcement of the timetable for any proposed action affecting the rights of existing holders of its **securities** traded on the **Exchange’s** markets. Except in the case of a dividend timetable notification (which are subject to paragraph 6), the reference to ‘in advance’ means that the **Exchange** should receive the proposed timetable by no later than 09:00 on the day before the proposed announcement. **Issuers** are reminded of their responsibilities in Rules 4.4 and 4.5 of Section 4 of the **Standards**, in particular any information provided to the Corporate Actions Team must be complete, accurate and not misleading.
2. Paragraphs 1 and 3 to 5 do not apply to **issuers** of **depository receipts** or **specialist securities**. **Issuers** of **depository receipts** must observe their obligations under paragraph 8.
3. The **Exchange** may require amendments to the timetable, as and when considered necessary. The **Exchange** will liaise with the **issuer** and its advisers as appropriate.
4. A timetable which has not been cleared in advance with the **Exchange** but which has been announced to the market, may be subject to change if required by the **Exchange**. If this situation occurs a further correcting announcement must be made to the market.
5. Any proposed amendments to a timetable, including amendment to the publication details of any announcement, must be immediately notified to the **Exchange**.
6. In respect of corporate action announcements, the **issuer** must comply with its regulatory disclosure obligations, including under **UK MAR**.
7. The announcement of a corporate action must include the **ISIN** or the Tradable Instrument Display Mnemonics code (TIDM) of the affected **securities**.

#### Guidance

*Paragraphs 1 to 7 (inclusive) relate to proposed timetables for all corporate actions for **securities admitted to trading** on the **Exchange’s** markets, for example:*

- *Corporate actions where an ‘**ex**’ date is required (dividends, scrip dividends, DRIPs, DRISs, dividend currency elections, open offers, rights issues, bonus issues, capitalisation issues, return of capital/cash, demergers, enfranchisements).*
- *Other events for which clearance of timetables is required are:*
  - **tender/repurchase offers,**

- **consolidations, subdivision,**
- **capital reorganisations,**
- **schemes of arrangement/ schemes of reconstruction,**
- some types of **conversions/redemptions,** or
- any other corporate event which could affect the rights of existing holders of **securities admitted to trading on the Exchange's markets.**

8. Where applicable, dividend payments must follow the procedures set out in the following guidance.

### *Guidance*

*A dividend timetable which follows the guidelines, as set out in the Dividend Procedure Timetable, as published on the **Exchange's** website, need not be notified to the **Exchange** in advance, provided the announcement of the dividend includes:*

- *the amount of the dividend, which unless stated otherwise, is stated as gross;*
- *the record and payment dates; and*
- *the availability of any scrip dividend, DRIP or dividend currency option, together with the election date.*

*Dividends outside of the guidelines as set out in the Dividend Procedure Timetable must be agreed by the **Exchange** in advance of the announcement of the dividend. The **Scrip Dividend** and **DRIP** documentation must also be lodged with the **Exchange**.*

*If an announcement is released which does not meet the guidelines as set out in the Dividend Procedure Timetable, and has not been agreed by the **Exchange**, the **issuer** will need to make a further correcting announcement without delay.*

*The term 'dividend' includes all interest payments for **debt securities** (excluding **specialist securities**). An announcement is not required for interest payments, but the **Exchange** must receive notification of any payment no later than seven **business days** prior to the **record date**. This notification must include:*

- *the appropriate net or gross amount; and*
- *the record and payment dates; and*
- *any conversion period details.*

*Where fixed payment details are available, the **issuer** or its agent may use one timetable to inform the **Exchange** of all future payments, providing any subsequent amendments are notified to the **Exchange** immediately.*

*When an **issuer** publishes details of future interest payments, they must notify the **Exchange**.*

### **Timetable for open offer**

9. The timetable for an **open offer** must ensure that valid claims through the market can be promptly satisfied and must comply with the following:

## ADMISSION AND DISCLOSURE STANDARDS

- the **open offer** must remain 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. The **business days** must also exclude the '**ex**' date;
- where possible, the **open offer record date** should be the **business day** before the expected '**ex**' date. A **record date** preceding the '**ex**' date by more than three **business days** will only be approved in exceptional circumstances; and
- the announcement by an **issuer** of an **open offer** must take place by no later than 07:00 on the proposed '**ex**' date. Where there are exceptional circumstances, prior written consent from the **Exchange** must be obtained for any later announcement.

As per paragraphs 1 and 2, an **issuer** or its adviser must contact the **Exchange** in advance of any announcement of the timetable for any **open offer**. The reference to 'in advance' means that the **Exchange** should receive the proposed timetable by no later than 09:00 on the day before the proposed announcement. The **Exchange** may require amendments to the timetable, as and when considered necessary. The **Exchange** will liaise with the **issuer** and its advisers as appropriate.

A timetable which has not been cleared in advance with the **Exchange** but which has been announced to the market, may be subject to change if required by the **Exchange**. If this situation occurs a further correcting announcement must be made to the market.

### Continuing obligations for depositary receipt issuers

10. An **issuer** or its **depository bank** should contact the **Exchange** in advance of any announcement of a timetable for any proposed action affecting the rights of existing holders of its **securities** traded on the **Exchange's** markets. The reference to "in advance" means that the **Exchange** should receive the proposed announcement by no later than 09:00 on the day before the proposed announcement.

The **Exchange** may require amendments to the timetable, as and when considered necessary. The **Exchange** will liaise with the **issuer** or **depository bank** as appropriate.

Any proposed amendments to an agreed timetable, including amendment to the published details of any announcement, should immediately be notified to the **Exchange**.

Paragraph 8 and related guidance must be adhered to by an **issuer** or its **depository bank** unless otherwise specifically agreed with, and confirmed by, the **Exchange**.

### Guidance

Paragraph 8 relates to proposed timetables for all corporate actions for **depository receipts admitted to trading** on the **Exchange's** markets, for example: corporate actions where an '**ex**' date is required (**bonus issues**, stock distributions, **rights issues**, **demergers** /spin offs).

**Issuers** will have regard to their domestic regulatory requirements and should discuss possible conflicts between those and **the Standards** with **Exchange** in advance, as **issuers** deem necessary.

Wherever possible the **record date** should be announced in advance and the '**ex**' date for any of the above corporate actions will be determined by the **Exchange**, dependent on the information received and the type of the corporate action proposed.

Other events for which clearance of timetables is required are:

- stock splits,
- **tender/repurchase offers**,
- **capital reorganisations**,
- or any other corporate action which could affect the rights of existing holders of **securities admitted to trading** on the **Exchange's** markets.

### Dividends

Dividends for **depository receipts** should be notified to the **Exchange** at least three **business days** prior to the dividend **record date**, to allow the **depository receipt** to be marked Ex Dividend in the normal way, one **business day** prior to the **record date**.

In most circumstances the dividend **record date** for the **depository receipt** will be in line with that of the underlying security. In the event of late notification of the **record date** for the underlying security, or where notice is not received three days prior to the **record date**, the **depository bank** will be required to set a separate **record date** for the **depository receipt** to allow the security to be marked Ex Dividend in line with the above timetable.

Dividend notifications for **depository receipts** should include the following details, where available:

- name of **issuer** declaring dividend
- ISIN or CUSIP number
- whether dividend is an approximate or final rate
- amount of the dividend (should state whether the dividend is net or gross and include both rates (if available))
- **record date**
- payment dates
- any relevant fees or tax charges
- name of **depository bank** announcing dividend (including contact details).



### SCHEDULE 4 – SPECIALIST FUND SEGMENT

In order to be eligible for **admission**, and in addition to the requirements of the **Standards**, the following criteria must be satisfied, at **admission**, unless the **Exchange** otherwise agrees:

1. the **issuer** must be a closed-ended investment company;
2. the **issuer** must have published prior to **admission** a **prospectus** that complies with Annexes 4 and 11 of the **UK Prospectus Regulation**, in relation to the **securities** to be **admitted** that must have been approved by the **FCA**. To the extent permitted by the **FCA**, that **prospectus** (as well any notification to a **Regulatory Information Service** at **admission**) should include:
  - a. the following statement:

*“The Specialist Fund Segment securities are not admitted to the Official List of the Financial Conduct Authority. Therefore the company has not been required to satisfy the eligibility criteria for admission to listing on the Official List and is not required to comply with the Financial Conduct Authority’s Listing Rules. The London Stock Exchange has not examined or approved the contents of this document.”*; and
  - b. appropriate language to reflect the fact that the **Specialist Fund Segment** is intended for institutional, professional, professionally advised and knowledgeable investors who understand, or who have been advised of, the potential risk from investing in companies **admitted to the Specialist Fund Segment**.
3. the **issuer** must disclose post-issue free float as part of their submission on the **Form 1** and/or the **SSP**;
4. there must be a sufficient number of registered holders of the **securities** to be **admitted** to provide an orderly market in the **securities** following **admission**; and
5. the **issuer** must be duly incorporated or otherwise validly established and must operate in conformity with its constitution.

#### Guidance to Schedule 4

*As the **Specialist Fund Segment** is part of the **Exchange’s regulated market**, **issuers admitted to trading** on the **Specialist Fund Segment** must meet the requirements of applicable **UK law and regulations**.*

**SCHEDULE 5 – HIGH GROWTH SEGMENT RULEBOOK**

**These rules** apply to **issuers** (and their **Key Advisers**) applying to **admit securities**, or with **securities** admitted, to trading on the **High Growth Segment** of the **Main Market**, part of the **regulated market** operated by the **Exchange**.

*The following terms have the following meanings when used in this Schedule 5 the context otherwise requires. For any defined terms not listed here, please refer to the Glossary to the **Standards**.*

TERM	MEANING
admission, admitted	admission of <b>securities</b> to trading on the <b>High Growth Segment</b> of the <b>Main Market</b> .
CAGR	<p>Compound Annual Growth Rate calculated in accordance with the following formula where Revenue means audited consolidated revenue prepared in a form consistent with that which will be adopted in the <b>issuer's</b> next published financial statements; financial year 3 is the <b>issuer's</b> most recent completed financial year, and; financial year 0 is the <b>issuer's</b> financial year ended three years prior to financial year 3:</p> $\left( \frac{\text{Revenue for financial year 3}}{\text{Revenue for financial year 0}} \right)^{1/3} - 1$ <p>For example, to evaluate the three year Revenue CAGR at the end of 2012, Revenue for financial year 0 would be revenue earned in 2009.</p>
class test(s)	the tests set out in Annex 1 which are used to determine how a transaction is to be classified for the purposes of <b>these rules</b> .
director(s)	a <b>person</b> occupying the position of a director (by whatever name called) of a company or other body corporate with corresponding powers and duties.
EEA	as such term is defined in the <b>FCA Handbook</b> .
EEA State	as such term is defined in the <b>FCA Handbook</b> .
eligibility letter	as defined in Section 14.1 of Annex 3 and in such form as is found on the <b>Exchange's</b> website.
equity share capital	in relation to a company or similar body corporate, 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.
EU	as such term is defined in the <b>FCA Handbook</b> .

## ADMISSION AND DISCLOSURE STANDARDS

FCA Handbook	the Handbook published by the <b>FCA</b> , as amended from time to time.
Group	a <b>person's</b> group of companies being its <b>subsidiary undertakings</b> , its <b>parent undertakings</b> and any other <b>subsidiary undertakings</b> of its <b>parent undertakings</b> .
in public hands	<p><b>Securities</b> are not considered to be in public hands if they are held, directly or indirectly, by:</p> <p>(a) a <b>director</b> of the <b>issuer</b> or of any of its <b>subsidiary undertakings</b>; or</p> <p>(b) a <b>person</b> connected with a <b>director</b> of the <b>issuer</b> or of any of its <b>subsidiary undertakings</b>; or</p> <p>(c) the trustees of any employees' share scheme or pension fund established for the benefit of any <b>directors</b> and employees of the <b>issuer</b> and its <b>subsidiary undertakings</b>; or</p> <p>(d) any <b>person</b> who under any agreement has a right to nominate a <b>person</b> to the board of <b>directors</b> of the <b>issuer</b>; or</p> <p>(e) any <b>person</b> or <b>persons</b> in the same <b>group</b> or <b>persons</b> acting in concert who have an interest in 5% or more of the shares of the relevant <b>class</b>.</p> <p><b>Treasury shares</b> are not to be taken into consideration when calculating the number of shares of the <b>class</b>.</p>
issuer Declaration	as such form is found on the <b>Exchange's</b> website.
Key Adviser Application	as such form is found on the <b>Exchange's</b> website.
Key Adviser Declaration	as such form is found on the <b>Exchange's</b> website.
Key Adviser service(s)	a service relating to a matter referred to in Rule 4 of <b>these rules</b> that a <b>Key Adviser</b> provides or is requested or appointed to provide, including preparatory work that a <b>Key Adviser</b> may undertake before a decision is taken as to whether or not it will act as <b>Key Adviser</b> for an <b>issuer</b> , and including all the <b>Key Adviser</b> communications with the <b>Exchange</b> in connection with the service. But nothing in this definition is to be taken as requiring a <b>Key Adviser</b> when requested to agree to act as a <b>Key Adviser</b> for an <b>issuer</b> .
Key Adviser(s)	a <b>Key Adviser</b> whose name appears on the list maintained by the <b>Exchange</b> pursuant to Section 15 of Annex 3.

