

LISTING RULES (LISTING REGIME ENHANCEMENTS) INSTRUMENT 2014

Powers exercised

- A. The Financial Conduct Authority makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act 2000 (the “Act”):
- (1) section 73A (Part 6 Rules);
 - (2) section 77 (Discontinuance and suspension of listing);
 - (3) section 93 (Statement of policy);
 - (4) section 96 (Obligations of issuers of listed securities);
 - (5) section 137A (General rule-making power);
 - (6) section 137T (General supplementary powers); and
 - (7) section 139A (Guidance).
- B. The rule-making powers listed above are specified for the purpose of section 138G(2) (Rule-making instruments) of the Act.

Commencement

- C. This instrument comes into force on 16 May 2014.

Amendments to the Handbook

- D. The Glossary of definitions is amended in accordance with Annex A to this instrument.
- E. The Decision Procedure and Penalties manual (DEPP) is amended in accordance with Annex B to this instrument.
- F. The Listing Rules sourcebook (LR) is amended in accordance with Annex C to this instrument.

Notes

- G. In Annex C to this instrument, the “notes” (indicated by “**Note:**”) are included for the convenience of readers but do not form part of the legislative text.

Citation

- H. This instrument may be cited as the Listing Rules (Listing Regime Enhancements) Instrument 2014.

By order of the Board of the Financial Conduct Authority
1 May 2014

Annex A

Amendments to the Glossary of definitions

In this Annex, underlining indicates new text and striking through indicates deleted text, unless otherwise stated.

Insert the following new definitions in the appropriate alphabetical position. The text is not underlined.

controlling shareholder as defined in LR 6.1.2AR.

independent director a director whom a new applicant or listed company has determined to be independent under the UK Corporate Governance Code.

independent shareholder any person entitled to vote on the election of directors of a listed company that is not a controlling shareholder of the listed company.

Amend the following as shown.

associate ...

- (4) (in LR) (when used in the context of a controlling shareholder who is an individual):
- (a) that individual's spouse, civil partner or child (together "the individual's family");
 - (b) the trustees (acting as such) of any trust of which the individual or any of the individual's family is a beneficiary or discretionary object (other than a trust which is either an occupational pension scheme or an employees' share scheme which does not, in either case, have the effect of conferring benefits on persons all or most of whom are controlling shareholders);
 - (c) any company in whose equity securities the individual or any member or members (taken together) of the individual's family or the individual and any such member or members (taken together) are directly or indirectly interested (or have a conditional or contingent entitlement to become interested) so that they are (or would on the fulfilment of the condition or the occurrence of the contingency be) able:
 - (i) to exercise or control the exercise of 30% or more of the votes able to be cast at general meetings on all, or substantially all, matters; or

(ii) to appoint or remove *directors* holding a majority of voting rights at board meetings on all, or substantially all, matters;

(d) any partnership whether a limited partnership or *limited liability partnership* in which the individual or any member or members (taken together) of the individual's family are directly or indirectly interested (or have a conditional or contingent entitlement to become interested) so that they hold or control or would on the fulfilment of the condition or the occurrence of the contingency be able to hold or control:

(i) a voting interest greater than 30% in the partnership; or

(ii) at least 30% of the partnership.

For the purpose of paragraph (c), if more than one *controlling shareholder* of the *listed company*, its *parent undertaking* or any of its *subsidiary undertakings* is interested in the *equity securities* of another *company*, then the interests of those *controlling shareholders* and their *associates* will be aggregated when determining whether that *company* is an associate of the *controlling shareholder*.

(5) (in *LR*) (when used in the context of a *controlling shareholder* which is a company):

(a) any other *company* which is its *subsidiary undertaking* or *parent undertaking* or fellow *subsidiary undertaking* of the *parent undertaking*;

(b) any *company* whose *directors* are accustomed to act in accordance with the *controlling shareholder's* directions or instructions;

(c) any *company* in the capital of which the *controlling shareholder* and any other *company* under paragraph (a) or (b) taken together, is (or would on the fulfilment of a condition or the occurrence of a contingency be) able to exercise power of the type described in paragraph (4)(c)(i) or (ii) of this definition;

group

(4) (in *LR*):

(a) (except in *LR* 6.1.4AG, *LR* 6.1.19R, *LR* 6.1.20BG and *LR* 8.7.8R(10), *LR* 14.2.2R, *LR* 14.2.3AG, *LR* 18.2.8R and *LR* 18.2.9AG) an *issuer* and its *subsidiary undertakings* (if any);
and

(b) (in *LR* 6.1.4AG, *LR* 6.1.19R, *LR* 6.1.20BG, and *LR*

8.7.8R(10), LR 14.2.2R, LR 14.2.3AG, LR 18.2.8R and LR 18.2.9AG); as defined in section 421 of the *Act*.

...

- mineral expert's report* (in *LR*) a competent person's report prepared in accordance with paragraph 133 of the *ESMA recommendations*.
- offeror*
- (1) (in *MAR 1* (The Code of Market Conduct) and *LR 5.2.10R* to *LR 5.2.11D*) an offeror as defined in the *Takeover Code*.
 - (2) (in *MAR 2* (Buy-backs and Stabilisation)) (as defined in Article 2 of the *Buy-back and Stabilisation Regulation*) the prior holders of, or the entity issuing, the *relevant securities*).
 - (3) (in *LR* (except *LR 5.2.10R* to *LR 5.2.11D*), *PR* and *FEES* provisions in relation to *PR*) a person who makes an *offer of transferable securities to the public*.

Annex B

Amendments to the Decision Procedure and Penalties manual (DEPP)

In this Annex, underlining indicates new text and striking through indicates deleted text.

Discipline for breaches of the Listing Principles and Premium Listing Principles

- 6.2.16 G The Listing Principles and Premium Listing Principles are set out in *LR 7*. The Listing Principles ~~set out in *LR 7.2.1R*~~ are a general statement of the fundamental obligations of all listed companies. In addition to the Listing Principles, the Premium Listing Principles set out in *LR 7.2.1AR* are a general statement of the fundamental obligations of all listed companies with a premium listing of equity shares. The Listing Principles and Premium Listing Principles derive their authority from the *FCA's* rule making powers set out in section 73A(1) (Part 6 Rules) of the *Act*. A breach of a Listing Principle or, if applicable, a Premium Listing Principle, will make a *listed company* liable to disciplinary action by the *FCA*.
- 6.2.17 G In determining whether a Listing Principle or Premium Listing Principle has been broken, it is necessary to look to the standard of conduct required by the Listing Principle or Premium Listing Principle in question. Under each of the Listing Principles and Premium Listing Principles, the onus will be on the *FCA* to show that a *listed company* has been at fault in some way. This requirement will differ depending upon the relevant Listing Principle or Premium Listing Principle.
- 6.2.18 G In certain cases, it may be appropriate to discipline a *listed company* on the basis of ~~the Listing Principles~~ a Listing Principle or, if applicable, a Premium Listing Principle, alone. Examples include the following:
- (1) where there is no detailed ~~listing rule~~ listing rule which prohibits the *behaviour* in question, but the *behaviour* clearly contravenes a Listing Principle or, if applicable, a Premium Listing Principle;
 - (2) where a *listed company* has committed a number of breaches of detailed ~~rules~~ rules which individually may not merit disciplinary action, but the cumulative effect of which indicates the breach of a Listing Principle or, if applicable, a Premium Listing Principle.

