

Chapter 1

Preliminary: All securities

1.1 Introduction

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

Application

1.1.1

R *LR* applies as follows:

- (1) all of *LR* (other than ■ LR 8.3, ■ LR 8.4, ■ LR 8.6 and ■ LR 8.7) applies to an *issuer*; and
- (2) ■ LR 1, ■ LR 8.1, ■ LR 8.3, ■ LR 8.4, ■ LR 8.6 and ■ LR 8.7 apply to a *sponsor* and a *person* applying for approval as a *sponsor*.

Other relevant parts of Handbook

Note: Other parts of the *Handbook* that may also be relevant to *issuers* or *sponsors* include *DTR* (the Disclosure Guidance and Transparency Rules sourcebook), *PRR* (the Prospectus Regulation Rules sourcebook), *COBS* (the Conduct of Business sourcebook), *DEPP* (Decision Procedure and Penalties Manual), Chapter 9 of *SUP* (the Supervision manual) and *GEN* (General Provisions).

The following Regulatory Guides may also be relevant to *issuers* or *sponsors*:

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

1.2 Modifying rules and consulting the FCA

Modifying or dispensing with rules

- 1.2.1 **R**
- (1) The *FCA* may dispense with or modify the *listing 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 *sponsor* 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.
- 1.2.2 **R**
- (1) An application to the *FCA* to dispense with or modify a *listing 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 *listing rules* to be included for a specific type of dispensation or modification; and
 - (e) include copies of all documents relevant to the application.
- 1.2.3 **G**
- An application to dispense with or modify a *listing rule* should ordinarily be made:
- (1) for a *listing rule* that is a continuing obligation, at least five *business days* before the proposed dispensation or modification is to take effect; and
 - (2) for any other *listing rule*, at least ten *business days* before the proposed dispensation or modification is to take effect.

Companies in severe financial difficulty

- 1.2.4 **G** If an *issuer* applies to the *FCA* to dispense with or modify a *listing rule* on the basis that it is in severe financial difficulty, the *FCA* would ordinarily expect the *issuer* to comply with the conditions in ■ LR 10.8 (to the extent relevant to the particular *rule* for which the dispensation or modification is sought). In particular, the *FCA* would expect the *issuer* to comply with those conditions that are directed at demonstrating that it is in severe financial difficulty.

Early consultation with the FCA

- 1.2.5 **G** An *issuer* or *sponsor* should consult with the *FCA* at the earliest possible stage if it:
- (1) is in doubt about how the *listing rules* apply in a particular situation; or
 - (2) considers that it may be necessary for the *FCA* to dispense with or modify a *listing rule*.

- 1.2.6 **G** Where a *listing rule* refers to consultation with the *FCA*, submissions should be made in writing other than in circumstances of exceptional urgency or in the case of a submission from a *sponsor* in relation to the provision of a *sponsor service*.

Address for correspondence

Note:The *FCA*'s address for correspondence is:

The Financial Conduct Authority
12 Endeavour Square
London, E20 1JN
Tel: 020 7066 8333
<https://www.fca.org.uk/markets/primary-markets/contact/request-individual-guidance>

1.3 Information gathering and publication

Information gathering

- 1.3.1 **R** An *issuer* must provide to the *FCA* as soon as possible:
- (1) any information and explanations that the *FCA* may reasonably require to decide whether to grant an application for *admission*;
 - (2) any information that the *FCA* considers appropriate to protect investors or ensure the smooth operation of the market; and [**Note:** Article 16.1 *CARD*]
 - (3) any other information or explanation that the *FCA* may reasonably require to verify whether *listing rules* are being and have been complied with.

FCA may require issuer to publish information

- 1.3.2 **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. [**Note:** Article 16.2 *CARD*]
 - (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). [**Note:** Article 16.2 *CARD*]

Misleading information not to be published

- 1.3.3 **R** An *issuer* must take reasonable care to ensure that any information it notifies to a *RIS* or makes available through the *FCA* is not misleading, false or deceptive and does not omit anything likely to affect the import of the information.

Notification when a RIS is not open for business

- 1.3.4 **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

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(3) a *RIS* for release as soon as it opens.

1.4 Miscellaneous

Appointment of sponsor

- 1.4.1 **R** (1) If it appears to the *FCA* that there is, or there may be, a breach of the *listing rules* or the *disclosure requirements* and *transparency rules* by an *issuer* with a *premium listing*, the *FCA* may in writing require the *issuer* to appoint a *sponsor* to advise the *issuer* on the application of the *listing rules*, the *disclosure requirements* and the *transparency rules*.
- (2) If required to do so under (1), an *issuer* must, as soon as practicable, appoint a *sponsor* to advise it on the application of the *listing rules*, the *disclosure requirements* and the *transparency rules*.
- [**Note:** ■ LR 8.2 sets out the various circumstances in which an *issuer* must appoint, or obtain guidance from, a *sponsor*.]