## ADMISSION AND DISCLOSURE STANDARDS

notifiable transaction	as set out in Section B3.
parent undertaking(s)	as such term is defined in Section 1162 of the Companies Act 2006.
percentage ratio(s)	(in relation to a transaction) the figure, expressed as a percentage, that results from applying a calculation under a <b>class test</b> to the transaction.
person(s)	(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 partnership).
Prospectus Rules	the Prospectus Rules issued by the <b>FCA</b> as part of the <b>FCA Handbook</b> , as amended from time to time.
related party	<p>(1) a <b>person</b> who is (or was within the 12 months before the date of the transaction or arrangement) a <b>substantial shareholder</b>; or</p> <p>(2) a <b>person</b> who is (or was within the 12 months before the date of the transaction or arrangement) a <b>director</b> or shadow director of the company or of any other company which is (and, if he has ceased to be such, was while he was a <b>director</b> or shadow director of such other company) its <b>subsidiary undertaking</b> or <b>parent undertaking</b> or a fellow <b>subsidiary undertaking</b> of its <b>parent undertaking</b>; or</p> <p>(3) a <b>person</b> exercising significant influence; or</p> <p>(4) an associate (as such term is defined in the <b>Listing Rules</b>) of a related party referred to in the above paragraphs.</p>
related party transaction	as set out in Section B4.
reverse takeover	<p>a <b>reverse takeover</b> is a transaction, whether effected by way of a direct acquisition by the <b>issuer</b> or a <b>subsidiary undertaking</b>, an acquisition by a new holding company of the <b>issuer</b> or otherwise, of a business, a company or assets:</p> <ul style="list-style-type: none"> <li>• where any <b>percentage ratio</b> is 100% or more; or</li> <li>• which in substance results in a fundamental change in the business or in a change in board or voting control of the <b>issuer</b> and its <b>subsidiary undertakings</b>.</li> </ul> <p>When calculating the <b>percentage ratio</b>, the <b>issuer</b> should apply the <b>class tests</b>.</p>

## ADMISSION AND DISCLOSURE STANDARDS

	<p>The following factors are usually indicators of a fundamental change:</p> <p>(1) the extent to which the transaction will change the strategic direction or nature of its business; or</p> <p>(2) whether its business will be part of a different industry sector following the completion of the transaction; or</p> <p>(3) whether its business will deal with fundamentally different suppliers and end users.</p>
RIS	see definition of Regulatory Information Service in the <b>Standards</b> .
scientific research issuer	<p>an <b>issuer</b> that:</p> <p>a) has as its primary reason for <b>admitting</b> to the <b>High Growth Segment</b> the raising of finance to bring identified products to a stage where they can generate significant revenues; and</p> <p>b) demonstrates that it has a three-year record of operations in laboratory research and development including:</p> <p style="margin-left: 40px;">i. details of patents granted or details of progress of patent applications; and</p> <p style="margin-left: 40px;">ii. the successful completion of, or the successful progression of, significant testing of the effectiveness of its products; and</p> <p>c) demonstrates its ability to attract funds from sophisticated investors prior to the marketing at the time of <b>admission</b>.</p>
shareholders	a holder of any legal or beneficial interest, whether direct or indirect, in a <b>security admitted</b> to the <b>High Growth Segment</b> .
subsidiary undertaking(s)	as such term is defined in section 1162 of the Companies Act 2006.
substantial shareholder	<p>means any <b>person</b> 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 <b>subsidiary undertaking</b> or <b>parent undertaking</b> or of a fellow <b>subsidiary undertaking</b> of its <b>parent undertaking</b>). For the purposes of calculating voting rights, the following voting rights are to be disregarded:</p> <p>(1) any voting rights which such a <b>person</b> exercises (or controls the exercise of) independently in its capacity as bare trustee, investment manager, collective investment undertaking or a</p>

## ADMISSION AND DISCLOSURE STANDARDS

	<p>long-term insurer in respect of its linked long-term business if no associate of that <b>person</b> 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 <b>person</b> confers or collaborates with such an associate which also acts in its capacity as investment manager, collective investment undertaking or long-term insurer); or</p> <p>(2) any voting rights which a <b>person</b> may hold (or control the exercise of) solely in relation to the direct performance, by way of business, of:</p> <p>(a) underwriting the issue or sale of <b>securities</b>; or</p> <p>(b) placing <b>securities</b>, where the <b>person</b> provides a firm commitment to acquire any <b>securities</b> which it does not place; or</p> <p>(c) acquiring <b>securities</b> from existing <b>shareholders</b> or the <b>issuer</b> pursuant to an agreement to procure third-party purchases of <b>securities</b>;</p> <p>and where the conditions in (i) to (iv) are satisfied:</p> <p>(i) the activities set out in (2)(a) to (c) are performed in the ordinary course of business;</p> <p>(ii) the <b>securities</b> to which the voting rights attach are held for a consecutive period of five trading days or less, beginning with the first trading day on which the <b>securities</b> are held;</p> <p>(iii) the voting rights are not exercised within the period the <b>securities</b> are held; and</p> <p>(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 <b>issuer</b> within the period the <b>securities</b> are held.</p>
Target	the subject of a <b>notifiable transaction</b> or <b>reverse takeover</b> .
these rules	these rules relating to <b>admission</b> to the <b>High Growth Segment</b> .
treasury shares	as such term is defined in the <b>FCA Handbook</b> .

### INTRODUCTION

- A. The **High Growth Segment** opened on 27 March 2013. It offers admission to trading to the **Main Market** principally for high growth, trading businesses that intend in due course to seek admission to the **Official List** but that may not yet meet the applicable eligibility criteria, in particular due to having a lower proportion of **securities in public hands**.
- B. As a segment of the **Exchange's regulated market**, **issuers** with **securities** admitted to, or applying for **admission** to, the **High Growth Segment** must comply with **UK MAR**, **DTR**, the **UK Prospectus Regulation** and the **Prospectus Rules**.
- C. Other rules that will apply to **issuers** include the **Standards** issued by the **Exchange**, which should be read in conjunction with **these rules**. An **issuer** will also need to comply with the national law and regulation of its country of incorporation.
- D. **Securities** admitted to the **High Growth Segment** are not admitted to the **Official List** maintained by the **FCA** and therefore the **Listing Rules** do not apply.
- E. **Admission** to the **High Growth Segment** is determined by the **Exchange** on the basis of information and submissions relating to eligibility given by the **issuer** and its **Key Adviser** and on the basis that a **prospectus** has been approved by the **FCA**.
- F. Prospective **issuers** considering applying for **admission** to the **High Growth Segment** should consult with the **Exchange** (via the **Primary Market Regulation Team**) at the earliest possible opportunity in order to discuss their eligibility.
- G. Questions or concerns in relation to the interpretation of **these rules** should be addressed at the earliest possible opportunity to the **Primary Market Regulation Team**. The **Exchange** may modify or dispense with **these rules** in individual cases as it considers appropriate.
- H. Terms in bold are defined in the Glossary.
- I. The **prospectus** required under Rule 3 of **these rules**, any documents sent to **shareholders** and any information required by **these rules** (including the website at Section B7) must be in English.
- J. The rules relating to the trading of **securities** are set out in the *Rules of the London Stock Exchange*.

### SECTION A – ADMISSION

- 1. This Section applies to **issuers** that do not already have **securities admitted**, unless (i) **admission** is sought for a new **class** of **securities**, or (ii) **admission** is the result of a **reverse takeover** involving an **issuer** that previously had **securities admitted**, in which case this Section shall apply unless the **Exchange** otherwise determines.

#### A1: ELIGIBILITY FOR ADMISSION

## ADMISSION AND DISCLOSURE STANDARDS

2. In order to be eligible for **admission**<sup>3</sup>, and in addition to the requirements of the **Standards**, the following criteria must be satisfied, at **admission**, unless the **Exchange** otherwise agrees:
  - 2.1. the **issuer** together with its **subsidiary undertakings** must be a trading business<sup>4</sup>;
  - 2.2. the **issuer** must control the majority of its assets;
  - 2.3. the **issuer** must be able to demonstrate growth in audited consolidated revenue, prepared in a form consistent with that which will be adopted in the **issuer's** next published financial statements, of at least 20% on a **CAGR** basis over the prior three financial years;
  - 2.4. at least 10% of the number of **securities** to be **admitted** must be **in public hands**;
  - 2.5. the value of the **securities** in **public hands** must be at least £30 million. The majority of the £30 million must be raised at **admission** by the issue of new **securities** or sale of existing **securities** from the same **class** as that to be **admitted**;
  - 2.6. there will be a sufficient number of registered holders of the **securities** to be **admitted** to provide an orderly market in the **securities** following **admission**;
  - 2.7. the **securities** to be **admitted** must form part of the **issuer's equity share capital**, must conform with the laws and regulations of the **issuer's** place of incorporation and be duly authorised according to the requirements of the **issuer's** constitution as well as having any other necessary consents;
  - 2.8. the **issuer** must:
    - 2.8.1. be duly incorporated or otherwise validly established in the **UK** or an **EEA State** and must operate in conformity with its constitution, and
    - 2.8.2. be a **UK** public limited company or similar **EEA** corporate structure; and
  - 2.9. the **Exchange** may at its sole discretion modify or dispense with Rules 2.1 and 2.3 of **these rules** in the case of a **scientific research issuer**<sup>5</sup>, provided that the **scientific research issuer**:

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<sup>3</sup> GUIDANCE – **Issuers** should note that certain of the eligibility requirements set out here are continuing obligations pursuant to Section B1.

<sup>4</sup> GUIDANCE - an **issuer** should not, for example, be a mineral resource company at exploration stage, or an investment entity.

<sup>5</sup> GUIDANCE – the criteria for determining whether an **issuer** will qualify as a **scientific research issuer** is contained in the glossary definition of **scientific research issuer**.



## ADMISSION AND DISCLOSURE STANDARDS

- 2.9.1. complies with Rules 2.2 and 2.4 to 2.8 of **these rules**; and
  - 2.9.2. has published or filed historical financial information since the inception of its business.
3. In addition, to be eligible for **admission**, the **issuer** must have published prior to **admission** a **prospectus** in relation to the **securities** to be **admitted** that must have been approved by the **FCA**. To the extent permitted by the **FCA**, that **prospectus** (as well any notification to a **RIS** at **admission**) should include the following:
  - 3.1. a statement, ideally on the front page, prominently and boldly, stating the following:

*"Admission to the High Growth Segment of the Main Market of the London Stock Exchange is primarily intended for high growth companies, which are likely to have a lower proportion of securities in public hands at admission than companies admitted to the Official List. High Growth Segment securities are not admitted to the Official List of the Financial Conduct Authority. Therefore the company has not been required to satisfy the eligibility criteria for admission to listing on the Official List and is not required to comply with the Financial Conduct Authority's Listing Rules. The London Stock Exchange has not examined or approved the contents of this document. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser."*, and
  - 3.2. a non-binding indication in the section of the **prospectus** dealing with information on the **issuer** (and in any notification to a **RIS** at **admission**) setting out that the **issuer** intends to apply for admission to the **Official List** in the future and how it intends to satisfy the eligibility criteria for admission to the **Official List**.
4. In addition, to be eligible for **admission**, an **issuer** must have appointed a **Key Adviser** in relation to an **admission**. The **Key Adviser** must comply with the requirements of Annex 3 of **these rules**.
5. Even if an **application** for **admission** by an **issuer** satisfies all of the criteria set out in this Section A1, the **Exchange** may refuse **admission** or may impose any conditions to **admission** in accordance with Rule 2.5 of the **Standards**.

### A2: PROCEDURE FOR ADMISSION

6. In addition to the requirements for **admission** set out in the **Standards**, to apply for **admission**:
  - 6.1. a **Key Adviser** must submit to the **Exchange** a draft copy of the **eligibility letter** by email to the **Primary Market Regulation Team** no later than the date on which a draft **prospectus** is first submitted for review to the **FCA**.

## ADMISSION AND DISCLOSURE STANDARDS

- 6.2. an **issuer** (or **Key Adviser** on its behalf) must submit to the **Exchange** at least two **business days** before the **Exchange** is to consider the **application for admission**, the following by email to the **Primary Market Regulation Team**:
  - 6.2.1. a completed **issuer Declaration**; and
  - 6.2.2. any other documentation required by the **Exchange** in connection with assessing the **issuer's** eligibility.
- 6.3. a **Key Adviser** must submit to the **Exchange** at least two **business days** before the **Exchange** is to consider the **application for admission** by email to the **Primary Market Regulation Team**:
  - 6.3.1. a completed **Key Adviser Declaration**;
  - 6.3.2. the final form **eligibility letter**; and
  - 6.3.3. any other documentation required by the **Exchange** in connection with assessing the **issuer's** eligibility.
7. An **issuer** in the case of Rule 6.2 of **these rules** and information required by the **Standards** or **Key Adviser** in the case of the whole of Rule 6 of **these rules**, in each case must inform the **Exchange** (via the **Primary Market Regulation Team**) without delay of any change in the information provided under those provisions that occurs prior to **admission**. Where, in the opinion of the **Exchange**, such change(s) result in the information being significantly different to that initially provided or otherwise being material in the context of the **admission**, the **Exchange** may delay **admission**.
8. The **Exchange** may publish the information contained in the documents it receives pursuant to Rule 6.1 of **these rules** or the **Standards**, in particular by noting details of the proposed **admission** on its website.
9. **Admission** becomes effective at the time set out in the **Standards**.

### SECTION B – CONTINUING OBLIGATIONS

10. This Section applies to **issuers** that have **securities admitted**.

#### B1: CONTINUING ELIGIBILITY REQUIREMENTS

11. While it has **securities admitted**, the **issuer** must comply with the criteria set out in Rule 2 of **these rules** (other than those at Rules 2.3, 2.5 and 2.6) as if they applied on a continuing basis.

12. In addition to the requirements in the **Standards**, an **issuer** must:

- 12.1. deal with the **Exchange** in an open and co-operative way and deal with all enquiries raised by the **Exchange** promptly;
- 12.2. promptly notify the **Exchange** if it becomes aware that it is likely to fail or has failed to comply with its obligations under **these rules** or the **Standards**; and
- 12.3. provide to the **Exchange** any information or explanation the **Exchange** might reasonably require for the purpose of verifying whether **these rules** are being or have been complied with.

