

Chapter 8

Sponsors: Premium listing

8.4 Role of a sponsor: transactions

Application for admission

8.4.1

R

■ LR 8.4.2 R to ■ LR 8.4.4 G apply in relation to an application for *admission* of *securities* to *premium listing* if an *applicant* does not have *securities* already admitted to *premium listing*, the conditions in ■ LR 6.1.1R(1), ■ LR 6.1.1R(2), ■ LR 21.2.5R(1), ■ LR 21.2.5R(2), ■ LR 21.6.13R(1) or ■ LR 21.6.13R(2) do not apply and, in connection with the application, the *applicant* is required to publish a document under article 1(4)(f) or (g) or (5)(e) or (f) of the *Prospectus Regulation* or is required to submit to the FCA:

- (1) a *prospectus* or *supplementary prospectus*; or
- (2) [deleted]
- (3) a summary document under article 1(5)(j) of the *Prospectus Regulation*; or
- (4) *listing particulars* or *supplementary listing particulars* under ■ LR 15.3.3 R.

8.4.2

R

A *sponsor* must not submit to the FCA an application on behalf of an *applicant*, in accordance with ■ LR 3, unless it has come to a reasonable opinion, after having made due and careful enquiry, that:

- (1) the *applicant* has satisfied all requirements of the *listing rules* relevant to an application for *admission to listing*;
- (2) the *applicant* has satisfied all applicable requirements set out in the *prospectus rules*;
- (3) the *directors* of the *applicant* have established procedures which enable the *applicant* to comply with the *listing rules* and the *disclosure requirements* and *transparency rules* on an ongoing basis;
- (4) the *directors* of the *applicant* have established procedures which provide a reasonable basis for them to make proper judgments on an ongoing basis as to the financial position and prospects of the *applicant* and its *group*; and
- (5) the *directors* of the *applicant* have a reasonable basis on which to make the working capital statement which demonstrates that ■ LR 6.7.1R is satisfied.

New applicants: procedure

8.4.3

R

A sponsor must:

- (1) submit a completed Sponsor's Declaration on an Application for Listing to the *FCA* either:
 - (a) on the day the *FCA* is to consider the application for approval of the *prospectus* and prior to the time the *prospectus* is approved; or
 - (b) at a time agreed with the *FCA*, if the *FCA* is not approving the *prospectus*;
- (2) submit a completed Shareholder Statement or Pricing Statement, as applicable, to the *FCA* by 9 a.m. on the day the *FCA* is to consider the application;
- (3) ensure that all matters known to it which, in its reasonable opinion, should be taken into account by the *FCA* in considering:
 - (a) the application for *listing*; and
 - (b) whether the *admission* of the *securities* would be detrimental to investors' interests;

have been disclosed with sufficient prominence in the *prospectus* or a document published under article 1(4)(f) or (g) or (5)(e) or (f) of the *Prospectus Regulation* or otherwise in writing to the *FCA*; and
- (4) submit a letter to the *FCA* setting out how the *applicant* satisfies the criteria in ■ LR 2 (Requirements for listing - all securities), ■ LR 6 (Additional requirements for premium listing (commercial company)) and, if applicable, ■ LR 15 or ■ LR 21, no later than when the first draft of the *prospectus* or *listing particulars* is submitted (or, if the *FCA* is not approving a *prospectus*, at a time to be agreed with the *FCA*).

[**Note:** the Sponsor's Declaration on an Application for Listing, the Shareholder Statement and the Pricing Statement forms can be found on the Primary Markets section of the *FCA*'s website.]

8.4.4

G

Depending on the circumstances of the case, a *sponsor* providing services to an *applicant* on an application for *admission to listing* may have to confirm in writing to the *FCA* that the board of the *applicant* has allotted the *securities*.