Overseas companies

- 1.4.2 **R** If a *listing rule* refers to a requirement in legislation applicable to a *listed company* incorporated in the *United Kingdom*, a *listed overseas company* must comply with the requirement so far as:
- (1) information available to it enables it to do so; and
- (2) compliance is not contrary to the law in its country of incorporation.

- 1.4.3 **R** A *listed overseas company* must, if required to do so by the *FCA*, provide the *FCA* with a letter from an independent legal adviser explaining why compliance with a requirement referred to in ■ LR 1.4.2 R is contrary to the law in its country of incorporation.

- 1.4.4 **R** [deleted]

- 1.4.5 **G** [deleted]

English language

- 1.4.6 **R** A *document* that is required under a *listing rule* to be filed, notified to a *RIS*, provided to the *FCA* or sent to *security* holders must be in English.

- Market abuse safe harbours**
- 1.4.7 **R** [deleted]
- Fees**
- 1.4.8 **G** The provisions relating to periodic fees for *issuers* and *sponsors* are set out in ■ FEES 1, ■ 2 and ■ 4.
- Electronic Communication**
- 1.4.9 **G** (1) If the *listing rules* require an *issuer* to send documents to its *security holders*, the *issuer* may, in accordance with ■ DTR 6.1.8 R, use *electronic means* to send those documents.
- 1.4.9A **R** A reference to a copy (or copies) of a document in the *listing rules* includes a copy (or copies) of a document produced, recorded or stored using *electronic means*.
- 1.4.10 **R** [deleted]
- Use of an RIS**
- 1.4.11 **R** Where a *listing rule* requires an *issuer* subject to ■ DTR 6.3.1 R to use the services of an *RIS*, the *issuer* must comply with the provisions of ■ DTR 6.3.
- 1.4.12 **R** Where a *listing rule* requires an *issuer* who is not subject to ■ DTR 6.3.1 R to use the services of an *RIS*, the *issuer* must comply with the provisions of ■ DTR 6.3, except in relation to information which is required to be disclosed under articles 17 and 19 of the *Market Abuse Regulation* or the *DTR*.

1.5 Standard and Premium Listing

Standard and premium listing explained

1.5.1

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- (1) Under the *listing rules* each *issuer* must satisfy the requirements in the rules that are specified to apply to it and its relevant *securities*. In some cases a *listing* is described as being either a *standard listing* or a *premium listing*.
- (2) A *listing* that is described as a *standard listing* sets requirements that are based on the minimum standards set out in the *United Kingdom* provisions which implemented *CARD* and the *TD*. A *listing* that is described as a *premium listing* will include requirements that exceed those required under the *United Kingdom* provisions which implemented *CARD* and the *TD*.
- (3) *Premium listing* exists for:
 - (a) *equity shares* of:
 - commercial companies,
 - closed-ended investment funds*, and
 - [deleted]
 - sovereign controlled commercial companies*; and
 - (b) *certificates representing shares of sovereign controlled commercial companies*.Any other *listing* will be a *standard listing*.
- (4) In the case of *equity shares* of a commercial company or *equity shares* or *certificates representing shares* of a *sovereign controlled commercial company*, an *issuer* will have a choice under the *listing rules* as to whether it has a *standard listing* or a *premium listing*. The type of *listing* it applies for will therefore determine the requirements it must comply with.
- (5) ■ LR 5.4A provides a process for the transfer of the category of *listing* of *equity shares* and for the transfer of the category of *listing* of *certificates representing shares*.
- (6) In one case, for further classes of *equity shares* of a *closed-ended investment fund*, the *equity shares* may be admitted to a *standard listing* provided that, and only for so long as, the *issuer* has a *premium listing* of *equity shares*.

1.5.2

R**Misleading statements about status**

An *issuer* that is not an issuer with a *premium listing* must not describe itself or hold itself out (in whatever terms) as having a *premium listing* or make any representation which suggests, or which is reasonably likely to be understood as suggesting, that it has a *premium listing* or complies or is required to comply with the requirements that apply to a *premium listing*.

1.6 Listing Categories

1.6.1 **G** [deleted]

1.6.1A **R** An *issuer* must comply with the *rules* that are applicable to every *security* in the category of *listing* which applies to each *security* the *issuer* has *listed*. The categories of *listing* are:

- (1) *premium listing (commercial company)*;
- (2) *premium listing (closed-ended investment fund)*;
- (3) [deleted]
- (3A) *premium listing (sovereign controlled commercial company)*;
- (4) *standard listing (shares)*;
- (4A) *standard listing (open-ended investment companies)*;
- (5) *standard listing (debt and debt-like securities)*;
- (6) *standard listing (certificates representing certain securities)*;
- (7) *standard listing (securitised derivatives)*;
- (8) *standard listing (miscellaneous securities)*.

1.6.2 **R** An *issuer* must inform the *FCA* if the characteristics of a *security* change so that the *security* no longer meets the definition of a *security* in the category in which it has been placed.

Market abuse safe harbours

[deleted]