13. In relation to any further issue of **securities** of the same **class**, the provisions of the **Standards** apply and a **Form 1** must be submitted to the **Exchange** for **admission** of such **securities** and/or via the **SSP**.

#### B2: ADVICE OF KEY ADVISERS

14. An **issuer** must obtain the guidance of a **Key Adviser** to assist it<sup>6</sup> with the application of **these rules** and the **Standards** where it (or any of its **subsidiary undertakings**) is proposing to enter into or undertake any significant transaction or a significant event occurs, including any of the following:

- 14.1. a transaction which due to its size or nature could amount to a **notifiable transaction, related party transaction or reverse takeover**
- 14.2. cancellation of its **admission**
- 14.3. a further issue of **securities** or a purchase of own **securities** of the same **class** to that which is **admitted**, or
- 14.4. severe financial difficulty, including in relation to any associated restructuring, reconstruction or disposal.

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<sup>6</sup> GUIDANCE - For the avoidance of doubt, the role of the **Key Adviser** after **admission** is to advise the **issuer** only and the **Key Adviser** will not owe duties to the **Exchange** in relation to such advice.

### B3: NOTIFIABLE TRANSACTIONS

15. In this Section B3, (except where specifically provided to the contrary) a reference to a transaction by an **issuer**:
- 15.1. subject to Rules 15.3, 15.4 and 15.5 of **these rules**, includes all agreements (including amendments to agreements) entered into by the **issuer** (or its **subsidiary undertakings**)
  - 15.2. includes the grant or acquisition of an option as if the option had been exercised except that, if exercise is solely at the **issuer's** (or its **subsidiary undertaking's**) discretion, the transaction will be classified on exercise and only the consideration (if any) for the option will be classified on the grant or acquisition
  - 15.3. excludes a transaction in the ordinary course of business
  - 15.4. excludes an issue of **securities**, or a transaction to raise finance, which does not involve the acquisition or disposal of any fixed asset of the **issuer** (or of its **subsidiary undertakings**), and
  - 15.5. excludes any transaction between the **issuer** and its wholly-owned **subsidiary undertaking** or between its wholly-owned **subsidiary undertakings**.
16. In assessing whether a transaction is in the ordinary course of an **issuer's** business, regard should be had to the size and incidence of similar transactions which the **issuer** (or its **subsidiary undertakings**) has entered into.<sup>7</sup>
17. A transaction is classified by assessing its size relative to that of the company proposing to make it. The comparison of size is made by using the **percentage ratios** that result from applying the **class test** calculations to a transaction. The **class tests** are set out in Annex 1.
18. A “**notifiable transaction**” is a transaction where any **percentage ratio** is 25% or more.
19. Transactions completed during the 12 months before the date of the latest transaction must be aggregated with that transaction for the purposes of classification if:
- 19.1. they are entered into by the **issuer** (or its **subsidiary undertaking**) with the same **person** or with **persons** connected with one another;
  - 19.2. they involve the acquisition or disposal of **securities** or an interest in one

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<sup>7</sup> GUIDANCE - Where relevant when considering whether a transaction is a **notifiable transaction**, the following **Listing Rules** should be regarded as guidance: **Listing Rules** 10.2.4 to 10.2.9 R inclusive in relation to indemnities and similar arrangements, break fee arrangements and Issues by major subsidiary undertakings. The **Exchange** may require an **issuer** to provide its calculations of the **percentage ratios** in connection with a transaction and the **issuer's** reasons for concluding whether or not a transaction is a **notifiable transaction**.

particular company; or

- 19.3. together they lead to substantial involvement in a business activity which did not previously form a significant part of the **issuer's group's** principal activities.
20. An **issuer** must notify a **RIS** as soon as possible after the terms of a **notifiable transaction** are agreed in the terms set out in Annex 2, noting also the requirements for a supplementary notification set out in that Annex.

### B4: RELATED PARTY TRANSACTIONS

21. A “**related party transaction**” is a transaction where any **percentage ratio** is 5% or more, and it is:
- 21.1. a transaction (other than a transaction in the ordinary course of business) between an **issuer** and a **related party**;
  - 21.2. an arrangement (other than an arrangement in the ordinary course of business) pursuant to which an **issuer** and a **related party** each invests in, or provides finance to, another undertaking or asset; or
  - 21.3. any other similar transaction or arrangement (other than a transaction in the ordinary course of business) between an **issuer** and any other **person** the purpose and effect of which is to benefit a **related party**.
22. In this Section B4, a reference to a transaction or arrangement:
- 22.1. by an **issuer** includes a transaction or arrangement by its **subsidiary undertaking**, and
  - 22.2. 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.
23. In assessing whether a transaction is in the ordinary course of business, regard should be had to the size and incidence of the transaction and also whether the terms and conditions of the transaction are unusual. Rule 25 of **these rules** will apply to the variation or novation of an existing agreement between an **issuer** and a **related party** whether or not, at the time the original agreement was entered into, that party was a **related party**.
24. If an **issuer** enters into transactions or arrangements with the same **related party**<sup>8</sup> in any 12 month period, the transactions or arrangements must be aggregated. If any **percentage ratio** is 5% or more for the aggregated transactions or arrangements, the **issuer** must comply with Rule 25 of **these**

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<sup>8</sup> GUIDANCE - or with any ‘associate’ of a **related party** as such term is defined in the **Listing Rules**.

**rules** in respect of the latest transaction or arrangement.<sup>9</sup>

25. If an **issuer** enters into a **related party transaction**, the **issuer** must make a notification in accordance with Rule 20 of **these rules** as if it were a **notifiable transaction**, including also the following:

25.1. the name of the **related party**, and

25.2. details of the nature and extent of the **related party's** interest in the transaction or arrangement.

### **B5: REVERSE TAKEOVERS**

26. Where an **issuer** wishes to undertake a **reverse takeover**<sup>10</sup>, it must:

26.1. comply with the requirements of Section B3 as if it were a **notifiable transaction**

26.2. send an explanatory circular to its **shareholders** and obtain their prior approval in a general meeting for the transaction which constitutes the **reverse takeover**, and

26.3. ensure that any agreement that effects such transaction is conditional on that **shareholder** approval being obtained.

27. Matters relating to the circular and material change:

27.1. The circular required by Rule 26.2 of **these rules** should include all relevant information to enable **shareholders** to make an informed decision about the proposed **reverse takeover**<sup>11</sup>.

27.2. If after publication of the circular but before the general meeting a material change or new matter occurs which the **issuer** should have included in the circular if it had been in existence at the time of its publication, the **issuer** should send a supplementary circular to its **shareholders** providing an explanation of such change or matter.

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<sup>9</sup> GUIDANCE - The **Exchange** may require an **issuer** to provide its calculations of the **percentage ratios** in connection with the transaction and the **issuer's** reasons for concluding whether or not a transaction is a **related party transaction**. The following should be taken into consideration as guidance when considering whether a transaction or arrangement is a **related party transaction**:

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

<sup>10</sup> GUIDANCE - The **Exchange** may require an **issuer** to provide its calculations of the **percentage ratios** in connection with a transaction, the **issuer's** reasons for concluding whether or not a transaction is a **reverse takeover** and a confirmation from the **issuer** in relation to the publicly available information about the **target**.

<sup>11</sup> GUIDANCE - **Listing Rules 13.3 – 5** inclusive should be used as guidance in relation to the contents of the circular. For the avoidance of doubt, the **Exchange** does not approve the contents of the circular to be sent to **shareholders**. If a **prospectus** for the **issuer** as enlarged by the **reverse takeover** is published and sent to shareholders with the notice of the meeting required by Rule 26.2 of **these rules**, the **issuer** will be deemed to have satisfied the requirements of that rule in relation to the publication of a circular.

## ADMISSION AND DISCLOSURE STANDARDS

- 27.3. If, after obtaining **shareholder** approval but before the completion of the **reverse takeover**, there is a material change to the terms of the transaction, the **issuer** must comply again with Rule 26 of **these rules**.
28. Where **shareholder** approval is given for the **reverse takeover**, **admission** of the **securities** will be cancelled. The **issuer**, as enlarged by the **reverse takeover**, must re-apply for **admission** of its **securities** should it wish to be **admitted** and it must satisfy the relevant requirements set out in Section A of **these rules** and the **Standards** in relation to the **admission**, together with any other applicable rules such as the **Prospectus Rules**.
29. Suspension in relation to a reverse takeover:
- 29.1. An **issuer** must contact the **Exchange** via the **Primary Market Regulation Team** as early as possible:
- 29.1.1. before announcing a **reverse takeover** which has been agreed or is in contemplation, to discuss whether a **suspension of trading** of the **securities** under the **Standards** is appropriate, or
- 29.1.2. where details of the **reverse takeover** have leaked, to request such a **suspension of trading**.
- 29.2. Examples of where a **reverse takeover** will be considered as in contemplation include situations where:
- 29.2.1. the **issuer** (or its **subsidiary undertaking**) has approached the **target** company's board;
- 29.2.2. the **issuer** (or its **subsidiary undertaking**) has entered into an exclusivity period with a **target** company; or
- 29.2.3. the **issuer** (or its **subsidiary undertaking**) has been given access to begin due diligence work (whether or not on a limited basis).
- 29.3. 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 **Exchange** will often consider that **suspension of trading** will be appropriate. However, if the **Exchange** is satisfied that there is sufficient publicly available information about the proposed transaction it may agree with the **issuer** that a **suspension of trading** is not required.<sup>12</sup>

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<sup>12</sup> GUIDANCE - In considering whether **suspension of trading** is required, the **Exchange** may, if it considers relevant, refer for guidance to **Listing Rules** 5.6.10 G to 5.6.18 R inclusive, as well as considering its duties as a **Recognised Investment Exchange**.

### B6: REQUIREMENT FOR NOTIFICATIONS TO A RIS

30. An **issuer** must notify an **RIS** without delay of:

- 30.1. the resignation, dismissal or appointment of any **director** giving the date of such occurrence and, in relation to an appointment, including usual biographical information about such **director** as might be found in a **prospectus** including details of any holding of **securities** in the **issuer**
- 30.2. any change in its accounting reference date, registered office address or legal name
- 30.3. any decision to make any payment in respect of the **securities** specifying the net amount payable per security, the payment date and the **record date**
- 30.4. the admission or cancellation of any of the **issuer's securities**, including the reason(s), and details of any **securities** taken in and out of **treasury shares**
- 30.5. any proposed or actual change in the **issuer's** capital structure and the results of any new issue of **securities**, and
- 30.6. details of all resolutions passed at a general meeting of the **issuer** other than resolutions concerning ordinary business passed at an annual general meeting.

### B7: CONTINUING WEBSITE DISCLOSURES

31. An **issuer** must from **admission** maintain a website on which the following information in relation to it should be easily available, free of charge:

- 31.1. a description of its or its **group's** business
- 31.2. the names of the **issuer's directors** and brief biographical details of each, as would normally be included in a **prospectus**
- 31.3. a description of the responsibilities of the members of the board of **directors** and details of any committees of the board of **directors** and their responsibilities
- 31.4. the **issuer's** country of incorporation and main country of operation
- 31.5. its current constitutional documents (e.g. its articles of association)
- 31.6. details of any other exchanges or trading platforms on which the **issuer** has applied or agreed to have any of its **securities** admitted or traded
- 31.7. the number of **securities** in issue (noting any held as **treasury shares**)
- 31.8. details of any restrictions on the transfer of its **securities**



## ADMISSION AND DISCLOSURE STANDARDS

- 31.9. its most recent annual financial report and any subsequent half-yearly, quarterly or similar reports
- 31.10. the information in relation to corporate governance required to be included in an **issuer's** annual financial report in accordance with Section B8
- 31.11. all notifications to a **RIS** the **issuer** has made in the past 12 months
- 31.12. taking into account any restrictions in relation to applicable **securities** laws, its most recent **prospectus** together with any circulars or documents sent to **shareholders** within the past 12 months, and
- 31.13. details of its key professional advisers (as might normally be found in a **prospectus**).

### B8: CORPORATE GOVERNANCE

- 32. An **issuer** must ensure that the following additional items are included in its annual financial report on an ongoing basis:
  - 32.1. details of the corporate governance code to which the **issuer** is subject and/or details of the corporate governance code or practices which the **issuer** may have voluntarily decided to apply, and where such code or practices are publicly available
  - 32.2. a statement as to how the **issuer** has applied the main principles set out in such code or practices, in a manner that would enable **shareholders** to evaluate how the principles have been applied, and
  - 32.3. a statement as to:
    - 32.3.1. which relevant provisions set out in code or practices the **issuer** has complied with throughout the accounting period, or
    - 32.3.2. where it has not complied with the relevant provisions, set out those provisions and explain the reasons for non-compliance, and
    - 32.3.3. 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.

### B9: CANCELLATION OF ADMISSION

- 33. Except as set out in Rule 34 of **these rules**, an **issuer** that wishes to cancel its **admission** of **securities** must:
  - 33.1. Shareholder consent:
    - 33.1.1. obtain, at a general meeting, the prior approval of a resolution for the cancellation from a majority of not less than 75% of **shareholders** as (being entitled to do so) vote in person or, where proxies are allowed, by proxy. The relevant meeting should be

## ADMISSION AND DISCLOSURE STANDARDS

convened by way of the requisite notice required under the **issuer's** constitution or applicable law, and should set out:

33.1.1.1. the reasons for the intended cancellation

33.1.1.2. the anticipated date of cancellation (which must not be less than 20 **business days** following the passing of the resolution required by **this rule**), and

33.1.1.3. all relevant information to enable the **shareholders** to make an informed decision<sup>13</sup>.

33.2. notify a **RIS**, at the same time as the notice convening the meeting required by Rule 33.1 of **these rules** above is despatched, of the intended cancellation and of the notice period and meeting, and

33.3. also subsequently notify a **RIS** of the outcome of the above meeting.

