
20 March 2020

Inside AIM

Coronavirus – Temporary Measures

This Inside AIM sets out temporary measures that will be implemented by AIM Regulation to support AIM companies and nominated advisers as they seek to navigate some of the challenges arising from the unprecedented Coronavirus (COVID-19) pandemic.

Until further notice, AIM Regulation will be applying discretion to the application of certain of the AIM Rules for Companies and the AIM Rules for Nominated Advisers (“**AIM Rules**”), as set out below. We will continue to keep the situation under review, in particular the potential impact on financial reporting and will provide further guidance as necessary.

Temporary suspension of trading

Timely and accurate disclosure is a key requirement under the AIM Rules and all AIM companies should continue to meet their disclosure obligations without delay. It is therefore important that nominated advisers have a sound understanding of how their AIM companies are planning and responding to the events as they unfold, so that they are able to make disclosures in accordance with their AIM Rules obligations.

However, we recognise that an AIM company may face material new developments as a consequence of the restrictions and challenges being caused by Coronavirus (COVID-19). Accordingly, where an AIM company requires more time to make a fully compliant notification, than would be the case in ordinary circumstances, the nominated adviser should approach AIM Regulation to discuss whether a temporary suspension is required. Given the importance of disclosure, such a request will need to fully explain why the suspension is appropriate in the circumstances and any decision to suspend is at the discretion of AIM Regulation. If granted, such a temporary suspension will be for a limited period to enable the AIM company to make a fully compliant notification.

Suspended AIM companies

Currently where an AIM company has been suspended for more than six months, pursuant to AIM Rule 41 the company’s securities will be cancelled. We appreciate that, given the logistical challenges during this period, further time might be required to resolve the reason for suspension. Accordingly, we will be using discretion to extend the period to 12 months for any AIM company that has been suspended between 30 September 2019 and 1 July 2020.





Engagement responsibilities for a nominated adviser

When taking on a new client, as part of its due diligence, a nominated adviser is generally required to undertake a site visit to the AIM company's material place of operations and meet the directors and key managers. Where travel restrictions and social distancing measures make it difficult to meet this obligation, provided that a nominated adviser uses alternative measures that are reasonably available (such as virtual meetings), we will temporarily suspend the requirement for a physical site visit. Once any applicable restrictions have been lifted, nominated advisers will be expected to undertake the site visit in order to fulfil its obligations under the AIM Rules.

We also recognise that in the current circumstances for the purposes of providing directors' AIM Rules education, nominated advisers are likely to be undertaking telephone or virtual meetings with directors instead of physical meetings.