Annex C

Amendments to the Listing Rules sourcebook (LR)

In this Annex, underlining indicates new text and striking through indicates deleted text.

5.2 Cancelling listing

...

Cancellation at issuer's request

- 5.2.4 R An *issuer* must satisfy the requirements applicable to it in LR 5.2.5R to ~~LR 5.2.11R~~ 5.2.11DR before the *FCA* will cancel the *listing* of its *securities* at its request.

...

Cancellation of listing of equity shares

- 5.2.5 R Subject to LR 5.2.7R, LR 5.2.10R, LR 5.2.11AR and LR 5.2.12R, an *issuer* with a *premium listing* that wishes the *FCA* to cancel the *listing* of any of its *equity shares* with a *premium listing* must:
- (1) send a *circular* to the holders of the ~~*securities*~~ *shares*. The *circular* must:
 - (a) comply with the requirements of LR 13.3.1R and LR 13.3.2R (contents of all circulars);
 - (b) be submitted to the *FCA* for approval prior to publication; and
 - (c) include the anticipated date of cancellation (which must be not less than 20 *business days* following the passing of the resolution referred to in paragraph (2));
 - (2) obtain, at a general meeting, the prior approval of a resolution for the cancellation from: ~~a majority of not less than 75% of the holders of the *securities* as (being entitled to do so) vote in person or, where proxies are allowed, by proxy;~~
 - (a) a majority of not less than 75% of the votes attaching to the *shares* voted on the resolution; and
 - (b) where an *issuer* has a *controlling shareholder*, a majority of the votes attaching to the *shares* of *independent shareholders* voted on the resolution;
 - (3) notify a *RIS*, at the same time as the *circular* is despatched to the

relevant ~~security~~ holders of the shares, of the intended cancellation and of the notice period and meeting; and

- (4) ~~also~~ notify a *RIS* of the passing of the resolution in accordance with *LR 9.6.18R*.

...

Cancellation in relation to takeover offers: offeror interested in 50% or less of voting rights

- 5.2.10 R *LR 5.2.5R* does not apply to the cancellation of *equity shares* with a *premium listing* ~~when~~ in the case of a takeover offer if:
- (1) the offeror or any controlling shareholder who is an offeror is interested in 50% or less of the voting rights of an issuer before announcing its firm intention to make its takeover offer;
 - (~~1~~2) the offeror has by virtue of its shareholdings and acceptances of ~~the~~ its takeover offer, acquired or agreed to acquire issued *share* capital carrying 75% of the voting rights of the *issuer*; and
 - (~~2~~3) the offeror has stated in the offer ~~document~~ document or any subsequent *circular* sent to the ~~security~~ holders of the shares that a notice period of not less than 20 *business days* prior to cancellation will commence either on the offeror attaining obtaining the required 75% as described in ~~LR 5.2.10R(1)~~ (2) or on the first date of issue of compulsory acquisition notices under section 979 of the Companies Act 2006 (Right of offeror to buy out minority shareholder).
- 5.2.10A ~~G~~ R For the purposes of *LR 5.2.10R*(~~2~~3), the offer ~~document~~ document or *circular* must make clear that the notice period begins only when the offeror has announced that it has acquired or agreed to acquire *shares* representing 75% of the voting rights.
- 5.2.11 R ~~In the circumstances of LR 5.2.10 R, the company~~ The *issuer* must notify shareholders that the required 75% has been ~~attained~~ obtained and that the notice period has commenced and of the anticipated date of cancellation, or the explanatory letter or other material accompanying the section 979 notice must state that the notice period has commenced and the anticipated date of cancellation.

Cancellation in relation to takeover offers: offeror interested in more than 50% of voting rights

- 5.2.11A R ~~LR 5.2.5R does not apply to the cancellation of equity shares with a premium listing in the case of a takeover offer if:~~
- (1) the offeror or any controlling shareholder who is an offeror is interested in more than 50% of the voting rights of an issuer before

announcing its firm intention to make its takeover offer;

- (2) the offeror has by virtue of its shareholdings and acceptances of its takeover offer, acquired or agreed to acquire issued share capital carrying 75% of the voting rights of the issuer;
- (3) unless LR 5.2.11DR applies, the offeror has obtained acceptances of its takeover offer or acquired or agreed to acquire shares from independent shareholders that represent a majority of the voting rights held by the independent shareholders on the date its firm intention to make its takeover offer was announced; and
- (4) the offeror has stated in the offer document or any subsequent circular sent to the holders of the shares that a notice period of not less than 20 business days prior to cancellation will commence either on the offeror obtaining the relevant shareholding and acceptances as described in LR 5.2.11AR(2) to (3) or as described in LR 5.2.11DR or on the first date of issue of compulsory acquisition notices under section 979 of the Companies Act 2006.

5.2.11B R For the purposes of LR 5.2.11AR(4), the offer document or circular must make clear that the notice period begins only when the offeror has announced that it has acquired or agreed to acquire shares representing 75% of the voting rights and, if relevant, has obtained acceptances of its takeover offer or acquired or agreed to acquire shares from independent shareholders that represent a majority of the voting rights held by the independent shareholders.

5.2.11C R The issuer must notify shareholders that the relevant thresholds described in LR 5.2.11AR(2) to (3) or LR 5.2.11DR have been obtained and that the notice period has commenced and of the anticipated date of cancellation, or the explanatory letter or other material accompanying the section 979 notice must state that the notice period has commenced and the anticipated date of cancellation.

5.2.11D R LR 5.2.11AR(3) does not apply where the offeror has by virtue of its shareholdings and acceptances of its takeover offer acquired or agreed to acquire issued share capital carrying more than 80% of the voting rights of the issuer.

...

5.3 Requests to cancel or suspend

...

- 5.3.2 R The issuer must also include with a request to cancel the listing of its securities the following:
- (1) ...
 - (2) for a cancellation referred to in LR 5.2.10R or LR 5.2.11AR an extract from, or a copy of, the offer document or relevant circular

clearly showing the intention to cancel the offeree's *listing* and a copy of the announcement stating the date on which the cancellation was expected to take effect; and

(3) ...

...

5.4A Transfer between listing categories: Equity shares

...