[**Note:** see ■ LR 3.3.4 R]

8.4.5

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- (1) [deleted]
- (2) [deleted]
- (3) [deleted]

8.4.6

R

- (1) [deleted]
 - (a) [deleted]

(b) [deleted]

(2) [deleted]

Application for admission: further issues

8.4.7 R ■ LR 8.4.8 R to ■ LR 8.4.10 G apply in relation to an application for *admission of premium listed securities* of an *applicant* that has *securities* already *premium listed* or in circumstances in which ■ LR 6.1.1R(1), ■ LR 6.1.1R(2), ■ LR 21.2.5R(1), ■ LR 21.2.5R(2), ■ LR 21.6.13R(1) or ■ LR 21.6.13R(2) applies.

8.4.8 R A *sponsor* appointed in accordance with ■ LR 8.2.1R must not submit to the FCA an application on behalf of an *applicant*, in accordance with ■ LR 3 (Listing applications), unless it has come to a reasonable opinion, after having made due and careful enquiry, that:

- (1) the *applicant* has satisfied all requirements of the *listing rules* relevant to an application for *admission to listing*;
- (2) the *applicant* has satisfied all applicable requirements set out in the *prospectus rules*; and
- (3) the *directors* of the *applicant* have a reasonable basis on which to make the working capital statement:
 - (a) that is, in the case of *equity shares*, required to be included in the *applicant's prospectus* or *listing particulars* and submitted to the FCA in accordance with ■ LR 3.3.2R(2); or
 - (b) that is, in the case of *certificates representing shares*,
 - (i) included in the *applicant's prospectus* or *listing particulars* for the *certificates representing shares* that are being admitted, or
 - (ii) required to be published by the *applicant* in accordance with ■ LR 21.8.27R(2).

Further issues: procedure

8.4.9 R A *sponsor* must:

- (1) submit a completed Sponsor's Declaration on an Application for Listing to the FCA either:
 - (a) on the day the FCA is to consider the application for approval of the *prospectus* and prior to the time the *prospectus* is approved; or
 - (b) at a time agreed with the FCA if the FCA did not approve the *prospectus* or or if it is determining whether a document is an *equivalent document*;
- (2) submit a completed Shareholder Statement or Pricing Statement, as applicable, to the FCA by 9 a.m. on the day the FCA is to consider the application; and
- (3) ensure that all matters known to it which, in its reasonable opinion, should be taken into account by the FCA in considering the

application for *listing* have been disclosed with sufficient prominence in the *prospectus* or a document published under article 1(4)(f) or (g) or (5)(e) or (f) of the *Prospectus Regulation* or otherwise in writing to the *FCA*.

[**Note:** The Sponsor's Declaration on an Application for Listing, the Shareholder Statement and the Pricing Statement forms can be found on the Primary Markets section of the *FCA*'s website.]

8.4.10

G

Depending on the circumstances of the case, a *sponsor* providing services to an *applicant* on an application for *admission to listing* may have to confirm in writing to the *FCA* the number of *securities* to be allotted or admitted.

[**Note:** see ■ LR 3.3.4 R]

Class 1 circulars, refinancing and purchase of own equity shares

8.4.11

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■ LR 8.4.12 R to ■ LR 8.4.13 R apply in relation to transactions involving an *issuer* with a *premium listing* that is required to submit to the *FCA* for approval:

- (1) a *class 1 circular*; or
- (2) a *circular* that proposes a reconstruction or a re-financing which does not constitute a *class 1 transaction*; or
- (3) a *circular* for the proposed purchase of own *shares*:
 - (a) which does not constitute a *class 1 circular*; and
 - (b) is required by ■ LR 13.7.1R (2) to include a working capital statement.

8.4.12

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A *sponsor* must not submit to the *FCA*, on behalf of a *listed company*, a *circular* regarding a transaction set out in ■ LR 8.4.11 R for approval, unless the *sponsor* has come to a reasonable opinion, after having made due and careful enquiry, that:

- (1) the *listed company* has satisfied all requirements of the *listing rules* relevant to the production of a *class 1 circular* or other *circular*;
- (2) the transaction will not have an adverse impact on the *listed company's* ability to comply with the *listing rules* or the *disclosure requirements* and *transparency rules*; and
- (3) the *directors* of the *listed company* have a reasonable basis on which to make the working capital statement required by ■ LR 9.5.12 R, ■ LR 13.4.1 R or ■ LR 13.7.1 R.