34. Rule 33 of **these rules** does not apply:

34.1. where there is a concurrent **application** for **admission** of the **securities** to the Premium **listing** segment of the **Official List**<sup>14</sup>. Notwithstanding this, the **issuer** must notify a **RIS** stating its intention to transfer to the **Official List** at least 5 days before the proposed transfer; or

34.2. in the case of a takeover<sup>15</sup> where:

34.2.1. the offeror has by virtue of its shareholdings and acceptances of the offer, acquired or agreed to acquire issued share capital carrying 75% of the voting rights of the **issuer**, and

34.2.2. the offeror has stated in the offer document or any subsequent circular sent to the **shareholders** that a notice period of not less than 20 **business days** prior to cancellation will commence either on the offeror attaining the required 75% described above 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 shareholders), or equivalent provisions in the relevant legislation or regulation of the **issuer's** country of incorporation.

34.2.3. In the circumstances of 34.2.1 and 34.2.2, the **issuer** must notify **shareholders** that the required 75% has been attained and that the notice period has commenced and of the anticipated date of cancellation or the explanatory letter or other material

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<sup>13</sup> GUIDANCE - **Listing Rule** 13.3.1 R should be used as guidance in relation to the contents of the circular. For the avoidance of doubt, the Exchange does not approve the contents of the circular to be sent to **shareholders**.

<sup>14</sup> **Shareholder** consent as set out in Rule 33 of **these rules** is required for a transfer to the Standard listing segment of the **Official List**. Rule 27.2 in relation to a material change or new matter occurring shall be deemed to apply to the circular required by this Section B9 also.

<sup>15</sup> GUIDANCE - as such term is defined in the **FCA Handbook**.

## ADMISSION AND DISCLOSURE STANDARDS

accompanying the section 979 notice (or equivalent) must state that the notice period has commenced and the anticipated date of cancellation.

- 34.3. in the case of a cancellation of **admission** as a result of a scheme of arrangement or equivalent court approved or insolvency event, where the **Exchange** has in advance confirmed that Rule 33 of **these rules** will not apply<sup>16</sup>.
35. The provisions of this Section B9 supersede where relevant the requirements of the **Standards** in relation to cancellation of **admission**.

### B10: DISCIPLINE OF ISSUERS

36. Where the **Exchange** considers that an **issuer** is in breach of its responsibilities and obligations under **these rules**, the **Exchange** may take disciplinary action against such **issuer** and the **Compliance Procedures** set out in the **Standards** shall apply to breaches of **these rules** as well as to breaches of the **Standards**.

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<sup>16</sup> GUIDANCE - **Listing Rule** 5.2.12 R should be used as guidance.

### SECTION C - KEY ADVISERS

37. Rule 4 and Rule 14 of **these rules** require, respectively, the appointment of a **Key Adviser** for **admission** and that the guidance of a **Key Adviser** is sought for certain events occurring after **admission**.
38. Annex 3 applies to **persons** intending to act or acting as **Key Advisers** in relation to **these rules**.
39. An **issuer** must ensure that prior to engaging a **person** to act as **Key Adviser**, that **person** is on the list of **Key Advisers**, which is available from the **Exchange** on request to the **Primary Market Regulation Team**.
40. An **issuer** must ensure that the **Exchange** is informed promptly of the name and contact details of any **Key Adviser** appointed in accordance with **these rules**.
41. An **issuer** must notify the **Exchange** in writing at the earliest possible opportunity of the resignation or dismissal of any **Key Adviser** that it had appointed. In the case of a dismissal, the reasons for the dismissal must be included in the notification. The notification must be copied to the **Key Adviser**.
42. An **issuer** must cooperate with its **Key Adviser** in relation to its performance of the **Key Adviser** role by providing the **Key Adviser** with all information reasonably requested by the **Key Adviser** for the purpose of performing the **Key Adviser** role.

ANNEX 1 - CLASS TESTS

Class tests		
1	This Annex sets out the following <b>class tests</b> :	
	(1)	the gross assets test;
	(2)	the profits test;
	(3)	the consideration test; and
	(4)	the gross capital test.
The gross assets test		
2	(1)	The assets test is calculated by dividing the gross assets the subject of the transaction by the gross assets of the <b>issuer</b> .
	(2)	The gross assets of the <b>issuer</b> means the total non-current assets, plus the total current assets, of the <b>issuer</b> .
	(3)	For:
	(a)	an acquisition of an interest in an undertaking which will result in consolidation of the assets of that undertaking in the accounts of the <b>issuer</b> ; or
	(b)	a disposal of an interest in an undertaking which will result in the assets of that undertaking no longer being consolidated in the accounts of the <b>issuer</b> ;
		the gross assets the subject of the transaction means the value of 100% of that undertaking's assets irrespective of what interest is acquired or disposed of.
	(4)	For an acquisition or disposal of an interest in an undertaking which does not fall within paragraph (3), the gross assets the subject of the transaction means:

## ADMISSION AND DISCLOSURE STANDARDS

		(a) for an acquisition, the consideration together with liabilities assumed (if any); and
		(b) for a disposal, the assets attributed to that interest in the <b>issuer's</b> accounts.
	(5)	If there is an acquisition of assets other than an interest in an undertaking, the assets the subject of the transaction means the consideration or, if greater, the book value of those assets as they will be included in the <b>issuer's</b> balance sheet.
	(6)	If there is a disposal of assets other than an interest in an undertaking, the assets the subject of the transaction means the book value of the assets in the <b>issuer's</b> balance sheet.
3	The <b>Exchange</b> may modify paragraph 2 to require, when calculating the assets the subject of the transaction, the inclusion of further amounts if contingent assets or arrangements are involved.	
The profits test		
4	(1)	The profits test is calculated by dividing the profits attributable to the assets the subject of the transaction by the profits of the <b>issuer</b> .
	(2)	For the purposes of paragraph (1), profits means:
		(a) profits after deducting all charges except taxation; and
		(b) for an acquisition or disposal of an interest in an undertaking referred to in paragraph 2 (3)(a) or (b) of this Annex, 100% of the profits of the undertaking (irrespective of what interest is acquired or disposed of).
	(3)	If the acquisition or disposal of the interest will not result in consolidation or deconsolidation of the <b>target</b> then the profits test is not applicable.
4A	The amount of loss is relevant in calculating the impact of a proposed transaction under the profits test. An <b>issuer</b> should include the amount of the losses of the <b>issuer</b> or <b>target</b> i.e. disregard the negative when calculating the test.	

The consideration test		
5	(1)	The consideration test is calculated by taking the consideration for the transaction as a percentage of the aggregate market value of all the ordinary shares (excluding treasury shares) of the <b>issuer</b> .
	(2)	For the purposes of paragraph (1):
	(a)	the consideration is the amount paid to the contracting party;
	(b)	if all or part of the consideration is in the form of <b>securities</b> to be traded on a market, the consideration attributable to those <b>securities</b> is the aggregate market value of those <b>securities</b> ; and
	(c)	if deferred consideration is or may be payable or receivable by the <b>issuer</b> in the future, the consideration is the maximum total consideration payable or receivable under the agreement.
	(3)	If the total consideration is not subject to any maximum, the transaction is to be treated as a <b>notifiable transaction</b> . <sup>17</sup>
	(4)	For the purposes of sub-paragraph (2)(b), the figures used to determine consideration consisting of:
	(a)	<b>securities</b> of a <b>class</b> already <b>admitted</b> , must be the aggregate market value of all those <b>securities</b> on the last <b>business day</b> before the announcement; and
	(b)	a new <b>class</b> of <b>securities</b> for which an <b>application</b> for <b>admission to trading</b> will be made, must be the expected aggregate market value of all those <b>securities</b> .
	(5)	For the purposes of paragraph (1), the figure used to determine market capitalisation is the aggregate market value of all the ordinary shares (excluding treasury shares) of the <b>issuer</b> at the close of business on the last <b>business day</b> before the announcement.
6		The <b>Exchange</b> may modify paragraph 5 to require the inclusion of further amounts in the calculation of the consideration. For example, if the purchaser agrees to discharge any liabilities, including the repayment of

<sup>17</sup> GUIDANCE – the rules relating to **reverse takeovers** should also be considered

## ADMISSION AND DISCLOSURE STANDARDS

		inter-company or third-party debt, whether actual or contingent, as part of the terms of the transaction.
<b>The gross capital test</b>		
7	(1)	The gross capital test is calculated by dividing the gross capital of the company or business being acquired by the gross capital of the <b>issuer</b> .
	(2)	The test in paragraph (1) is only to be applied for an acquisition of a company or business.
	(3)	For the purposes of paragraph (1), the gross capital of the company or business being acquired means the aggregate of:
	(a)	the consideration (as calculated under paragraph 5 of this Annex);
	(b)	if a company, any of its shares and debt <b>securities</b> which are not being acquired;
	(c)	all other liabilities (other than current liabilities) including for this purpose minority interests and deferred taxation; and
	(d)	any excess of current liabilities over current assets.
	(4)	For the purposes of paragraph (1), the gross capital of the <b>issuer</b> means the aggregate of:
	(a)	the market value of its shares (excluding treasury shares) and the issue amount of the debt security;
	(b)	all other liabilities (other than current liabilities) including for this purpose minority interests and deferred taxation; and
	(c)	any excess of current liabilities over current assets.
	(5)	For the purposes of paragraph (1):
	(a)	figures used must be, for shares and debt security aggregated for the purposes of the gross capital percentage ratio, the aggregate market value of all those shares (or if not available before the announcement, their nominal value) and the issue



## ADMISSION AND DISCLOSURE STANDARDS

		amount of the debt security; and
	(b)	for shares and debt security aggregated for the purposes of paragraph (3)(b), any treasury shares held by the company are not to be taken into account.
<b>Figures used to classify assets and profits</b>		
8	(1)	For the purposes of calculating the tests in this Annex, except as otherwise stated in paragraphs (2) to (6), figures used to classify assets and profits, must be the figures shown in the latest published audited consolidated accounts or, if an <b>issuer</b> has, or will have, published a preliminary statement of later annual results at the time the terms of a transaction are agreed, the figures shown in that preliminary statement.
	(2)	If a balance sheet has been published in a subsequently published interim statement then gross assets and gross capital should be taken from the balance sheet published in the interim statement.
	(3) (a)	The figures of the <b>issuer</b> must be adjusted to take account of subsequent completed transactions which have been notified to a <b>RIS</b> pursuant to Rule 20 of <b>these rules</b> .
	(b)	The figures of the <b>target</b> company or business must be adjusted to take account of subsequent completed transactions which would have been a <b>notifiable transaction</b> or greater when classified against the <b>target</b> as a whole.
	(4)	Figures on which the auditors are unable to report without modification must be disregarded.
	(5)	When applying the <b>percentage ratios</b> to an acquisition by a company whose assets consist wholly or predominantly of cash or short-dated <b>securities</b> , the cash and short-dated <b>securities</b> must be excluded in calculating its assets and market capitalisation.
	(6)	The principles in this paragraph also apply (to the extent relevant) to calculating the assets and profits of the <b>target</b> company or business.
9	The <b>Exchange</b> may modify paragraph 8(4) in appropriate cases to permit figures to be taken into account.	

## ADMISSION AND DISCLOSURE STANDARDS

	<b>Anomalous results</b>
10	If a calculation under any of the <b>class tests</b> produces an anomalous result or if a calculation is inappropriate to the activities of the <b>issuer</b> , the <b>Exchange</b> may modify the relevant rule to substitute other relevant indicators of size, including industry specific tests.
	<b>Adjustments to figures</b>
11	Where an <b>issuer</b> wishes to make adjustments to the figures used in calculating the <b>class tests</b> they should discuss this with the <b>Exchange</b> before the <b>class tests</b> crystallise.

### ANNEX 2 - NOTIFIABLE TRANSACTIONS

1. The notification required by Section B3 must include:
  - 1.1. details of the transaction, including the name of the other party to the transaction
  - 1.2. a description of the business carried on by, or using, the net assets the subject of the transaction
  - 1.3. the consideration, and how it is being satisfied (including the terms of any arrangements for deferred consideration)
  - 1.4. the value of the gross assets the subject of the transaction
  - 1.5. the profits attributable to the assets the subject of the transaction
  - 1.6. the effect of the transaction on the **issuer** including any benefits which are expected to accrue to the **issuer** as a result of the transaction
  - 1.7. details of any service contracts of proposed **directors** of the **issuer**;
  - 1.8. for a disposal, the application of the sale proceeds
  - 1.9. for a disposal, if **securities** are to form part of the consideration received, a statement whether the **securities** are to be sold or retained,
  - 1.10. details of key individuals important to the business or company the subject of the transaction, and
  - 1.11. where the transaction is a **reverse takeover**:
    - 1.11.1. details of the general meeting to be held by the **issuer** in connection with the **reverse takeover**, and
    - 1.11.2. where and when an explanatory circular as required by Rule 26.2 of **these rules** will be available.
2. Supplementary notification<sup>18</sup>:
  - 2.1. An **issuer** must notify a **RIS** as soon as possible if, after the notification under paragraph 1 it becomes aware that prior to completion of the transaction:
    - 2.1.1. there has been a significant change affecting any matter contained in that earlier notification, or
    - 2.1.2. a significant new matter has arisen which would have been required to be mentioned in that earlier notification if it had arisen

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<sup>18</sup> GUIDANCE – **Issuers** should also consider their obligations in relation to a **reverse takeover** under Rule 27 of **these rules**.

## ADMISSION AND DISCLOSURE STANDARDS

at the time of the preparation of that notification.

- 2.2. The supplementary notification must give details of the change or new matter and also contain a statement that, except as disclosed, there has been no significant change affecting any matter contained in the earlier notification and no other significant new matter has arisen which would have been required to be mentioned in that earlier notification if it had arisen at the time of the preparation of that notification.
- 2.3. In paragraphs 2.1 and 2.2, significant means significant for the purpose of making an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the **issuer** and the rights attaching to any **securities** forming part of the consideration.

