

# Market Notice

5 December 2017

## AIM NOTICE 48

For the attention of all AIM companies and Nominated Advisers

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### APPLICATION FOR SME GROWTH MARKET STATUS

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#### **SME Growth Market Application and minor consequential changes to the AIM Rules for Companies**

From 3 January 2018, the Markets in Financial Instrument Directive (“MiFID II”)<sup>i</sup>, will introduce a new designation of “SME Growth Market” that operators of qualifying markets can voluntarily apply for. London Stock Exchange, as operator of the largest market for small and medium sized growth companies in the EU, has applied to the FCA for AIM to be registered as an SME Growth Market and is expecting to receive confirmation of final approval to take effect from 3 January 2018.

#### **1. Background**

The SME Growth Market designation has been developed by the European Commission, as part of its capital markets union plan, to create a bespoke regulatory framework for European growth markets. London Stock Exchange Group supports the development of SME Growth Markets and believes the new categorisation will enable future legislative changes to be calibrated to cater to the needs of the users of SME Growth Markets.

The designation is also expected to raise the profile and visibility of SME Growth Markets across the EU and distinguish them from multilateral trading facilities (MTFs) which generally operate as trading facilities that do not have a primary market function.

#### **2. Minor Consequential changes to the AIM Rules for Companies**

Rule 26 (Company information disclosure) of the AIM Rules for Companies (the “AIM Rules”) currently requires AIM companies to maintain a website on which information should be available, free of charge. Amongst other information, this includes:

- An AIM company’s most recent admission document together with any circulars or similar publications sent to shareholders within the past 12 months;

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- The annual accounts published pursuant to rule 19 for the last three years or since admission, whichever is the lesser, and all half yearly, quarterly or similar reports published since the last annual accounts pursuant to AIM Rule 18; and
- All notifications the AIM company has made in the past 12 months.

The eligibility requirements for SME Growth Markets require that certain regulatory information remains available for 5 years once published.<sup>ii</sup> We are therefore making minor consequential changes to the AIM Rules, making it clear that AIM Rule 26 will apply in respect of the 5 year period to:

- Any prospectus an AIM company has published;
- Annual financial reports and half yearly financial reports; and
- Regulatory notifications made public containing inside information for the purposes of MAR.<sup>iii</sup>

An extract of the consequential changes to the AIM Rules is available to download alongside this notice from the Exchange's [website](#). An updated copy of the AIM Rules incorporating these changes will be published and take effect on 3 January 2018.

### 3. Implementation

These minor amendments to the AIM Rules for Companies will come into force on 3 January 2018 to coincide with the MiFID II implementation date and the expected approval of AIM as an SME Growth Market. These requirements will not be retrospective for disclosures made prior to the implementation date.

### 4. Further information

Queries from AIM companies on this Notice should be addressed to their nominated adviser. Queries from nominated advisers should be sent to AIM Regulation at: [aimregulation@lseg.com](mailto:aimregulation@lseg.com)

**Nilam Statham**  
**Head of Primary Market and AIM Regulation**

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<sup>i</sup> Directive 2014/65/EU of the European Parliament and of the Council on markets in financial instruments.

<sup>ii</sup> Article 78(2)(i) of Commission Delegated Regulation (EU) 2017/565.

<sup>iii</sup> Article 7(1) of Market Abuse Regulation (EU) 596/2014 defines inside information, whilst article 17(1) requires all inside information that a company is required to disclose publicly to be posted and maintained on a company's website for a period of at least five years.