Shareholder approval required in certain cases

- 5.4A.4 R (1) This rule applies to a transfer of the *listing of equity shares* with a *premium listing* into or out of the category of *premium listing (investment company)* or a transfer of the *listing of equity shares* out of the category of *premium listing (commercial company)*.
- (2) The *issuer* must:
- (a) send a *circular* to the holders of the *equity shares*;
 - (b) notify a *RIS*, at the same time as the circular is despatched to the relevant holders of the *equity shares*, of the intended transfer and of the notice period and meeting date; and
 - (c) ~~obtain at a general meeting, the prior approval of a resolution for the transfer from not less than 75% of the holders of the *equity shares* as (being entitled to do so) vote in person or, where proxies are allowed, by proxy; and [deleted]~~
 - (d) notify a *RIS* of the passing of the resolution required under (3) below.
- (3) (a) In the case of a transfer of the *listing of equity shares* with a *premium listing* into or out of the category of *premium listing (investment company)*, the *issuer* must obtain at a general meeting the prior approval of a resolution for the transfer from a majority of not less than 75% of the votes attaching to the *shares* voted on the resolution; or
- (b) in the case of a transfer of the *listing of equity shares* with a *premium listing (commercial company)* into the category of *standard listing (shares)*, the *issuer* must obtain at a general meeting the prior approval of a resolution for the transfer from:
- (i) a majority of not less than 75% of the votes attaching to the *shares* voted on the resolution; and
 - (ii) where an *issuer* has a *controlling shareholder*, a majority of the votes attaching to the *shares* of *independent*

shareholders voted on the resolution.

...

6 Additional requirements for premium listing (commercial company)

6.1 Application

...

Definition of controlling shareholder

6.1.2A R A "controlling shareholder" means any person who exercises or controls on their own or together with any person with whom they are acting in concert, 30% or more of the votes able to be cast on all or substantially all matters at general meetings of the company. For the purposes of calculating voting rights, the following voting rights are to be disregarded:

- (1) any voting rights which such a person exercises (or controls the exercise of) independently in its capacity as bare trustee, investment manager, collective investment undertaking or a long-term insurer in respect of its linked long-term business if no associate of that person interferes by giving direct or indirect instructions, or in any other way, in the exercise of such voting rights (except to the extent any such person confers or collaborates with such an associate which also acts in its capacity as investment manager, collective investment undertaking or long-term insurer);
or
- (2) any voting rights which a person may hold (or control the exercise of) solely in relation to the direct performance, by way of business, of:
 - (a) underwriting the issue or sale of securities; or
 - (b) placing securities, where the person provides a firm commitment to acquire any securities which it does not place; or
 - (c) acquiring securities from existing shareholders or the issuer pursuant to an agreement to procure third-party purchases of securities;

and where the conditions below are satisfied:

- (i) the activities set out in (2)(a) to (c) are performed in the ordinary course of business;
- (ii) the securities to which the voting rights attach are held for a consecutive period of 5 trading days or less, beginning with the first trading day on which the securities are held;

- (iii) the voting rights are not exercised within the period the securities are held; and
- (iv) no attempt is made directly or indirectly by the person to intervene in (or attempt to intervene in) or exert (or attempt to exert) influence on the management of the issuer within the period the securities are held.

...

~~Control of assets and independence~~ Independent business

- 6.1.4 R ~~A new applicant for the admission of equity shares to a premium listing must demonstrate that: it will be carrying on an independent business as its main activity.~~
- (1) ~~{deleted}~~
- (2) ~~it controls the majority of its assets and has done so for at least the period referred to in LR 6.1.3R(1)(a); and~~
- (3) ~~it will be carrying on an independent business as its main activity.~~
- 6.1.4A G LR 6.1.4R is intended to ensure that the protections afforded to holders of equity shares by the premium listing requirements are meaningful. Notwithstanding any agreement entered into under LR 6.1.4BR(1), factors that may indicate that a new applicant does not satisfy LR 6.1.4R include situations where:
- (1) a majority of the revenue generated by the new applicant's business is attributable to business conducted directly or indirectly with a controlling shareholder (or any associate thereof) of the new applicant; or
- (2) a new applicant does not have:
- (a) strategic control over the commercialisation of its products; and/or
- (b) strategic control over its ability to earn revenue; and/or
- (c) freedom to implement its business strategy; or
- (3) a new applicant cannot demonstrate that it has access to financing other than from a controlling shareholder (or any associate thereof); or
- (4) a new applicant has granted or may be required to grant security over its business in connection with the funding of a controlling shareholder or a member of a controlling shareholder's group; or
- (5) except in relation to a mineral company, a new applicant's business consists principally of holdings of shares in entities that it does not control, including entities where:
- (a) the new applicant is only able to exercise negative control; and/or
- (b) the new applicant's control is subject to contractual arrangements which could be altered without its agreement

or could result in a temporary or permanent loss of control;
or

- (6) a controlling shareholder (or any associate thereof) appears to be able to influence the operations of the new applicant outside its normal governance structures or via material shareholdings in one or more significant subsidiary undertakings.

6.1.4B R Where a new applicant for the admission of equity shares to a premium listing will have a controlling shareholder upon admission, it must have in place:

- (1) a written and legally binding agreement which is intended to ensure that the controlling shareholder complies with the independence provisions set out in LR 6.1.4DR; and
- (2) a constitution that allows the election and re-election of independent directors to be conducted in accordance with the election provisions set out in LR 9.2.2ER and LR 9.2.2FR.

6.1.4C R In order to comply with LR 6.1.4BR(1), where a new applicant will have more than one controlling shareholder, the new applicant will not be required to enter into a separate agreement with each controlling shareholder if:

- (1) the new applicant reasonably considers, in light of its understanding of the relationship between the relevant controlling shareholders, that a controlling shareholder can procure the compliance of another controlling shareholder and that controlling shareholder's associates with the independence provisions contained in the relevant agreement; and
- (2) the agreement, which contains the independence provisions set out in LR 6.1.4DR, entered into with the relevant controlling shareholder also contains:
- (a) a provision in which the controlling shareholder agrees to procure the compliance of a non-signing controlling shareholder and its associates with the independence provisions contained within the agreement; and
- (b) the names of any such non-signing controlling shareholder.

6.1.4D R The independence provisions referred to in LR 6.1.4BR (1) are undertakings that:

- (1) transactions and arrangements with the controlling shareholder (and/or any of its associates) will be conducted at arm's length and on normal commercial terms;
- (2) neither the controlling shareholder nor any of its associates will take any action that would have the effect of preventing the new

applicant or listed company from complying with its obligations under the listing rules; and

- (3) neither the controlling shareholder nor any of its associates will propose or procure the proposal of a shareholder resolution which is intended or appears to be intended to circumvent the proper application of the listing rules.

...

Mineral companies

...

- 6.1.9 R Where LR 6.1.8R applies, LR 6.1.3BR(1) and ~~LR 6.1.4R~~ does not apply to a mineral company that applies for the admission of its equity shares.

...

Scientific research based companies

...