### ANNEX 3 - KEY ADVISERS

#### Responsibilities of a Key Adviser

1. A **Key Adviser** must in relation to a **Key Adviser service**:
  - 1.1. provide assurance to the **Exchange** when required that the responsibilities of the **issuer** have been met;
  - 1.2. provide to the **Exchange** any explanation or confirmation in such form and within such time limit as the **Exchange** reasonably requires in relation to an **admission** for the purposes of ensuring that **these rules** and the **Standards** are being complied with by an **issuer**; and
  - 1.3. guide the **issuer** in understanding and meeting its responsibilities in relation to an **admission** under **these rules** and the **Standards**.
2. A **Key Adviser** must, for so long as it provides a **Key Adviser service**:
  - 2.1. take such reasonable steps as are sufficient to ensure that any communication or information it provides to the **Exchange** in carrying out the **Key Adviser service** is, to the best of its knowledge and belief, complete, accurate and not misleading, in all material respects; and
  - 2.2. as soon as possible provide to the **Exchange** any information of which it becomes aware that materially affects the accuracy or completeness of information it has previously provided.
3. Where a **Key Adviser** provides information to the **Exchange** which is or is based on information it has received from a third party, in assessing whether a **Key Adviser** has complied with its obligations, the **Exchange** will have regard, amongst other things, to whether a **Key Adviser** has appropriately used its own knowledge, judgment and expertise to review and challenge the information provided by the third party.
4. The **Key Adviser** will be the main point of contact with the **Exchange** in relation to a **Key Adviser service** and for any subsequent matter that the **issuer** requests be dealt with on its behalf by the **Key Adviser**.

#### Principles for Key Advisers

5. A **Key Adviser** must in relation to a **Key Adviser service** act with due care and skill.
6. Where, in relation to a **Key Adviser service**, a **Key Adviser** gives any guidance or advice to an **issuer** on the application or interpretation of **these rules** or the **Standards**, the **Key Adviser** must take reasonable steps to satisfy itself that the **directors** of the **issuer** understand their responsibilities and obligations under those rules.
7. A **Key Adviser** must at all times (whether in relation to a **Key Adviser service** or otherwise):

## ADMISSION AND DISCLOSURE STANDARDS

- 7.1. deal with the **Exchange** in an open and co-operative way, and
- 7.2. deal with all enquiries raised by the **Exchange** promptly.
- 8. If, in connection with the provision of a **Key Adviser service**, a **Key Adviser** becomes aware that it, or an **issuer** is failing or has failed to comply with its obligations under **these rules** or the **Standards**, the **Key Adviser** must promptly notify the **Exchange**.
- 9. A **Key Adviser** must, in relation to a **Key Adviser service**, act with honesty and integrity.
- 10. A **Key Adviser** must take all reasonable steps to identify conflicts of interest that could adversely affect its ability to perform its functions properly under **these rules**.
- 11. In identifying conflicts of interest, **Key Advisers** should also take into account circumstances that could:
  - 11.1. create a perception in the market that a **Key Adviser** may not be able to perform its functions properly, or
  - 11.2. compromise the ability of a **Key Adviser** to fulfil its obligations to the **Exchange** in relation to the provision of a **Key Adviser service**.
- 12. Only one **Key Adviser** may be appointed by an **issuer** in relation to **these rules** at any one time. A **Key Adviser** must not delegate any of its functions or permit another **person** to perform those functions. Where a **Key Adviser** wishes another member of its **group** to carry out any part of its **Key Adviser** role, it should seek the prior written permission of the **Exchange** via the **Primary Market Regulation Team**.

### Role of a Key Adviser

- 13. In relation to an **admission**, a **Key Adviser** must not submit to the **Exchange** a **Key Adviser Declaration** on behalf of an **issuer**, in accordance with Rule 6.3 of **these rules**, unless it has come to a reasonable opinion, after having made due and careful enquiry, that:
  - 13.1. the **issuer** has satisfied all requirements of **these rules** and the **Standards**
  - 13.2. the **directors** have established procedures which enable the **issuer** to comply with **these rules**, the **Standards** and applicable **DTR** on an ongoing basis
  - 13.3. the **directors** have established procedures which provide a reasonable basis for them to make proper judgments on an ongoing basis as to the financial position and prospects of the **issuer** and its **subsidiary undertakings**, and
  - 13.4. the **directors** have a reasonable basis on which to make the working

capital statement in the **prospectus**.

14. A **Key Adviser** must:

- 14.1. submit a letter to the **Exchange** in the form prescribed on the **Exchange's** website setting out how the **issuer** satisfies the criteria in Section A of **these rules** (i) in draft in accordance with Rule 6.1 and (ii) in final form in accordance with Rule 6.3 of **these rules** ("**eligibility letter**")
- 14.2. submit a completed **Key Adviser's Declaration** on an **application** for **admission** to the **Exchange** in accordance with Rule 6.3 of **these rules**, and
- 14.3. ensure that all matters known to it which, in its reasonable opinion, should be taken into account by the **Exchange** in considering:
  - 14.3.1. the **application** for **admission**
  - 14.3.2. whether the **admission** would be detrimental to investors' interests have been disclosed with sufficient prominence in the **prospectus** or otherwise in writing to the **Exchange**.

### Criteria for Approval as a Key Adviser

#### List of Key Advisers

15. A list of **Key Advisers** is available from the **Exchange** on request to the **Primary Market Regulation Team**.

#### Application for approval as a Key Adviser

16. A **person** wanting to act as a **Key Adviser** must apply to the **Exchange** for approval as a **Key Adviser** by submitting the following to the **Primary Market Regulation Team**:
- 16.1. a completed **Key Adviser Application**
  - 16.2. any applicable fee due to the **Exchange** on application for approval as a **Key Adviser**
  - 16.3. all additional documents, explanations and information as required by the **Exchange**, and
  - 16.4. verification of any information in such a manner as the **Exchange** may specify.
17. When considering an application for approval as a **Key Adviser** the **Exchange** may:
- 17.1. carry out any enquiries and request any further information which it considers appropriate, including consulting other regulators

## ADMISSION AND DISCLOSURE STANDARDS

- 17.2. request that the **applicant** or its specified representative answer questions and explain any matter the **Exchange** considers relevant to the application, and
- 17.3. take into account any information which it considers appropriate in relation to the application.

### Criteria for approval as a Key Adviser

18. The **Exchange** will approve a **person** as a **Key Adviser** only if it is satisfied that the **person**:

- 18.1. is an authorised person (as such term is defined in the **FCA Handbook**) that is included on the list of sponsors that is maintained by the **FCA** pursuant to **Listing Rule 8** when acting as **competent authority** under Part VI of the Financial Services & Markets Act 2000,
- 18.2. is competent to perform **Key Adviser services** and the further advisory role set out in Rule 14 of **these rules**, and
- 18.3. has appropriate systems and controls<sup>19</sup> in place to ensure that it can carry out its role as a **Key Adviser** in accordance with this Annex 3.

19. A **Key Adviser** must comply, at all times, with the criteria set out in Section 18 of this Annex 3. If a **Key Adviser** fails to continue to comply with such criteria, the **Exchange** may cancel the **Key Adviser's** approval.

### Competence of a Key Adviser

20. A **person** will be considered competent to act as a **Key Adviser** if it has a broad range of relevant experience and expertise in providing relevant advice to companies admitted to public markets and on the applicable market rules, in particular in relation to companies admitted to the **Official List**.

21. In assessing whether a **person** is competent to act as a **Key Adviser**, the **Exchange** will generally have regard amongst other things to the **person's**:

- 21.1. prior relevant experience, and
- 21.2. skills, knowledge and expertise.

### Record management

22. A **Key Adviser** must have in place effective arrangements to create and retain for six years accessible records which are sufficient to be capable of demonstrating that it has provided **Key Adviser services** and otherwise complied with its obligations under this Annex 3, including the basis of any declaration, opinion, confirmation, guidance required by **these rules**.

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<sup>19</sup> GUIDANCE – the **Exchange** will consider **Listing Rule 8.6.12 G – 8.6.13B G** when assessing this criterion.



## ADMISSION AND DISCLOSURE STANDARDS

23. Records should:

- 23.1. be capable of timely retrieval, and
- 23.2. include material communications which relate to the provision of **Key Adviser services**, including any advice or guidance given to an **issuer** in relation to their responsibilities whilst providing a **Key Adviser service** under **these rules**.

### Contact persons

24. For each transaction for which it provides **Key Adviser services**, a **Key Adviser** must:

- 24.1. notify the **Exchange** as soon as practicable of the name and contact details of the main contact person or persons in the **Key Adviser** for that transaction, and
- 24.2. ensure that the contact person or persons:
  - 24.2.1. have sufficient knowledge about the **issuer** and the proposed transaction to be able to answer queries from the **Exchange** about it, and
  - 24.2.2. are available to answer queries from the **Exchange** on any **business day** between 07:00 and 18:00.

### Supervision of Key Advisers

25. The **Exchange** expects to have an open, co-operative and constructive relationship with a **Key Adviser** to enable it to have a broad picture of the **Key Adviser's** activities and its ability to satisfy the criteria for approval as a **Key Adviser** as set out in Section 18 of this Annex 3.

26. Requirement to provide information:

- 26.1. The **Exchange** may, by notice in writing given to a **Key Adviser**, or a **person** applying for approval as a **Key Adviser**, require it to provide specified documents or specified information to the **Exchange**.
- 26.2. The **Key Adviser**, or the **person** applying for approval as a **Key Adviser**, must as soon as practicable provide to the **Exchange** any documents or information that it has been required to provide under Rule 26.1.
- 26.3. This rule applies only to documents or information reasonably required by the **Exchange** in connection with the performance of its functions in relation to a **Key Adviser**, a **person** applying for approval as a **Key Adviser** or an **issuer** that has appointed a **Key Adviser**.

27. The **Exchange** uses a variety of tools to monitor whether a **Key Adviser**:

- 27.1. continues to satisfy the criteria for approval as a **Key Adviser** as set out

## ADMISSION AND DISCLOSURE STANDARDS

in Section 18 of this Annex 3, and

27.2. remains in compliance with all applicable parts of **these rules**.

28. **Exchange** staff, after notifying the **Key Adviser**, may make supervisory visits to a **Key Adviser** on a periodic and an ad hoc basis.
29. The **Exchange** will give reasonable notice to a **Key Adviser** of requests for meetings or requests for access to a **Key Adviser's** documents and records.
30. The **Exchange**, on behalf of other regulators, may request information from a **Key Adviser** or pass information on to other regulators to enable such regulators to discharge their functions.
31. A **Key Adviser** must pay any annual fee due to the **Exchange** in order to remain a **Key Adviser**.

### General notifications

32. A **Key Adviser** must notify the **Exchange** (unless prohibited by law or regulation) by telephone and in writing to the **Primary Market Regulation Team** as soon as possible if:
  - 32.1. the **Key Adviser** ceases to satisfy the criteria for approval as a **Key Adviser** set out in Section 18 of this Annex 3 or it becomes aware of any matter which, in its reasonable opinion, would be relevant to the **Exchange** in considering whether the **Key Adviser** continues to comply with Section 18 (including but not limited to any communications with the **FCA** that indicate that its **FCA** sponsor status may be affected in any way or that it may or has become the subject of disciplinary action), or
  - 32.2. the **Key Adviser** becomes aware of any fact or circumstance relating to the **Key Adviser** or any of its employees performing the **Key Adviser** role which, in its reasonable opinion, would be likely to adversely affect market confidence in the **Key Adviser** regime, or
  - 32.3. the **Key Adviser**, or any of its employees or staff engaged in performing the **Key Adviser** role, are:
    - 32.3.1. convicted of any offence involving fraud, theft or other dishonesty, or
    - 32.3.2. the subject of a bankruptcy proceeding, a receiving order or an administration order, or
  - 32.4. any of its employees or staff performing the **Key Adviser** role are disqualified by a court from acting as a **director** (or similar) of a company or from acting in a management capacity or conducting the affairs of any company, or
  - 32.5. the **Key Adviser**, or any of its employees or staff performing the **Key Adviser** role, are subject to any public criticism, regulatory intervention or

disciplinary action:

- 32.5.1. by the **Exchange**, or
- 32.5.2. any regulatory body, or
- 32.5.3. under any comparable legislation in any jurisdiction outside the United Kingdom, or
- 32.6. the **Key Adviser** resigns or is dismissed by an **issuer**, giving details of any relevant facts or circumstances, or
- 32.7. the **Key Adviser** changes its name, or
- 32.8. an **issuer** denies the **Key Adviser** access to documents or information that have been the subject of a reasonable request by the **Key Adviser**, or
- 32.9. it identifies or otherwise becomes aware of any material deficiency in the **Key Adviser's** systems and controls, or
- 32.10. there is intended to be a change of control of the **Key Adviser**, any restructuring of the **Key Adviser's group**, or a re-organisation of or a substantial change to its **directors**, partners or employees or staff performing the **Key Adviser** role, or
- 32.11. there is expected to be a change in the financial position of the **Key Adviser** or any of its **group** companies that would be likely to adversely affect the **Key Adviser's** ability to perform the **Key Adviser** role or otherwise comply with **these rules**.

### Cancellation of Key Adviser Status

#### 33. Cancellation of a **Key Adviser's** approval at the **Key Adviser's** request:

- 33.1. A **Key Adviser** that intends to request the **Exchange** to cancel its approval as a **Key Adviser** should comply with paragraph 33.3.
- 33.2. Examples of when a **Key Adviser** should submit a cancellation request include, but are not limited to:
  - 33.2.1. situations where the **Key Adviser** ceases to satisfy the ongoing criteria for approval as a **Key Adviser** in accordance with Section 18 of this Annex 3, or
  - 33.2.2. where there is a change of control of the **Key Adviser** or any restructuring of the **Key Adviser's group** that will result in the **Key Adviser** role being provided by a different **person**, in which case the **person** that is intended to provide the **Key Adviser** role should apply for approval as a **Key Adviser** before it performs any of the **Key Adviser** role.

