Consultation on amendments to the Admission and Disclosure Standards

Introduction

1. London Stock Exchange (the “Exchange”) is consulting on amendments to the Admission and Disclosure Standards (the “Standards”) for the trading of Chinese A-shares’ depositary receipts (“DRs”) to be admitted to the Main Market and traded through London Stock Exchange’s International Order Book trading service. The consultation is part of London Stock Exchange’s ongoing preparatory work in order to launch Shanghai-London Stock Connect Segment, expected in Q4 2018.

2. The consultation is relevant to issuers admitted to trading, or proposing to seek admission to trading, on London Stock Exchange’s primary markets, together with their corporate advisers and investors.

Proposed changes to the Admission and Disclosure Standards

3. The Shanghai-London Stock Connect is a collaboration between London Stock Exchange and the Shanghai Stock Exchange, which enables global investors to access Chinese A-shares through a DR programme listed on London Stock Exchange and qualifying London Stock Exchange listed issuers to access Chinese investors in Shanghai by listing a Chinese DR in Shanghai.

4. In the UK, the Shanghai-London Stock Connect Segment will be a segment of London Stock Exchange’s Main Market (a regulated market) for the admission to trading of DRs representing Chinese A-shares that are listed on the Main Board Market of the Shanghai Stock Exchange. Trading in the DRs will take place on London Stock Exchange’s International Order Book trading service.

5. The admission criteria for issuers seeking entry to the Shanghai-London Stock Connect Segment are set out in a new Schedule 7 of the Standards. Issuers will be required to meet the requirements of FCA’s Listing Rules for the listing of DRs and the associated requirements set by EU directives and regulations.

Other changes

6. Further changes are being proposed to the Standards as follows:

   • Publication of admission documentation on the Exchange’s website – Section 3, new paragraph 2.18
A new rule has been introduced which requires an applicant to provide the Exchange with a copy of admission documentation as soon as it has been published. The Exchange may in turn make such document available on its website.

- **Cancellation – Section 4, paragraph 4.17**

The rule has been amended to clarify that the Exchange may cancel the admission to trading of an issuer’s securities if is satisfied that there are special circumstances that preclude normal dealings in them.

7. Attachment 1 to this Notice sets out London Stock Exchange’s revised proposals in these areas as well as other administrative changes to the rules. The proposed amendments are shown in track changes.

**Consultation responses**

8. Comments are invited to this consultation by close of business on 7 September 2018. Responses should be sent by email to: 
primarymarketregulation@lseg.com

9. London Stock Exchange will confirm the final rules soon after the closure of the consultation.

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This Stock Exchange Notice will be available on the website at

Calls to London Stock Exchange plc may be recorded to enable London Stock Exchange to carry out its regulatory responsibilities