- 6.1.12 R Where LR 6.1.11R applies, An ~~an~~ applicant for the admission of equity shares to a premium listing of a scientific research based company does not need to satisfy LR 6.1.3BR or ~~LR 6.1.4R~~ but must:

...

...

Shares in public hands

- 6.1.19 R (1) If an application is made for the admission of a class of shares, a sufficient number of shares of that class must, no later than the time of admission, be distributed to the public in one or more EEA States.
- (2) For the purposes of paragraph (1), account may also be taken of holders in one or more states that are not EEA States, if the shares are listed in the state or states.
- (3) For the purposes of paragraph (1), a sufficient number of shares will be taken to have been distributed to the public when 25% of the shares for which application for admission has been made are in public hands.
- (4) For the purposes of paragraphs (1), (2) and (3), shares are not held in public hands if they are held, directly or indirectly by:
- (a) held, directly or indirectly by:

- (a) (i) a *director* of the *applicant* or of any of its *subsidiary undertakings*; or
 - (b) (ii) a *person* connected with a *director* of the *applicant* or of any of its *subsidiary undertakings*; or
 - (c) (iii) the trustees of any *employees' share scheme* or pension fund established for the benefit of any *directors* and *employees* of the *applicant* and its *subsidiary undertakings*; or
 - (d) (iv) any *person* who under any agreement has a right to nominate a *person* to the board of *directors* of the *applicant*; or
 - (e) (v) any *person* or *persons* in the same *group* or *persons* acting in concert who have an interest in 5% or more of the *shares* of the relevant class; or
- (b) subject to a lock-up period of more than 180 calendar days.

...

6.1.20 G ~~The *FCA* may modify *LR* 6.1.19R to accept a percentage lower than 25% if it considers that the market will operate properly with a lower percentage in view of the large number of *shares* of the same *class* and the extent of their distribution to the public. For that purpose, the *FCA* may take into account *shares* of the same *class* that are held (even though they are not listed) in states that are not *EEA States*.~~

~~[Note: article 48 *CARD*] [deleted]~~

6.1.20A G (1) The *FCA* may modify *LR* 6.1.19R to accept a percentage lower than 25% if it considers that the market will operate properly with a lower percentage in view of the large number of *shares* of the same *class* and the extent of their distribution to the public.

[Note: article 48 *CARD*]

(2) In considering whether to grant a modification, the *FCA* may take into account the following specific factors:

- (a) *shares* of the same *class* that are held (even though they are not listed) in states that are not *EEA States*;
- (b) the number and nature of the public shareholders; and
- (c) in relation to *premium listing (commercial companies)*, whether the expected market value of the *shares* in public hands at *admission* exceeds £100 million.

6.1.20B G When calculating the number of *shares* for the purposes of *LR*

6.1.19R(4)(a)(v), holdings of investment managers in the same group where investment decisions are made independently by the individual in control of the relevant fund and those decisions are unfettered by the group to which the investment manager belongs will be disregarded.

...

Voting on matters relevant to premium listing

6.1.28 R A new applicant must satisfy the FCA that its constitution will allow it to comply with LR 9.2.21R.

...

7.1 Application and purpose

Application

7.1.1 R (1) The Listing Principles in LR 7.2.1R apply to every *listed company* ~~with a premium listing of equity shares~~ in respect of all its obligations arising from the *listing rules*, ~~and the disclosure rules~~, ~~and transparency rules~~ and corporate governance rules.

(2) In addition to the Listing Principles referred to in (1), the Premium Listing Principles in LR 7.2.1AR apply to every listed company with a premium listing of equity shares in respect of all its obligations arising from the listing rules, disclosure rules, transparency rules and corporate governance rules.

Purpose

7.1.2 G The purpose of the Listing Principles and the Premium Listing Principles is to ensure that *listed companies* pay due regard to the fundamental role they play in maintaining market confidence and ensuring fair and orderly markets.

7.1.3 G The Listing Principles and, if applicable, the Premium Listing Principles are designed to assist *listed companies* in identifying their obligations and responsibilities under the *listing rules*, ~~and the disclosure rules~~, ~~and transparency rules~~ and corporate governance rules. The Listing Principles and Premium Listing Principles should be interpreted together with relevant *rules* and *guidance* which underpin the Listing Principles and the Premium Listing Principles.

7.1.4 G *DEPP 6* (Penalties) and *EG 7* set out *guidance* on the consequences of breaching ~~the Listing Principles~~ a Listing Principle or, if applicable, a Premium Listing Principle.

7.2 The Listing and Premium Listing Principles

7.2.1 R The Listing Principles are as follows:

<u>Listing Principle 1</u>	<i>A listed company must take reasonable steps to enable its directors to understand their responsibilities and obligations as directors. A listed company must take reasonable steps to establish and maintain adequate procedures, systems and controls to enable it to comply with its obligations.</i>
<u>Listing Principle 2</u>	<i>A listed company must take reasonable steps to establish and maintain adequate procedures, systems and controls to enable it to comply with its obligations. A listed company must deal with the FCA in an open and co-operative manner.</i>
<u>Principle 3</u>	<i>A listed company must act with integrity towards the holders and potential holders of its listed equity shares. [deleted]</i>
<u>Principle 4</u>	<i>A listed company must communicate information to holders and potential holders of its listed equity shares in such a way as to avoid the creation of a false market in such listed equity shares. [deleted]</i>
<u>Principle 5</u>	<i>A listed company must ensure that it treats all holders of the same class of its listed equity shares that are in the same position equally in respect of the rights attaching to such listed equity shares. [deleted]</i>
<u>Principle 6</u>	<i>A listed company must deal with the FCA in an open and co-operative manner. [deleted]</i>

7.2.1A R The Premium Listing Principles are as follows:

<u>Premium Listing Principle 1</u>	<i>A listed company must take reasonable steps to enable its directors to understand their responsibilities and obligations as directors.</i>
<u>Premium Listing Principle 2</u>	<i>A listed company must act with integrity towards the holders and potential holders of its premium listed shares.</i>
<u>Premium Listing Principle 3</u>	<i>All equity shares in a class that has been admitted to premium listing must carry an equal number of votes on any shareholder vote.</i>
<u>Premium Listing</u>	<i>Where a listed company has more than one class of equity shares admitted to premium listing, the aggregate voting rights of the shares in each class should be</i>

<u>Principle 4</u>	<u>broadly proportionate to the relative interests of those classes in the equity of the <i>listed company</i>.</u>
<u>Premium Listing Principle 5</u>	<u>A <i>listed company</i> must ensure that it treats all holders of the same class of its <i>listed equity shares</i> that are in the same position equally in respect of the rights attaching to those <i>listed equity shares</i>.</u>
<u>Premium Listing Principle 6</u>	<u>A <i>listed company</i> must communicate information to holders and potential holders of its <i>listed equity shares</i> in such a way as to avoid the creation of a false market in those <i>listed equity shares</i>.</u>

