

Chapter 10

Significant transactions: Premium listing

10.1 Preliminary

Application

- 10.1.1 **R** This chapter applies to a *company* that has a *premium listing*.
Purpose
- 10.1.2 **G** The purpose of this chapter is to ensure that shareholders of *companies* with *securities listed*:
- (1) are notified of certain transactions entered into by the *listed company*; and
 - (2) have the opportunity to vote on larger proposed transactions.

Meaning of "transaction"

- 10.1.3 **R** In this chapter (except where specifically provided to the contrary) a reference to a transaction by a *listed company*:
- (1) (subject to paragraphs (3),(4) and (5)) includes all agreements (including amendments to agreements) entered into by the *listed company* or its *subsidiary undertakings*;
 - (2) includes the grant or acquisition of an *option* as if the *option* had been exercised except that, if exercise is solely at the *listed company's* or *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;
 - (3) excludes a transaction in the ordinary course of business;
 - (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 *listed company* or of its *subsidiary undertakings*;
 - (5) excludes any transaction between the *listed company* and its wholly-owned *subsidiary* undertaking or between its wholly-owned *subsidiary undertakings*; and
 - (6) excludes a transaction where the *listed company* purchases its own *equity shares*.

- 10.1.4 **G** This chapter is intended to cover transactions that are outside the ordinary course of the *listed company's* business and may change a *security holder's*

economic interest in the *company's* assets or liabilities (whether or not the change in the assets or liabilities is recognised on the *company's* balance sheet).

10.1.5

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In assessing whether a transaction is in the ordinary course of a *company's* business under this chapter, the *FCA* will have regard to the size and incidence of similar transactions which the *company* has entered into. The *FCA* may determine that a transaction is not in the ordinary course of business because of its size or incidence.