

## Chapter 1A

### Introduction (Transparency rules)



## 1 A.1 Application and purpose (Transparency rules)

**Note:** ESMA has also issued guidelines under article 16(3) of the ESMA Regulation covering 'Alternative Performance Measures', 5 October 2015 (ESMA/2015/1415).

**1A.1.1** **G** The application of Chapters 4, 5 and 6 of *DTR* is set out at the beginning of each chapter and, where necessary, section.

**1A.1.2** **R**

- (1) Neither this chapter nor Chapters 4, 5 or 6 of *DTR* shall apply in relation to an undertaking that falls within paragraph (2) or units of such an undertaking that fall within paragraph (3). [**Note: article 1.2 TD**].
- (2) The exemption set out in paragraph (1) applies to an undertaking if it is a unit trust or investment company
  - (a) the object of which is the collective investment of capital provided by the public, and which operates on the principle of risk spreading; and
  - (b) the units of which are, at the request of the holder of such units, repurchased or redeemed, directly or indirectly, out of the assets of that undertaking. [**Note: article 2.1(g) TD**]
- (3) Units of an undertaking that falls within paragraph (2) are securities issued by such an undertaking and representing the rights of the participants in such an undertaking. [**Note: article 2.1(h) TD**]

### Purpose

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**1A.1.3** **G** The original purpose of the *transparency rules* was to implement the *Transparency Directive* and to make other rules to ensure there is adequate transparency of and access to information in the UK financial markets.

### FCA performing functions as competent authority

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**1A.1.4** **G** **Other relevant parts of Handbook**

**Note:** Other parts of the *Handbook* that may also be relevant to persons to whom the *transparency rules* apply include *DEPP* (Decision Procedure and Penalties Manual) and Chapter 9 of *SUP* (the Supervision manual).

The following Regulatory Guides are also relevant:

1. The Enforcement Guide (*EG*)
2. [intentionally blank]

**Note:** A list of *regulated markets* can be found on the *FCA* website.

## 1A.2 Modifying rules and consulting the FCA

### Modifying or dispensing with rules

- 1A.2.1 **R**
- (1) The *FCA* may dispense with, or modify, the *transparency rules* in such cases and by reference to such circumstances as it considers appropriate (subject to the *Act*).
  - (2) A dispensation or modification may be either unconditional or subject to specified conditions.
  - (3) If an *issuer*, or other *person* has applied for, or been granted, a dispensation or modification, it must notify the *FCA* immediately it becomes aware of any matter which is material to the relevance or appropriateness of the dispensation or modification.
  - (4) The *FCA* may revoke or modify a dispensation or modification.
- 1A.2.2 **R**
- (1) An application to the *FCA* to dispense with or modify, a *transparency rule* must be in writing.
  - (2) The application must:
    - (a) contain a clear explanation of why the dispensation or modification is requested;
    - (b) include details of any special requirements, for example, the date by which the dispensation or modification is required;
    - (c) contain all relevant information that should reasonably be brought to the *FCA*'s attention;
    - (d) contain any statement or information that is required by the *transparency rules* to be included for a specific type of dispensation or modification; and
    - (e) include copies of all documents relevant to the application.

[**Note:** the application may meet this requirement with copies of documents produced, recorded or stored using *electronic means*].
- 1A.2.3 **G**
- An application to dispense with or modify a *transparency rule* should ordinarily be made at least five *business days* before the proposed dispensation or modification is to take effect.

**Early consultation with FCA**

**1A.2.4** **G** An *issuer* or other *person* should consult with the *FCA* at the earliest possible stage if they:

- (1) are in doubt about how the *transparency rules* apply in a particular situation; or
- (2) consider that it may be necessary for the *FCA* to dispense with or modify a *transparency rule*.

**1A.2.5** **G** Where a *transparency rule* refers to consultation with the *FCA*, submissions should be made in writing other than in circumstances of exceptional urgency.

**Address for correspondence**

**Note:** The *FCA*'s address for correspondence in relation to the *transparency rules* is:

Primary Market Monitoring  
Enforcement and Market Oversight Division  
The Financial Conduct Authority  
12 Endeavour Square  
London, E20 1JN  
<https://www.fca.org.uk/markets/primary-markets/contact/request-individual-guidance>



## 1A.3 FCA may require the publication of information

- 1A.3.1 **R** (1) The *FCA* may, at any time, require an *issuer* to publish such information in such form and within such time limits as it considers appropriate to protect investors or to ensure the smooth operation of the market.
- (2) If an *issuer* fails to comply with a requirement under paragraph (1) the *FCA* may itself publish the information (after giving the *issuer* an opportunity to make representations as to why it should not be published).

### Misleading information not to be published

- 1A.3.2 **R** An *issuer* must take all reasonable care to ensure that any information it notifies to a *RIS* is not misleading, false or deceptive and does not omit anything likely to affect the import of the information.

- 1A.3.2A **R** The duty imposed by **DTR 1A.3.2 R** does not apply to an *issuer's* obligation under **DTR 5.8.12 R** to make public the information contained in a vote holder notification made to it under **DTR 5.1.2 R**.

### Notification when a *RIS* is not open for business

- 1A.3.3 **R** If an *issuer* is required to notify information to a *RIS* at a time when a *RIS* is not open for business, it must distribute the information as soon as possible to:
- (1) not less than two national newspapers in the *United Kingdom*;
  - (2) two newswire services operating in the *United Kingdom*; and
  - (3) a *RIS* for release as soon as it opens.



## 1A.4 Fees

### 1A.4.1

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An *issuer* must pay the fees set out in *DTR App 2R* to the *FCA* when they are due.