Guidance on ~~Principle 2~~ the Listing and Premium Listing Principles

- 7.2.2 G Listing Principle 2 1 is intended to ensure that *listed companies* have adequate procedures, systems and controls to enable them to comply with their obligations under the *listing rules*, ~~and disclosure rules~~, ~~and transparency rules~~ and corporate governance rules. In particular, the FCA considers that *listed companies* should place particular emphasis on ensuring that they have adequate procedures, systems and controls in relation to, where applicable:
- (1) identifying whether any obligations arise under *LR 10* (Significant transactions) and *LR 11* (Related party transactions); and
 - (2) the timely and accurate disclosure of information to the market.
- 7.2.3 G Timely and accurate disclosure of information to the market is a key obligation of *listed companies*. For the purposes of Listing Principle 2 1, a *listed company* ~~with a premium listing~~ should have adequate systems and controls to be able to:
- (1) ensure that it can properly identify information which requires disclosure under the *listing rules*, ~~or disclosure rules~~, ~~and transparency rules~~ or corporate governance rules in a timely manner; and
 - (2) ensure that any information identified under (1) is properly considered by the *directors* and that such a consideration encompasses whether the information should be disclosed.
- 7.2.4 G In assessing whether the voting rights attaching to different classes of premium listed shares are proportionate for the purposes of Premium Listing Principle 4, the FCA will have regard to the following non-exhaustive list of factors:
- (1) the extent to which the rights of the classes differ other than their voting rights, for example with regard to dividend rights or entitlement to any surplus capital on winding up;

- (2) the extent of dispersion and relative liquidity of the classes; and/or
- (3) the commercial rationale for the difference in the rights.

...

8.2 When a sponsor must be appointed or its guidance obtained

When a sponsor must be appointed

- 8.2.1 R *A company with, or applying for, a premium listing of its equity shares must appoint a sponsor on each occasion that it:*

...

- (6) *is required by LR 11.1.10R(2)(b) to provide ~~the FCA~~ a listed company with a confirmation that the terms of the proposed related party transaction are fair and reasonable; or*

...

...

9.2 Requirements with continuing application

...

~~Control of assets and independent~~ Independent business

- 9.2.2A R *~~A listed company that has equity shares listed must comply with LR 6.1.4R(2) and (3) at all times. This rule does not apply to a mineral company, a scientific research based company, a closed-ended investment fund or an open-ended investment company.~~*

- (1) A listed company must carry on an independent business as its main activity at all times.
- (2) Where a listed company has a controlling shareholder, it must have in place at all times:
 - (a) a written and legally binding agreement which is intended to ensure that the controlling shareholder complies with the independence provisions set out in LR 6.1.4DR; and
 - (b) a constitution that allows the election and re-election of independent directors to be conducted in accordance with the election provisions set out in LR 9.2.2ER and LR 9.2.2FR.

- 9.2.2B R In order to comply with LR 9.2.2AR(2)(a), where a listed company will have more than one controlling shareholder, the listed company will not

be required to enter into a separate agreement with each *controlling shareholder* if:

- (1) the *listed company* reasonably considers, in light of its understanding of the relationship between the relevant *controlling shareholders*, that a *controlling shareholder* can procure the compliance of another *controlling shareholder* and that *controlling shareholder's associates* with the independence provisions contained in the relevant agreement; and
- (2) the agreement, which contains the independence provisions set out in LR 6.1.4DR, entered into with the relevant *controlling shareholder* also contains:
 - (a) a provision in which the *controlling shareholder* agrees to procure the compliance of a non-signing *controlling shareholder* and its *associates* with the independence provisions contained within the agreement; and
 - (b) the names of any such non-signing *controlling shareholder*.

9.2.2C R Where as a result of changes in ownership or control of a *listed company*, a *person* becomes a *controlling shareholder* of the *listed company*, the *listed company* will be allowed:

- (1) a period of not more than 6 months from the event that resulted in that *person* becoming a *controlling shareholder* to comply with LR 9.2.2AR(2)(a); and
- (2) in the case of a *listed company* which did not previously have a *controlling shareholder*, until the date of the next annual general meeting of the *listed company*, other than an annual general meeting for which notice:
 - (i) has already been given; or
 - (ii) is given within a period of 3 months from the event that resulted in that *person* becoming a *controlling shareholder*;

to comply with LR 9.2.2AR(2)(b).

9.2.2D G In complying with LR 9.2.2AR(2)(b), a *listed company* may allow an existing *independent director* who is being proposed for re-election (including any such *director* who was appointed by the board of the *listed company* until the next annual general meeting) to remain in office until any resolution required by LR 9.2.2FR has been voted on.

9.2.2E R Where LR 9.2.2AR(2) applies, the election or re-election of any *independent director* by shareholders must be approved by:

- (1) the shareholders of the *listed company*; and
- (2) the *independent shareholders* of the *listed company*.

9.2.2F R Where LR 9.2.2ER applies, if the election or re-election of an *independent director* is not approved by both the shareholders and the *independent shareholders* of the *listed company*, but the *listed company* wishes to propose that *person* for election or re-election as an *independent director*, the *listed company* must propose a further resolution to elect or re-elect the proposed *independent director* which:

- (1) must not be voted on within a period of 90 days from the date of the original vote;
- (2) must be voted on within a period of 30 days from the end of the period set out in (1); and
- (3) must be approved by the shareholders of the *listed company*.

9.2.2G R A *listed company* must comply with the independence provisions contained in any agreement entered into under LR 6.1.4BR(1) or LR 9.2.2AR(2)(a) at all times.

9.2.2H G In addition to the annual confirmation required to be included in a *listed company*'s annual financial report under LR 9.8.4R(14), the *FCA* may request information from a *listed company* under LR 1.3.1R(3) to confirm or verify that an independence provision contained in any agreement entered into under LR 6.1.4BR(1) or LR 9.2.2AR(2)(a) or a procurement obligation (as set out in LR 6.1.4CR(2)(a) or LR 9.2.2BR(2)(a)) contained in an agreement entered into under LR 6.1.4BR(1) or LR 9.2.2AR(2)(a) is being or has been complied with.

...

Shares in public hands

9.2.15 R A *listed company* must comply with LR 6.1.19R at all times.

9.2.15A G Where the *FCA* has modified LR 6.1.19R to accept a percentage lower than 25% on the basis that the market will operate properly with a lower percentage, but the *FCA* considers that in practice the market for the *shares* is not operating properly, the *FCA* may revoke the modification in accordance with LR 1.2.1R(4).

9.2.16 R ~~A *listed company* that no longer complies with LR 6.1.19R must notify the *FCA* as soon as possible of its non-compliance. [deleted]~~

9.2.17 G ~~A *listed company* should consider LR 5.2.2G(2) in relation to its compliance with LR 6.1.19R. [deleted]~~

...