Circulars: procedure

8.4.13

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A *sponsor* acting on a transaction falling within ■ LR 8.4.11 R must:

- (1) submit a completed Sponsor's Declaration for the Production of a Circular to the *FCA* on the day the *circular* is to be approved by the *FCA* and prior to the time the *circular* is approved;

- (2) submit a completed Pricing Statement, if applicable, to the *FCA* by 9 a.m on the day the *FCA* is to consider the application; and
- (3) ensure that all matters known to it which, in its reasonable opinion, should be taken into account by the *FCA* in considering the transaction have been disclosed with sufficient prominence in the documentation or otherwise in writing to the *FCA*.

[**Note:** The Sponsor's Declaration for the Production of a Circular and the Pricing Statement forms can be found on the Primary Markets section of the *FCA*'s website.]

Applying for transfer between listing categories

8.4.14

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In relation to a proposed transfer under ■ LR 5.4A, if a *sponsor* is appointed in accordance with ■ LR 8.2.1A R, it must:

- (1) submit a letter to the *FCA* setting out how the *issuer* satisfies each *listing rule* requirement relevant to the category of *listing* to which it wishes to transfer, by no later than when the first draft of the *circular* or announcement required under ■ LR 5.4A is submitted;
- (2) submit a completed Sponsor's Declaration for a Transfer of Listing to the *FCA* for the proposed transfer on the day the *circular* or announcement is to be approved by the *FCA* and before it is approved; and
- (3) ensure that all matters known to it which, in its reasonable opinion, should be taken into account by the *FCA* in considering the transfer between *listing* categories have been disclosed with sufficient prominence in the *circular* or announcement referred to in ■ LR 5.4A or otherwise in writing to the *FCA*.

[**Note:** The Sponsor's Declaration for a Transfer of Listing can be found on the Primary Markets section of the *FCA* website.]

8.4.15

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A *sponsor* must not submit to the *FCA* on behalf of an *issuer* a final *circular* or announcement for approval or a Sponsor's Declaration for a Transfer of Listing, unless it has come to a reasonable opinion, after having made due and careful enquiry, that:

- (1) the *issuer* satisfies all eligibility requirements of the *listing rules* that are relevant to the new category to which it is seeking to transfer;
- (2) the *issuer* has satisfied all requirements relevant to the production of the *circular* required under ■ LR 5.4A.4 R or the announcement required under ■ LR 5.4A.5 R (whichever is relevant);
- (3) the *directors* of the *issuer* have established procedures which enable the *issuer* to comply with the *listing rules*, the *disclosure requirements* and the *transparency rules* on an ongoing basis;
- (4) the *directors* of the *issuer* have established procedures which provide a reasonable basis for them to make proper judgments on an ongoing basis as to the financial position and prospects of the *issuer* and its *group*; and

- (5) the *directors* of the *issuer* have a reasonable basis on which to make the working capital statement (if any) required in connection with the transfer.

8.4.16 **R** ■ LR 8.4.15R (3), ■ LR 8.4.15R (4) and ■ LR 8.4.15R (5) do not apply in relation to an *issuer* that was required to meet these requirements under its existing *listing* category.

Reverse takeovers

8.4.17 **R** A *sponsor* acting on a *reverse takeover* where the *issuer* decides to make a disclosure announcement under ■ LR 5.6.15 G must:

- (1) submit to the *FCA* under ■ LR 5.6.17 R a completed Sponsor’s Declaration for a Reverse Takeover Announcement;
- (2) not submit to the *FCA* the Sponsor’s Declaration for a Reverse Takeover Announcement unless it has come to a reasonable opinion, after having made due and careful enquiry, that it is reasonable for the *issuer* to provide the declarations described in ■ LR 5.6.15 G (3) and ■ LR 5.6.15 G (4); and
- (3) ensure that all matters known to it which, in its reasonable opinion, should be taken into account by the *FCA* in considering a proposed disclosure announcement under ■ LR 5.6.15 G have been disclosed with sufficient prominence in the announcement or otherwise in writing to the *FCA*.

[Note: The Sponsor's Declaration for a Reverse Takeover Announcement can be found on the Primary Markets section of the *FCA* website.]