## ADMISSION AND DISCLOSURE STANDARDS

- 33.3. A request by a **Key Adviser** for its approval as a **Key Adviser** to be cancelled must be in writing and must include:
- 33.3.1. the **Key Adviser's** name
  - 33.3.2. a clear explanation of the background and reasons for the request
  - 33.3.3. the date on which the **Key Adviser** requests the cancellation to take effect
  - 33.3.4. a signed confirmation that the **Key Adviser** will not perform the **Key Adviser** role as of the date the request is submitted to the **Exchange**, and
  - 33.3.5. the name and contact details of the **person** at the **Key Adviser** with whom the **Exchange** should liaise in relation to the request.
- 33.4. A **Key Adviser** may withdraw its request at any time before the 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.

### Publication of the cancellation of Key Adviser status

34. Where the **Exchange** cancels a **Key Adviser's** approval, the **Exchange** will notify such cancellation of approval by way of a notice published on **RNS** and/or mark the list of **Key Advisers** accordingly.

### Discipline of Key Advisers

35. If the **Exchange** considers that a **Key Adviser** is in breach of its responsibilities under **these rules** or that the integrity and reputation of **High Growth Segment** or the **Exchange** has been or may be impaired as a result of its conduct or judgment or that market confidence in the **Key Adviser** regime has been or may be adversely affected as a result of its conduct or judgment, the **Exchange** may take disciplinary action against such **Key Adviser**.

### Disciplinary process

36. Where the **Exchange** proposes to take action under paragraph 35, it shall do so in accordance with the Compliance Procedures set out in the **Standards**, the provisions of which shall apply to **Key Advisers** subject to paragraph 37.

### Sanctions

37. Any sanctions applicable to **issuers** under the Compliance Procedures set out in the **Standards** shall apply in relation to **Key Advisers**, save that the sanctions available to the Disciplinary Committee (under Section 5.40 (*Disciplinary powers*)) shall be replaced with the following:

- 37.1. a written warning (censure) which may be public or private;

- 37.2. an unlimited fine for each breach; and/or
- 37.3. cancellation of the **Key Adviser's** approval.

### **Moratorium on acting for further issuers**

- 38. Where, in the opinion of the **Exchange**, a **Key Adviser** (i) no longer meets the requirements of Section 18 of Annex 3; (ii) is not meeting its responsibilities under **these rules**; or (iii) is the subject of disciplinary action, or action to remove its **Key Adviser** approval by the **Exchange** or in either case by the **FCA** in relation to its sponsor status, the **Exchange** may prevent that **Key Adviser** from acting as a **Key Adviser** to any additional **issuers** until that situation is resolved to the **Exchange's** satisfaction.
- 39. The **Exchange** may make the imposition of any moratorium public by way of a notice published on **RNS** and/or marking the list of **Key Advisers** accordingly.

### **Appeals by Key Advisers**

- 40. Where the **Exchange** takes any steps against a **Key Adviser** pursuant to **these rules**, the **Key Adviser** may appeal against the **Exchange's** decision in accordance with the Compliance Procedures set out in the **Standards**.

### SCHEDULE 6 – ADMISSION TO TRADING ONLY

An **issuer** that seeks to **admit** its **securities** to **ATT Only** must discuss its eligibility with the **Exchange** in the context of whether it is more appropriate for **admission** to other **Exchange** markets. The **Exchange** retains sole discretion to refuse an **application** for **admission to trading** to **ATT Only** if it considers that the **securities** are better suited to another of the **Exchange's** markets or segments.

In addition to the requirements of the **Standards**, this Schedule applies to **issuers** applying to **admit securities**, or with **securities** admitted, to trading on **ATT Only**.

#### AT ADMISSION

##### All securities

1. The **issuer** must be **admitted** to a **suitable exchange**, and the **issuer** must be in continuing compliance with such exchange's standards.
2. The **issuer's securities** must not have been and must not be offered to the public within the meaning of the **UK Prospectus Regulation**.
3. There must be a sufficient number of registered holders of the **securities** to be **admitted** to provide an orderly market in the **securities** following **admission**.
4. The **issuer's securities** must not have been **admitted** to any of the **Exchange's** other primary markets in the 24 months prior to the date of an **application** for **ATT Only** being made.
5. The **issuer** must be duly incorporated or otherwise validly established and must operate in conformity with its constitution.

##### Additional obligations for issuers of unlisted DRs

An **issuer** can apply to **admit depositary receipts** where the underlying **securities** which the **unlisted DRs** represent are **listed** on a **suitable exchange**. For the avoidance of doubt, the term "**issuer**" as used in the **Standards** and in this Schedule shall mean the **issuer** of the underlying securities which the **unlisted DRs admitted to trading** represent.

6. **Unlisted DRs** must be issued by a **depositary bank** that the **Exchange** considers acceptable and must be sponsored by the **issuer**.

##### *Guidance to this rule*

*In this regard an **issuer of unlisted DRs** must ensure the **depositary bank** has adequate arrangements to safeguard holders' rights to the underlying **securities** to which the **unlisted DRs** relate, and to all rights relating to the underlying **securities** and all money and benefits that it may receive in respect of them, subject only to payment of remuneration and proper expenses of the **issuer of unlisted DRs**.*

7. **Unlisted DRs** must represent underlying **securities** which are **admitted** to a

**suitable exchange**, and the **issuer** must be in continuing compliance with such exchange's standards.

8. The **issuer** of **unlisted DRs** must be part of a **depository receipt** programme with:
  - a) a maximum available issue value (headroom) of at least £40 million; and
  - b) at least 25% of the **unlisted DRs** or of the **issuer's securities** that such **depository receipts** represent at the time of **admission** are in **public hands**<sup>20</sup>.
9. The **securities** which the **unlisted DRs** represent must:
  - a) conform with the law of the **issuer's** place of incorporation;
  - b) be duly authorised according to the requirements of the **issuer's** constitution;
  - c) have any necessary statutory or other consents;
  - d) be freely transferable; and
  - e) be fully paid and free from all liens and from any restriction on the right of transfer.
10. The **issuer** must take all reasonable steps to ensure that (if **admission** is approved) the **unlisted DRs** are able to continue to, comply or procure compliance with paragraph 9 (validity and transferability) and any temporary or definitive document of title includes appropriate identifier information <sup>21</sup> (documents of title) so far as relevant to **unlisted DRs**.
11. There must be in place at **admission** and at all times whilst **admission** continues, a **deposit agreement** in place between the **depository bank** and the **issuer** which should set out all key terms relating to the issue of the **unlisted DRs**.
12. The **deposit agreement** should include provisions relating to: fees and expenses applicable to holders and the **issuer**; rights and obligations of holders; rights and obligations of the depository bank and the **issuer**; matters relating to the deposit of the underlying shares; dividend and distribution procedures; voting procedures, including as to voting instructions and record dates; provisions relating to changes in issued underlying shares and the ratio of **unlisted DRs** to underlying shares; foreign currency exchange considerations; execution, delivery, transfer, surrender and exchange provisions; information rights; any agreed indemnities and other protections;

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<sup>20</sup> An **issuer** should refer to the definition of 'in public hands' in Schedule 5.

<sup>21</sup> In this regard an issuer of **unlisted DRs** should refer to Listing Rule 9.5.15 and 9.5.16 where relevant to **depository receipts**.

taxation; termination of the **deposit agreement**, resignation or removal of the depositary bank or similar.

13. The **deposit agreement** should not restrict an **issuer's** ability to comply with the **Standards**. Therefore, an **issuer** must give consideration as to whether the **deposit agreement** restricts its' ability to comply with its obligations to the **Exchange** under the **Standards** in relation to the **unlisted DRs**, including without limitation the **issuer's** obligations in relation to disclosures required by it under this Schedule, compliance with paragraphs 9 and 10 and the proper processing of ongoing corporate actions in respect of the **unlisted DRs**.

### CONTINUING OBLIGATIONS

#### All securities

14. When complying with Rule 4.2 of the **Standards**, in particular the **issuer** must inform the **Exchange** immediately if there is any change in the status of its **listing** on a **suitable exchange** (including suspension or cancellation of the **listing** on a **suitable exchange**, non-compliance by the **issuer** with the applicable **listing** standards or any disciplinary in relation to its **listing** on a **suitable exchange**, or, in each case, any other **listing** it maintains).
15. Website
  - a. The **issuer** must maintain from **admission to trading** of the **securities** a website (or section of its corporate website) that is available free of charge at an internet address that is advised to the **Exchange**.
  - b. The information required on the website should be accurate, complete, not misleading and be kept up-to-date and the last date on which it was updated should be included. The information required below should be easily accessible from one part of the website.
  - c. The information required by this Schedule, should be in English.
  - d. The website should include the following information:
    - i. the name and address of the **issuer**, its directors, the nature of its business and its country of incorporation;
    - ii. the **suitable exchange** to which the **issuer** is admitted and details of where information about that **listing**, including all publicly available documents such as **listing** documents and accounts and ongoing **issuer** disclosures, can be easily obtained (which should be internet-based);
    - iii. unless not reasonably possible due to applicable securities laws, a copy of the most recent offering or admission document published by the **issuer**;
    - iv. the type, class and currency of **securities** in issue; and



## ADMISSION AND DISCLOSURE STANDARDS

- v. a brief description of the key rights attaching to the **securities** including in relation to dividends and voting.

### 16. Retention of, and announcement via, a **Regulatory Information Service**

- a. the **issuer** must retain a **Regulatory Information Service** at all times; and
- b. the **issuer** must notify promptly (which would usually mean concurrently, taking into account also the opening hours of the **Regulatory Information Service**) via its **Regulatory Information Service** and in English, all announcements and notifications that it makes pursuant to its **listing** on a **suitable exchange** which would be likely to have a significant effect on the price of the underlying securities that are the subject of the **listing** on a **suitable exchange**.

### Additional obligations for issuers of unlisted DRs

### 17. Changes to deposit agreement

- a. If it is proposed that there is to be a material change to the key terms of the **deposit agreement** or that the **depository bank** is to be changed, the **Exchange** must be notified at least ten **business days** in advance. The **Exchange** may suspend or cancel the **admission** if it is concerned that the **Standards** will no longer be complied with. If the **Exchange** confirms that **admission** will continue, the underlying **issuer** must notify via its **Regulatory Information Service** the change in **depository bank** or **deposit agreement** forthwith; and
- b. When complying with Rule 4.2 of the **Standards**, in particular the **issuer** must inform the **Exchange** forthwith if the **deposit agreement** no longer complies with paragraphs 11 to 13 (inclusive).

### 18. Website

The website referred to at paragraph 15 should also include:

- i. the name and address of the **depository bank**;
- ii. a description of the key terms of the **depository receipt** programme<sup>22</sup> or a full copy of the **deposit agreement** currently in force and the legislation under which the **depository receipts** or **unlisted DRs** have been created; and
- iii. the information required under paragraph 15(iv), plus details of the maximum amount of **unlisted DRs** which may be in issue and the proportion of the underlying issued share capital of the

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<sup>22</sup> In considering the content of this disclosure the **issuer** should refer to the information required by Annex13 (paragraphs 2) of the **UK Prospectus Regulation**.

**issuer** that this represents.

19. Additional announcements via a **Regulatory Information Service**

The **issuer** must promptly notify via its **Regulatory Information Service**:

- i. any material changes to the **deposit agreement**;
- ii. any material change in relation to the **unlisted DRs** that would be likely to have a significant effect on their price;
- iii. the impact of any proposed corporate actions (in relation to the **listing** on a **suitable exchange** or the **unlisted DRs**) on the **unlisted DRs**; and
- iv. any change of the internet address of the website required by this Schedule.

**Guidance to this Schedule**

**UK MAR** provides for separate continuing obligations on **issuers** admitted to **ATT Only**. The disclosure obligations in **UK MAR** relate to the disclosure of inside information and disclosure of transactions by persons discharging managerial responsibilities (“PDMR”) and persons closely associated with them. **UK MAR** also provides for restrictions on PDMRs dealing during mandatory closed periods. The **FCA**, as the **UK** competent authority, is responsible for oversight and enforcement of **UK MAR**.

## SCHEDULE 7 – SHANGHAI-LONDON STOCK CONNECT AND SHENZHEN-LONDON STOCK CONNECT

In addition to the requirements of the **Standards**, this Schedule applies to **issuers** applying to **admit depositary receipts**, or with **depositary receipts admitted**, to trading and which are applying to **Shanghai-London Stock Connect** or **Shenzhen-London Stock Connect**. An **issuer** will also need to comply with the national law and regulation of its country of incorporation.

Prospective **applicants** should consult with the **Exchange** at the earliest possible opportunity to discuss their eligibility.

1. In addition to the provisions contained in Rules 2.1 to 2.9 of Section 2 of the **Standards**, an **issuer** applying to **Shanghai-London Stock Connect** or **Shenzhen-London Stock Connect** must comply with the following, unless the **Exchange** otherwise agrees:
  - (a) an **issuer** must have published either a **prospectus** or **Listing Particulars**, in each case, which has been approved by **FCA**;
  - (b) the **issuer's application** to admit **depositary receipts** to the **Official List** must have been approved by **FCA**; and
  - (c) the **issuer's securities** must be **listed** on one of the following (home trading venues):
    - the Main Board Market of the Shanghai Stock Exchange (home trading venue);
    - the Science and Technology Innovation Board of the Shanghai Stock Exchange (STAR Market);
    - the Main Board Market of the Shenzhen Stock Exchange; or
    - the ChiNext Market of the Shenzhen Stock Exchange.
- An **issuer** must inform the **Exchange** immediately if there is any change in the status of its listing on its home trading venue (including suspension or cancellation of the listing, or any disciplinary action in relation to its listing). In the event of its listing being cancelled on its home trading venue, the **Exchange** will transfer the **issuer's depositary receipts** to another segment of the **International Order Book** for **listed depositary receipts**, subject to the **issuer's listing** on the **Official List** being maintained.