Voting on matters relevant to premium listing

- 9.2.21 R Where the provisions of LR 5.2, LR 5.4A, LR 9.4, LR 9.5, LR 10, LR 11, LR 12 or LR 15 require a shareholder vote to be taken, that vote must be decided by a resolution of the holders of the listed company's shares that have been admitted to premium listing. Where the provisions of LR 5.2.5R(2), LR 5.4A.4R(2) or LR 9.2.2ER require that the resolution must in addition be approved by the independent shareholders, only independent shareholders who hold the listed company's shares that have been admitted to premium listing can vote.
- 9.2.22 G The FCA may modify the operation of LR 9.2.21R in exceptional circumstances, for example to accommodate the operation of:
- (1) special share arrangements designed to protect the national interest;
 - (2) dual listed company voting arrangements; and
 - (3) voting rights attaching to preference shares or similar securities that are in arrears.

Notifications to the FCA: notifications regarding continuing obligations

- 9.2.23 R A listed company must notify the FCA without delay if it does not comply with any continuing obligation set out in LR 9.2.2AR, LR 9.2.2ER, LR 9.2.2FR, LR 9.2.15R or LR 9.2.21R.

Notifications to the FCA: notifications regarding compliance with independence provisions

- 9.2.24 R A listed company must notify the FCA without delay if:
- (1) it no longer complies with LR 9.2.2GR;
 - (2) it becomes aware that an independence provision contained in an agreement entered into under LR 6.1.4BR(1) or LR 9.2.2AR(2)(a) has not been complied with by the controlling shareholder or any of its associates; or
 - (3) it becomes aware that a procurement obligation (as set out in LR 6.1.4CR(2)(a) or LR 9.2.2BR(2)(a)) contained in an agreement entered into under LR 6.1.4BR(1) or LR 9.2.2AR(2)(a) has not been complied with by a controlling shareholder.

Notifications to the FCA: notifications regarding LR 9.8.4AR

- 9.2.25 R A listed company must notify the FCA without delay if its annual financial report contains a statement of the kind specified under LR 9.8.4AR.

Inability to comply with continuing obligations

- 9.2.26 G Where a *listed company* is unable to comply with a continuing obligation set out in LR 9.2, it should consider seeking a cancellation of *listing* or applying for a transfer of its *listing* category. In particular, the *listed company* should note LR 5.2.2G(2) and LR 5.4A.16G.

...

9.8 Annual financial report

...

Information to be included in annual report and accounts

- 9.8.4 R In addition to the requirements set out in DTR 4.1 a *listed company* must include in its annual financial report, where applicable, the following:
- ...
- (3) ~~details of any small related party transaction as required by LR 11.1.10R(2)(e); [deleted]~~
- ...
- (10) details of any *contract of significance* subsisting during the period under review:
- (a) to which the *listed company*, or one of its *subsidiary undertakings*, is a party and in which a *director* of the *listed company* is or was materially interested; and
- (b) between the *listed company*, or one of its *subsidiary undertakings*, and a ~~controlling shareholder~~ controlling shareholder;
- (11) details of any contract for the provision of services to the *listed company* or any of its *subsidiary undertakings* by a ~~controlling shareholder~~ controlling shareholder, subsisting during the period under review, unless:
- (a) it is a contract for the provision of services which it is the principal business of the shareholder to provide; and
- (b) it is not a *contract of significance*;
- (12) details of any arrangement under which a shareholder has waived or agreed to waive any dividends; ~~and~~
- (13) where a shareholder has agreed to waive future dividends, details of such waiver together with those relating to dividends which are

payable during the period under review; and

- (14) a statement made by the board:
- (a) that the *listed company* has entered into any agreement required under LR 9.2.2AR(2)(a); or
 - (b) where the *listed company* has not entered into an agreement required under LR 9.2.2AR(2)(a):
 - (i) a statement that the *FCA* has been notified of that non-compliance in accordance with LR 9.2.23R; and
 - (ii) a brief description of the background to and reasons for failing to enter into the agreement that enables shareholders to evaluate the impact of non-compliance on the *listed company*; and
 - (c) that:
 - (i) the *listed company* has complied with the independence provisions included in any agreement entered into under LR 6.1.4BR(1) or LR 9.2.2AR(2)(a) during the period under review;
 - (ii) so far as the *listed company* is aware, the independence provisions included in any agreement entered into under LR 6.1.4BR(1) or LR 9.2.2AR(2)(a) have been complied with during the period under review by the *controlling shareholder* or any of its *associates*; and
 - (iii) so far as the *listed company* is aware, the procurement obligation (as set out in LR 6.1.4CR(2)(a) or LR 9.2.2BR(2)(a)) included in any agreement entered into under LR 6.1.4BR(1) or LR 9.2.2AR(2)(a) has been complied with during the period under review by a *controlling shareholder*; or
 - (d) where an independence provision included in any agreement entered into under LR 6.1.4BR(1) or LR 9.2.2AR(2)(a) or procurement obligation (as set out in LR 6.1.4CR(2)(a) or LR 9.2.2BR(2)(a)) included in any agreement entered into under LR 6.1.4BR(1) or LR 9.2.2AR(2)(a) has not been complied with during the period under review:
 - (i) a statement that the *FCA* has been notified of that non-compliance in accordance with LR 9.2.24R;

and

- (ii) a brief description of the background to and reasons for failing to comply with the relevant independence provision or procurement obligation that enables shareholders to evaluate the impact of non-compliance on the *listed company*.

- 9.8.4A R Where an *independent director* declines to support a statement made under LR 9.8.4R(14)(a) or (c), the statement must record this fact.
- 9.8.4B G Where a *listed company*'s annual financial report contains a statement of the type referred to in LR 9.8.4R(14)(b) or (d), the *FCA* may still take any action it considers necessary in relation to the underlying breach by the *listed company* of LR 9.2.2AR(2)(a) or LR 9.2.2GR.
- 9.8.4C R The *listed company*'s annual financial report must include the information required under LR 9.8.4R in a single identifiable section, unless the annual financial report includes a cross reference table indicating where that information is set out.

...

11.1 Related party transactions

Application

- 11.1.1 R This chapter applies to a *company* that has a *premium listing*.
- 11.1.1A R Where a *company* has a *premium listing* and:
- (1) it is not in compliance with:
 - (a) the provisions in LR 9.2.2AR(2)(a); or
 - (b) LR 9.2.2GR; or
 - (2) it becomes aware that a *controlling shareholder* or any of its *associates* is not in compliance with an independence provision contained in an agreement entered into under LR 6.1.4BR(1) or LR 9.2.2AR(2)(a);
 - (3) it becomes aware that a procurement obligation (as set out in LR 6.1.4CR(2)(a) or LR 9.2.2BR(2)(a)) contained in an agreement entered into under LR 6.1.4BR(1) or LR 9.2.2AR(2)(a) has not been complied with by a *controlling shareholder*; or
 - (4) an *independent director* declines to support a statement made under LR 9.8.4R(14)(a) or (c);

LR 11.1.1CR applies.