### **Guidance to this Schedule**

***UK MAR** provides for separate continuing obligations to **these rules**. The disclosure obligations in **UK MAR** relate to the disclosure of inside information and disclosure of transactions by persons discharging managerial responsibilities ("PDMR") and persons closely associated with them. **UK MAR** also provides for restrictions on PDMRs dealing during mandatory close periods. The disclosure obligations under **UK MAR** are within the remit of the **FCA**. The **FCA**, as the **UK** competent authority, is responsible for oversight and enforcement of **UK MAR**.*

*In relation to an **issuer's** continuing obligations, an **issuer** must also have regard to Section 4 of the **Standards** (continuing obligations). This Section includes specific obligations for **issuers** of **depositary receipts**.*

## SCHEDULE 8 – VOLUNTARY CARBON MARKET

The **Exchange's** Voluntary Carbon Market is a **designation** provided by the **Exchange** to **Eligible Issuers**.

The Voluntary Carbon Market is designed for **Eligible Issuers**, who have a focus on carbon reduction and/or removal projects, which are expected to yield **Carbon Credits**.

The Voluntary Carbon Market **designation** does not denote any assurance by the **Exchange** as to the **Eligible Issuer's** strategy, or its successful implementation, or that its projects will yield any **Carbon Credits**. There is no guarantee that the **Eligible Issuer** will retain the Voluntary Carbon Market **designation**.

The Voluntary Carbon Market **designation** is determined at the absolute discretion of the **Exchange** and is subject to the requirements set out below.

### DEFINITIONS

*In addition to the application (as the context requires) of the defined terms in the Glossary to the **Standards**, the following terms have the following meanings when used in this Schedule 8.*

TERM	MEANING
<b>Admission Document</b>	<b>Prospectus</b> or an admission document pursuant to the <b>AIM</b> Rules for Companies.
<b>Alternative Investment Fund</b>	As defined in The Alternative Investment Fund Managers (Amendment etc.) (EU Exit) Regulations 2019 or Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers.
<b>Approved Funding</b>	Investments/funding, as the case may be, in any single or a combination of: <b>Qualifying Projects</b> ; <b>Proposed Projects</b> . The remainder not invested in such projects must be invested in investments (for a <b>Fund</b> ) or business activities (for an <b>Operating Company</b> ) whose revenues can be mapped to the Tier 1 or Tier 2 micro sectors within FTSE Russell's Green Revenues Classification System.
<b>Authorised Person</b>	<ol style="list-style-type: none"> <li>1. A person registered or authorised to manage an unauthorised <b>Alternative Investment Fund</b>, by one of the following regulators: <ol style="list-style-type: none"> <li>a) <b>FCA</b>;</li> <li>b) Jersey Financial Services Commission;</li> <li>c) Guernsey Financial Services Commission; or</li> </ol> </li> </ol>

## ADMISSION AND DISCLOSURE STANDARDS

	<p>d) Isle of Man Financial Services Authority.</p> <p>2. A person registered, with the <b>FCA</b>, to market an unauthorised <b>Alternative Investment Fund</b>, and the person is regulated in a jurisdiction that is deemed suitable by the <b>Exchange</b> from time to time.</p>
<b>Carbon Credit</b>	A tradable certificate which represents the <b>Independently Certified</b> removal or avoidance of one tonne of carbon dioxide or the carbon dioxide equivalent (based on a 100-year global warming potential) of another greenhouse gas.
<b>Depository</b>	An independent third party, authorised by the <b>FCA</b> , which is responsible for the safekeeping of assets of the <b>Fund</b> (including custody, record keeping and ownership verification), performing the cash flow monitoring and oversight duties.
<b>Designation Disclosure Document</b>	A shareholder circular (where a shareholder vote is being sought) published by an <b>Eligible Issuer</b> or a notification via an <b>Regulatory Information Service</b> , which sets out the information required to be disclosed under this Schedule 8 regarding a Voluntary Carbon Market <b>designation</b> .
<b>Eligible Issuer</b>	A <b>Fund</b> or an <b>Operating Company</b> , which applies for, holds or ceases to hold the Voluntary Carbon Market <b>designation</b> (as the context requires).
<b>Fund</b>	A closed-ended investment company.
<b>Fund Manager</b>	The investment manager of, or any portfolio manager or investment adviser to, the <b>Fund</b> , from time to time (which may be the board of the <b>Fund</b> itself for an internally managed <b>Fund</b> ).
<b>Independently Certified</b>	Certified by a <b>Qualifying Body</b> .
<b>Investment Policy</b>	A <b>Fund's</b> investment policy, which would include an investment policy for the purposes of the Listing Rules and The Alternative Investment Fund Managers (Amendment etc.) (EU Exit) Regulations 2019 or Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and an investing policy as defined by the AIM Rules for Companies.
<b>Operating Company</b>	A company whose main activity is the conduct of an operating business.

## ADMISSION AND DISCLOSURE STANDARDS

<b>Proposed Project</b>	A project in which the <b>Fund</b> is investing, or the <b>Operating Company</b> is directly or indirectly funding, with the reasonable expectation that it will be a <b>Qualifying Project</b> .
<b>Qualifying Body(ies)</b>	A standards body for the certification of <b>Qualifying Projects</b> and/or <b>Carbon Credits</b> , which is publicly endorsed, without conditionality, by a <b>Voluntary Carbon Industry Body</b> .
<b>Qualifying Project</b>	A project which has been <b>Independently Certified</b> and appears on the register of the relevant <b>Qualifying Body</b> .
<b>Registry</b>	A registry maintained on behalf of a <b>Qualifying Body</b> , which records registered projects and tracks the generation, ownership and <b>retirement</b> of associated <b>Carbon Credits</b> .
<b>Retire, retiring or retirement</b>	Retiring a <b>Carbon Credit</b> means that it has been permanently removed from circulation by the <b>Registry</b> associated with its creation.
<b>Sustainability Specialist</b>	An individual who has relevant experience in relation to <b>Carbon Credit</b> projects specifically and/or sustainability generally.
<b>Voluntary Carbon Industry Body</b>	<p>The International Carbon Reduction &amp; Offset Alliance; and/or the Integrity Council for the Voluntary Carbon Markets, once its Core Carbon Principles are issued.</p> <p>The Exchange may, by Stock Exchange Notice, at its absolute discretion, and from time to time, add to or remove from the list of Voluntary Carbon Industry Bodies.</p>
<b>Voluntary Carbon Market Designation Requirements</b>	The requirements set out at paragraphs 1 to 6, under the heading Voluntary Carbon Market Designation Requirements, in this Schedule 8.

### VOLUNTARY CARBON MARKET DESIGNATION REQUIREMENTS

1. Only **Eligible Issuers** can apply for the Voluntary Carbon Market **designation**.
2. The requirements for the Voluntary Carbon Market **designation** are in addition to the requirements of the **Standards** and/or applicable rules (including eligibility requirements for **listing** and/or **admission** to trading on **AIM**).

## ADMISSION AND DISCLOSURE STANDARDS

3. The **Eligible Issuer** must satisfy the following requirements to be eligible for the Voluntary Carbon Market **designation**:

(a) an **Eligible Issuer**:

- i. must have its **securities** admitted to trading on the **Main Market** or **AIM**;
- ii. which is a **Fund** must, within its **Investment Policy**, or which is an **Operating Company** must, by board resolution, adopt a transparent **Carbon Credit** policy setting out its intentions in respect of the distribution to shareholders, or retirement of, or sale onwards of the **Carbon Credits** (as the case may be); and
- iii. where it proposes to offer the service of **retiring Carbon Credits** on behalf of shareholders, must be registered (directly or through an intermediary) at all times with a **Registry** to which it will **retire** the **Carbon Credits** on behalf of shareholders and disclose the process by which such **retirement** will be effected; and

(b) where the **Eligible Issuer** is a **Fund**:

- i. the portfolio management must be carried out by an **Authorised Person** (which could be the **Fund** itself);
- ii. it must have an **Investment Policy**:
  - a. to invest its funds (excluding cash or cash equivalents) in **Approved Funding** only; and
  - b. which seeks, as far as is reasonably possible, to invest cash equivalents in a manner that is compatible with the principle of climate change mitigation; and
- iii. it must appoint and maintain a **Depositary** at all times; and

(c) where the **Eligible Issuer** is an **Operating Company**, it must:

- i. provide **Approved Funding** only, through direct or indirect ownership of a relevant project or project developer or direct contractual arrangements with a project developer who implements and manages a **Proposed Project** or **Qualifying Project** in respect of which the **Operating Company** expects to receive **Carbon Credits**; and
- ii. appoint and maintain, to the board of directors, a **Sustainability Specialist**.

4. An application for the Voluntary Carbon Market **designation** shall be made to the **Exchange**, and for an **Eligible Issuer** not already admitted to the **Main Market** or **AIM**, at the latest upon the submission of the early notification set

## ADMISSION AND DISCLOSURE STANDARDS

out in Part 3 of Section 2 of the **Standards** for the **Main Market** or, for **AIM**, the early notification as set out in Rule 2 of the **AIM Rules for Companies**<sup>23</sup>.

5. Once the **Exchange** has confirmed to the **Eligible Issuer** that it has completed its review of the application, subject to gazetting in respect of (a) below:
  - (a) the **Eligible Issuer** must, at least ten **business days**’ prior to admission, notify by way of a gazetting notice its application for the Voluntary Carbon Market **designation** (i) via an **RIS** for **Eligible Issuers** seeking **admission** to trading on the **Main Market**; or (ii) within the information specified in Schedule One of the **AIM Rules for Companies** for **Eligible Issuers** seeking **admission** to **AIM**; or
  - (b) where the **Eligible Issuer’s securities** are either already admitted to trading on the **Main Market** or **AIM**, it must issue a **Designation Disclosure Document**.
6. The **Eligible Issuer** must disclose the following in its most recent **Admission Document** or **Designation Disclosure Document** (as the case may be). However, items (a) to (i) (inclusive) should be comprised in a specific section dedicated to the Voluntary Carbon Market **designation** in the relevant document:
  - (a) matters set out in paragraphs 3(a) to (c) of this Schedule 8;
  - (b) for a **Fund**, the **Qualifying Body(ies)** whose standards its **Proposed Projects** seek to comply with and for an **Operating Company**, the **Qualifying Body(ies)** applicable to the **Proposed Projects**, which it has or expects to be directly or indirectly funding and, in respect of both, the relevant **Voluntary Carbon Industry Body**;
  - (c) the minimum percentage of gross assets proposed to be or invested in (directly or indirectly) **Proposed Projects** and **Qualifying Projects**;
  - (d) the project type(s), location(s), methodology (or methodologies) and the milestones required to be met in order for those **Proposed Projects** to obtain the status of a **Qualifying Project**;
  - (e) whether the **Proposed Projects** are expected to meet any of the specific environmental and social benefits, as set out in the United Nations Sustainable Development Goals and, if so, to specify which (by number and title) and in what way this will be measured and verified by the **Eligible Issuer**;
  - (f) the estimated target investment costs of **Proposed Projects** and **Qualifying Projects** (aggregated) as a proportion of the **Approved Funding**;

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<sup>23</sup> Forms and process available on the **Exchange’s** website.



## ADMISSION AND DISCLOSURE STANDARDS

- (g) the estimated target **Carbon Credit** yield reasonably expected to be received by the **Eligible Issuer** and the estimated timetable for this yield;
- (h) for a **Fund**, the **Fund Manager's** track record in respect of **Carbon Credit** projects and for an **Operating Company**, its track record in relation to **Carbon Credit** projects or sustainability (in respect of both, details of any known investigations, sanctions or criticisms and/or any failed **Carbon Credit** projects or investments);
- (i) the mechanism(s) to be used for distribution, **retirement**, or selling onwards of **Carbon Credits**;
- (j) risk factors relating specifically to (i) **Proposed Project** investment risk; (ii) the initial and ongoing risk that all or any **Carbon Credits** may not be issued; (iii) the risk that **Proposed Projects** may not become **Qualifying Projects**; and (iv) the permanence, leakage and additionality risks associated with **Proposed Projects** and **Qualifying Projects**; and
- (k) the following statement in bold and in a prominent position in the **Admission Document** or **Designation Disclosure Document**:

for a **Fund**:

**The Exchange's Voluntary Carbon Market is a designation that denotes that the Fund has committed to invest some, or all, of the capital raised into carbon reduction and/or removal projects, which are expected to meet the standards of Qualifying Bodies and yield Carbon Credits. The designation disclosure requirements are not the issuer's primary market obligations and, accordingly, are not intended to be comprehensive nor a substitute for the issuer's existing disclosure and applicable legal and regulatory obligations (including, without limitation, its disclosure requirements and compliance with UK MAR). The Voluntary Carbon Market designation does not denote any assurance by the Exchange as to the Fund's yield of Carbon Credits, [investment policy/investing policy] or its successful implementation. Investment for the purpose of obtaining Carbon Credits carries high risk and there can be no guarantee that the Fund will satisfy its [investment policy/investing policy] or that its investments will be successful and/or yield some or any Carbon Credits. There is no guarantee that the Fund will retain the Voluntary Carbon Market designation, nor does the Exchange have any control or oversight over the distribution, retirement or sale onwards of the Carbon Credits.**

for an **Operating Company**:

**The Exchange's Voluntary Carbon Market is a designation that denotes that the Operating Company's business is focused on funding, directly or indirectly, carbon reduction and/or removal projects, which are expected to meet the standards of Qualifying Bodies and yield Carbon Credits. The designation disclosure**

requirements are not the issuer's primary market obligations and, accordingly, are not intended to be comprehensive nor a substitute for the issuer's existing disclosure and applicable legal and regulatory obligations (including, without limitation, its disclosure requirements and compliance with UK MAR). The Voluntary Carbon Market designation does not denote any assurance by the Exchange as to the Company's yield of Carbon Credits or successful implementation of the Company's strategy. Investment for the purpose of obtaining Carbon Credits carries high risk and there can be no guarantee that the Company's direct or indirect funding of projects, will yield some or any Carbon Credits. There is no guarantee that the Company will retain the Voluntary Carbon Market designation, nor does the Exchange have any control or oversight over the distribution, retirement or sale onwards of the Carbon Credits.

### CONTINUING OBLIGATIONS

This Section applies to **Eligible Issuers** which have **securities** admitted to trading on the **Main Market** or **AIM**.

7. The **Eligible Issuer** must comply with the criteria set out under the **Voluntary Carbon Market Designation Requirements**, on a continuing basis (save for those only relevant to **admission** at paragraph 6 of this Schedule 8).
8. An **Eligible Issuer**:
  - (a) must have commenced, directly or indirectly, investments in (in the case of a **Fund**) or funding of (in the case of an **Operating Company**) at least one **Proposed Project** or **Qualifying Project** within two years following receipt of the Voluntary Carbon Market **designation** and maintain at least one **Proposed Project** or **Qualifying Project** thereafter; and
  - (b) which no longer complies with paragraph 8(a) must notify the **Exchange** as soon as possible of its non-compliance.
9. An **Eligible Issuer** must ensure that its audited annual report and financial statements include:
  - (a) a statement confirming that there has been no change in the investments held by the **Fund** or the funding arrangements of the **Operating Company** (as the case may be) in the **Proposed Projects** and/or **Qualifying Projects** or, in the event that there has been a change, details of the change;
  - (b) in respect of a **Fund**, which is not fully invested, confirmation of the expected timing of any further investments in **Proposed Projects** and/or **Qualifying Projects**;

## ADMISSION AND DISCLOSURE STANDARDS

- (c) an update in respect of the stage of each **Proposed Project** in relation to the standards of the relevant **Qualifying Body** including, without limitation:
  - i. the expected timing of achieving key milestones to achieve the status of a **Qualifying Project**; or
  - ii. a statement of the likelihood that the relevant **Proposed Project** will or will not become a **Qualifying Project**;
- (d) a restatement of its expected **Carbon Credit** target yield and a description of how the **Eligible Issuer** has performed in relation to the previously stated expected target **Carbon Credit** yield;
- (e) a statement confirming the percentage of the **Eligible Issuer's** gross assets, which are invested (directly or indirectly) in **Qualifying Projects** and **Proposed Projects**;
- (f) for a **Fund**, confirmation that, to the extent the **Fund** is not invested in **Proposed Projects** and/or **Qualifying Projects**, the revenues from its investments (other than in cash or cash equivalents) can be mapped to the Tier 1 or Tier 2 micro sectors within FTSE Russell's Green Revenues Classification System;
- (g) for an **Operating Company**, confirmation that the revenues from any other business activity conducted can be mapped to the Tier 1 or Tier 2 micro sectors within FTSE Russell's Green Revenues Classification System;
- (h) details (including the number) of any **Carbon Credits** received by the **Eligible Issuer** in the period, including:
  - i. the **Qualifying Body** and the **Voluntary Carbon Industry Body**;
  - ii. certification standard name;
  - iii. type (reduction and/or removal);
  - iv. project name;
  - v. identification number;
  - vi. issuing **Registry** for each **Carbon Credit** issued;
  - vii. host country;
  - viii. **Carbon Credit** vintage;
  - ix. methodology/project type; and

## ADMISSION AND DISCLOSURE STANDARDS

- x. whether or not the **Carbon Credit** is associated with corresponding adjustments (as evidenced by authorisation and authorised use) by the host and/or buyer country;
  - (i) details (including the number) of any **Carbon Credits** that have been retained, **retired** on behalf of shareholders, distributed or sold onwards by the **Eligible Issuer** in the period;
  - (j) in respect of cash equivalents, how such investments are compatible with the principle of climate change mitigation; and
  - (k) an update in respect of the disclosure required pursuant to paragraph 6(e) in respect of the United Nation's Sustainable Development Goals.
10. Where an **Eligible Issuer** has committed to **retire Carbon Credits** on behalf of shareholders, the **Eligible Issuer** must make appropriate arrangements to provide information to shareholders of their entitlements from the **retirement** in accordance with paragraph 3(a)iii of this Schedule 8 and notify **retirements of Carbon Credits** via an **RIS** as if they were dividends in accordance with the Dividend Procedure Timetable published by the **Exchange** from time to time.
11. An **Eligible Issuer** must, on a continuing basis, maintain a website on which the following information should be publicly available, free of charge. The information should be easily accessible, and a statement should be included that the information is being disclosed for the purposes of the Voluntary Carbon Market **designation**:
- (a) for a **Fund**, details of the **Fund Manager** and for an **Operating Company**, the name and relevant credentials of the **Sustainability Specialist**;
  - (b) if applicable, the name of the **Depository**;
  - (c) the minimum percentage of gross assets, which are to be and have been invested (directly or indirectly) in **Proposed Projects** and/or **Qualifying Projects**; and
  - (d) the **Proposed Projects** and **Qualifying Projects**, which may be via a cross reference or link, to the relevant sections of the annual report, the **Admission Document or the Designation Disclosure Document** (as the case may be).

The website where this information is available must be the **Eligible Issuer's** website, albeit which might be hosted by a third-party provider. The information required by this paragraph 11 should be kept up to date for any material changes or corrections and state the last date it was updated.

## ADMISSION AND DISCLOSURE STANDARDS

12. Without prejudice to its other regulatory disclosure obligations, the **Eligible Issuer** must, in addition, and without delay, notify via an **RIS**, details of the following:
- (a) for a **Fund**, any material change to, or failure to comply with, its **Investment Policy**;
  - (b) any of the **Proposed Projects** and/or **Qualifying Projects**, which are materially delayed, terminated, in jeopardy or put on hold;
  - (c) details of any of the **Proposed Projects** and/or **Qualifying Projects**, which are not meeting or are likely not to be able to meet the standards set out by the relevant **Qualifying Body**;
  - (d) the proposed timetable for the issue of **Carbon Credits** or any benefit for the **retirement** of **Carbon Credits** and the **RIS** notification should include the record date, pay date and the 'ex' date for such entitlements;
  - (e) any change of **Depositary**;
  - (f) in respect of a **Fund**, any change of **Fund Manager** or its authorisation and in respect of an **Operating Company**, any change of **Sustainability Specialist**; and/or
  - (g) any known investigations, sanctions or criticisms of the **Eligible Issuer**, the **Fund Manager** or the **Sustainability Specialist** (as the case may be) or the **Proposed Projects** by a **Qualifying Body**.

### LIAISING WITH THE EXCHANGE

13. Questions in relation to the interpretation of these rules should be raised with the **Exchange's** Primary Market Regulation team at the earliest possible opportunity.
14. Without prejudice to the requirements of paragraph 3 of this Schedule 8, **Eligible Issuers** considering applying for the Voluntary Carbon Market **designation** should consult with the **Exchange** at the earliest possible opportunity.
15. Within five **business days** of publication of its audited annual report and financial statements, the **Eligible Issuer** must submit to the **Exchange** confirmation, in the form prescribed by the **Exchange**, of the following information:
- (a) the date upon which funds must be invested or funding must commence in accordance with paragraph 8 of this Schedule 8;
  - (b) a statement that it continues to meet the **Voluntary Carbon Market Designation Requirements**; and
  - (c) any other information the **Exchange** prescribes for the purpose of considering ongoing eligibility.

16. An **Eligible Issuer** must:

- (a) take reasonable care to ensure that information provided to the **Exchange** is complete, accurate and not misleading and does not omit anything likely to affect the import of such information;
- (b) deal with the **Exchange** promptly and in an open, transparent and co-operative way;
- (c) notify the **Exchange**, without delay, if it becomes aware that it no longer meets the **Voluntary Carbon Market Designation Requirements**; and
- (d) provide to the **Exchange**, without delay, any information or explanation the **Exchange** might reasonably request for the purpose of discharging its legal responsibilities and/or regulatory function, verifying information relevant to the Voluntary Carbon Market **designation** and/or in relation to the reputation and/or integrity of either the Voluntary Carbon Market **designation** and/or the **Exchange**.

### REFUSAL AND REMOVAL OF THE VOLUNTARY CARBON MARKET DESIGNATION

17. The Voluntary Carbon Market **designation** is provided at the **Exchange's** absolute discretion.
18. Where matters are brought to the attention of the **Exchange**, which could affect the Voluntary Carbon Market **designation**, the **Exchange** may, at its absolute discretion, delay the provision of the Voluntary Carbon Market **designation** or, at any time, impose special conditions.
19. The **Exchange** may refuse to provide or may remove the Voluntary Carbon Market **designation** in circumstances where the **Exchange**, in its absolute discretion, considers that the **Eligible Issuer** receiving or retaining the **designation** would be detrimental to the reputation and/or integrity of the Voluntary Carbon Market **designation** and/or the **Exchange**.
20. Without prejudice to paragraph 19 of this Schedule 8, a non-exhaustive list of matters which may result in delay, refusal or removal of the Voluntary Carbon Market **designation** includes circumstances where, at the absolute discretion of the **Exchange**:
- (a) the **Eligible Issuer** is better suited to another of the **Exchange's** sustainability initiatives;
  - (b) the **Fund** has not demonstrated to the satisfaction of the **Exchange** that its **Investment Policy** and activities have a focus on carbon reduction and/or removal projects or it has not taken reasonable steps to implement such **Investment Policy**;

## ADMISSION AND DISCLOSURE STANDARDS

- (c) the **Operating Company** has not demonstrated, to the satisfaction of the **Exchange**, that its business activity has a focus on funding, directly or indirectly, carbon reduction and/or removal projects or where the **Exchange** determines the **Operating Company** is focused on trading **Carbon Credits**;
  - (d) the **Eligible Issuer's** objectives, statements and/or actions do not appear to be aligned to, or are contrary to, the principle of climate change mitigation;
  - (e) the **Eligible Issuer** does not meet or is unlikely to meet the **Voluntary Carbon Market Designation Requirements** either upon receipt or on an ongoing basis (as appropriate);
  - (f) the **Eligible Issuer** and/or the **Fund Manager/Sustainability Specialist** (as the case may be) has/have been the subject of disciplinary action or criticism by a regulator, government body or court; and/or
  - (g) it is deemed necessary pursuant to applicable law or regulation.
21. In addition to paragraph 20 of this Schedule 8, the **Exchange** may in its absolute discretion remove the Voluntary Carbon Market **designation** where, in the opinion of the **Exchange**, the **Eligible Issuer**:
- (a) is in breach of, or is unlikely to be able to comply with, its responsibilities and obligations under this Schedule 8; and/or
  - (b) has not complied with or is unlikely to be able to comply with any special condition imposed by the **Exchange**.
22. An **Eligible Issuer** can request removal of its Voluntary Carbon Market **designation** by providing 21 **business days'** notice, in writing, to the **Exchange**.
23. Removal of the Voluntary Carbon Market **designation** should be notified via an **RIS** without delay.
24. Removal of the Voluntary Carbon Market **designation** does not affect the **listing** and/or **admission** of the **Eligible Issuer's securities** to the **Exchange's** markets.
25. Any removal of a **Qualifying Body**, by a **Voluntary Carbon Industry Body**, will not automatically affect any existing Voluntary Carbon Market **designation** at the time of removal. However, the **Exchange**, at its absolute discretion, reserves the right to impose special conditions to maintain the Voluntary Carbon Market **designation**.

## ADMISSION AND DISCLOSURE STANDARDS

### CONFIDENTIAL INFORMATION

26. All communications between the **Exchange** and an **Eligible Issuer** (either directly or via its advisers) are confidential to the **Exchange** and should not be disclosed without the prior written consent of the **Exchange**, except as required by any applicable regulatory or statutory body.
27. Paragraph 26 of this Schedule 8 shall continue to apply to the **Eligible Issuer** even when it ceases to hold the Voluntary Carbon Market **designation**.

### SANCTIONS

28. Without prejudice to the other actions available to it under this Schedule 8, where the **Exchange** considers that an **Eligible Issuer** is in breach of its responsibilities and obligations under this Schedule 8, the **Exchange** may take disciplinary action against such an **Eligible Issuer** and the **Compliance Procedures** set out in Section 5 of the **Standards** shall apply.
29. Where an **Eligible Issuer** ceases to hold the Voluntary Carbon Market **designation**:
- (a) the **Exchange** retains jurisdiction over the **Eligible Issuer** for the purposes of investigating and/or taking disciplinary action in relation to breaches or suspected breaches of this Schedule 8 at the time when the **Eligible Issuer** held the Voluntary Carbon Market **designation**; and
  - (b) paragraphs 13 to 16 of this Schedule 8 shall continue to apply to the **Fund** for the purposes of any information or explanation which the **Exchange** requests to discharge its legal responsibilities and/or regulatory function including, without limitation, for the purposes of investigating and/or taking disciplinary action relating to breaches or suspected breaches of this Schedule 8.

### Guidance to Schedule 8

**Securities** which have received the Voluntary Carbon Market **designation** are part of the **Exchange's regulated market** or **AIM** and, accordingly, must meet the requirements of applicable **UK** law and regulations relating to the market upon which it is **listed** and/or admitted to trading.

The **Exchange's** Primary Market Regulation team can be contacted at [primarymarketregulation@lseg.com](mailto:primarymarketregulation@lseg.com).





**London**  
Stock Exchange