- 11.1.1B G In exceptional circumstances, the FCA may consider dispensing with or modifying the application of LR 11.1.1AR, in accordance with LR 1.2.1R.
- 11.1.1C R The company cannot rely on any of the following provisions in relation to a transaction or arrangement with or for the benefit of the relevant controlling shareholder or any associate of that controlling shareholder:
- (1) the concessions specified in LR 11.1.5R(1), (2) and (3) in relation to transactions or arrangements in the ordinary course of business;
- (2) LR 11.1.6R; and
- (3) LR 11.1.10R.
- 11.1.1D G If the FCA considers that it would be appropriate to do so, the FCA may dispense with or modify the application of LR 11.1.1CR(1), in accordance with LR 1.2.1R.
- 11.1.1E R Where a company that has a premium listing has been subject to the provisions of LR 11.1.1AR, LR 11.1.1CR will continue to apply to the company until the publication of an annual financial report which:
- (1) contains the statements required under LR 9.8.4R(14) (a) and (c); and
- (2) does not contain a statement made under LR 9.8.4AR.

...

Modified requirements for smaller related party transactions

- 11.1.10 R (1) This rule applies to a related party transaction if each of the percentage ratios is less than 5%, but one or more of the percentage ratios exceeds 0.25%.
- (2) Where this rule applies, LR 11.1.7R does not apply but instead the listed company must ~~before entering into the transaction or arrangement (as the case may be):~~
- (a) ~~inform the FCA in writing of the details of the proposed transaction or arrangement; [deleted]~~
- (b) provide the FCA with before entering into the transaction or arrangement, obtain written confirmation from a sponsor that the terms of the proposed transaction or arrangement with the related party are fair and reasonable as far as the shareholders of the listed company are concerned; and
- (c) ~~undertake in writing to the FCA to include details of the transaction or arrangement in the listed company's next published annual accounts, including, if relevant, the~~

~~identity of the related party, the value of the consideration for the transaction or arrangement and all other relevant circumstances. as soon as possible upon entering into the transaction or arrangement, make an *RIS* announcement which sets out:~~

- (i) the identity of the *related party*;
- (ii) the value of the consideration for the transaction or arrangement;
- (iii) a brief description of the transaction or arrangement;
- (iv) the fact that the transaction or arrangement fell within *LR 11.1.10R*; and
- (v) any other relevant circumstances.

...

13.8 Other circulars

...

Election of independent directors

- 13.8.17 R Where a *listed company* has a *controlling shareholder*, a circular to shareholders relating to the election or re-election of an *independent director* must include:
- (1) details of any existing or previous relationship, transaction or arrangement the proposed *independent director* has or had with the *listed company*, its *directors*, any *controlling shareholder* or any *associate* of a *controlling shareholder* or a confirmation that there have been no such relationships, transactions or arrangements; and
 - (2) a description of:
 - (a) why the *listed company* considers the proposed *independent director* will be an effective *director*;
 - (b) how the *listed company* has determined that the proposed *director* is an *independent director*; and
 - (c) the process followed by the *listed company* for the selection of the proposed *independent director*.
- 13.8.18 R In relation to a *listed company* which did not previously have a *controlling shareholder*, *LR13.8.17R* does not apply to a circular sent to shareholders within a period of 3 months from the event that resulted in a

person becoming a controlling shareholder of the listed company.

14.2 Requirements for listing

...

Shares in public hands

14.2.2 R ...

- (4) For the purposes of paragraphs (1), (2) and (3), *shares* are not held in public hands if they are ~~held, directly or indirectly by:~~
- (a) held, directly or indirectly by:
 - ~~(a)~~ (i) a *director* of the *applicant* or of any of its *subsidiary undertakings*; or
 - ~~(b)~~ (ii) a *person* connected with a *director* of the *applicant* or of any of its *subsidiary undertakings*; or
 - ~~(c)~~ (iii) the trustees of any *employees' share scheme* or pension fund established for the benefit of any *directors* and *employees* of the *applicant* and its *subsidiary undertakings*; or
 - ~~(d)~~ (iv) any *person* who under any agreement has a right to nominate a *person* to the board of *directors* of the *applicant*; or
 - ~~(e)~~ (v) any *person* or *persons* in the same *group* or *persons* acting in concert who have an interest in 5% or more of the *shares* of the relevant class; or
 - (b) subject to a lock-up period of more than 180 days.

...

- 14.2.3A G When calculating the number of *shares* for the purposes of LR 14.2.2R(4)(a)(v), holdings of *investment managers* in the same *group* where investment decisions are made independently by the individual in control of the relevant fund and those decisions are unfettered by the *group* to which the *investment manager* belongs will be disregarded.

...

14.3 Continuing obligations

...

Shares in public hands

- 14.3.2 R (1) A *company* must comply with *LR* 14.2.2R at all times.
- (2) A *company* that no longer complies with *LR* 14.2.2R must notify the *FCA* as soon as possible of its non-compliance.
- 14.3.2A G Where the *FCA* has modified *LR* 14.2.2R to accept a percentage lower than 25% on the basis that the market will operate properly with a lower percentage, but the *FCA* considers that in practice the market for the *shares* is not operating properly, the *FCA* may revoke the modification in accordance with *LR* 1.2.1R(4).
- 14.3.3 G A *company* should consider *LR* 5.2.2G(2) in relation to its compliance with *LR* 14.2.2R.

...

15.2 Requirements for listing

- 15.2.1 R To be *listed*, an *applicant* must comply with:
- ...
- (2) the following provisions of *LR* 6 (Additional requirements for premium listing (commercial company));
- ...
- (c) *LR* 6.1.16R to 6.1.25R and *LR* 6.1.28R; and
- ...

...

15.4 Continuing obligations

...

Independent business

- 15.4.27 R A *closed-ended investment fund* is not required to comply with *LR* 9.2.2AR to *LR* 9.2.2GR.

Notifications to the FCA

- 15.4.28 R (1) A *closed-ended investment fund* is not required to comply with *LR* 9.2.23R in so far as it relates to *LR* 9.2.2AR, *LR* 9.2.2ER and *LR* 9.2.2FR.
- (2) A *closed-ended investment fund* is not required to comply with *LR* 9.2.24R to *LR* 9.2.25R.

Annual financial statement

- 15.4.29 R A closed-ended investment fund is not required to comply with LR 9.8.4R(14).

Election of independent directors

- 15.4.30 R A closed-ended investment fund is not required to comply with LR 13.8.17R.

...

16.4 Requirements with continuing application

- 16.4.1 R An open-ended investment company must comply with:
- (1) LR 9 (Continuing obligations) except LR 9.2.2AR to LR 9.2.2GR, LR 9.2.6BR, LR 9.2.15R, LR 9.2.20R, LR 9.2.21R, LR 9.2.23R, LR 9.2.24R, LR 9.2.25R, and LR 9.3.11R and LR 9.8.4R(14);

...

- 16.4.6 [deleted]

Election of independent directors

- 16.4.7 R A open-ended investment company is not required to comply with LR 13.8.17R.

...

18 Certificates representing certain securities: Standard listing

...

18.2 Requirements for listing

...

- 18.2.8 R ...
- (4) For the purposes of paragraphs (1), (2) and (3), certificates are not held in public hands if they are ~~held, directly or indirectly by:~~
- (a) held, directly or indirectly by:
- (a) (i) a director of the applicant or of any of its subsidiary undertakings; or
- (b) (ii) a person connected with a director of the applicant or of any of its subsidiary undertakings; or

- (e) (iii) the *trustees* of any *employees' share scheme* or pension fund established for the benefit of any *directors* and *employees* of the *applicant* and its *subsidiary undertakings*; or
- (e) (iv) any *person* who under any agreement has a right to nominate a *person* to the board of *directors* of the *applicant*; or
- (e) (v) any *person* or *persons* in the same *group* or *persons* acting in concert who have an interest in 5% or more of the certificates of the relevant class; or
- (b) subject to a lock-up period of more than 180 calendar days.

...

18.2.9A G When calculating the number of certificates for the purposes of LR 18.2.8R(4)(a)(v), holdings of investment managers in the same group where investment decisions are made independently by the individual in control of the relevant fund and those decisions are unfettered by the group to which the investment manager belongs will be disregarded.

...

Appendix 1 Relevant definitions

associate

- (A) in relation to a *director, substantial shareholder, or person exercising significant influence*, who is an individual:
...
- (B) in relation to a *substantial shareholder or person exercising significant influence*, which is a *company*:
...
- (C) when used in the context of a *controlling shareholder* who is an individual:
- (1) that individual's spouse, civil partner or child (together "the individual's family");
- (2) the trustees (acting as such) of any trust of which the individual or any of the individual's family is a beneficiary or discretionary object (other than a trust which is either an occupational pension scheme or an employees' share scheme which does not, in either case, have the effect of conferring benefits on persons all or most of whom are *controlling shareholders*);
- (3) any *company* in whose *equity securities* the individual or any member or members (taken together) of the individual's family or the individual and any such member or members (taken together) are directly or indirectly interested (or have a conditional or contingent entitlement to become interested) so that they are (or would on the fulfilment of the condition or the occurrence of the contingency be) able:
- (a) to exercise or control the exercise of 30% or more of the votes able to be cast at general meetings on all, or substantially all, matters; or
- (b) to appoint or remove *directors* holding a majority of voting rights at board meetings on all, or substantially all, matters;
- (4) any partnership whether a limited partnership or *limited liability partnership* in which the individual or any member or members (taken together) of the individual's family are directly or indirectly interested (or have a conditional or contingent entitlement to become interested) so that they hold or control or would on the fulfilment of the condition or the occurrence of the contingency be able to hold or control:
- (a) a voting interest greater than 30% in the partnership; or

(b) at least 30% of the partnership.

For the purpose of paragraph (3), if more than one controlling shareholder of the listed company, its parent undertaking or any of its subsidiary undertakings is interested in the equity securities of another company, then the interests of those controlling shareholders and their associates will be aggregated when determining whether that company is an associate of the controlling shareholder.

(D) when used in the context of a controlling shareholder which is a company:

(1) any other company which is its subsidiary undertaking or parent undertaking or fellow subsidiary undertaking of the parent undertaking;

(2) any company whose directors are accustomed to act in accordance with the controlling shareholder's directions or instructions;

(3) any company in the capital of which the controlling shareholder and any other company under paragraph (1) or (2) taken together, is (or would on the fulfilment of a condition or the occurrence of a contingency be) able to exercise power of the type described in paragraph (C)(3)(a) or (b) of this definition.

controlling shareholder

as defined in LR 6.1.2AR.

group

- (1) except in LR 6.1.4AG, LR 6.1.19R, LR 6.1.20BG, and LR 8.7.8R(10), LR 14.2.2R, LR 14.2.3AG, LR 18.2.8R and LR 18.2.9AG, an issuer and its subsidiary undertakings (if any); and
- (2) in LR 6.1.4AG, LR 6.1.19R, LR 6.1.20BG, and LR 8.7.8R(10), LR 14.2.2R, LR 14.2.3AG, LR 18.2.8R and LR 18.2.9AG, as defined in section 421 of the Act.

independent director

a director whom a new applicant or listed company has determined to be independent under the UK Corporate Governance Code.

independent shareholder

any person entitled to vote on the election of directors of a listed company that is not a controlling shareholder of the listed company.

mineral expert's report

a competent person's report prepared in accordance with paragraph 133 of the ESMA recommendations.

offeror

- (a) in LR 5.2.10R to LR 5.2.11D, an offeror as defined in the Takeover Code; and

- (b) elsewhere in *LR*, a ~~person~~ *person* who makes an *offer of transferable securities to the public*.

...

TR 12 Transitional Provisions in relation to continuing obligations regarding premium listing

<u>(1)</u>	<u>(2) Material to which the transitional provision applies</u>	<u>(3)</u>	<u>(4) Transitional provision</u>	<u>(5) Transitional provision: dates in force</u>	<u>(6) Handbook provision: coming into force</u>
1.	<u>LR 9.2.2AR(2) (a)</u>	<u>R</u>	<u>LR 9.2.2AR(2)(a) does not apply.</u>	<u>From 16 May 2014 up to and including 16 November 2014</u>	<u>16 May 2014</u>
2.	<u>LR 9.2.2AR(2) (b)</u>	<u>R</u>	<u>LR 9.2.2AR (2)(b) does not apply.</u>	<u>From 16 May 2014 up to and including the date of the next annual general meeting of the listed company, other than an annual general meeting for which notice:</u> <u>(i) has already been given; or</u> <u>(ii) is given within a period of 3 months from the event that resulted in a person becoming a controlling shareholder of a listed company.</u>	<u>16 May 2014</u>
3.	<u>LR 9.2.2ER</u>	<u>R</u>	<u>LR 9.2.2ER does not apply.</u>	<u>From 16 May 2014 up to and including the date of the next annual general meeting of the listed company other than an annual general meeting for which notice:</u> <u>(i) has already been</u>	<u>16 May 2014</u>

				<p><u>given; or</u></p> <p><u>(ii) is given within a period of 3 months from the event that resulted in a person becoming a controlling shareholder of a listed company.</u></p>	
<u>4.</u>	<u>LR 9.2.21R</u>	<u>R</u>	<u>Where a listed company is admitted to the premium listing category of the official list on or before 15 May 2014, LR 9.2.21R does not apply.</u>	<u>From 16 May 2014 up to and including 16 May 2016</u>	<u>16 May 2014</u>
<u>5.</u>	<u>LR 9.8.4C</u>	<u>R</u>	<u>LR 9.8.4CR does not apply to a listed company with a financial year ending on or before 31 August 2014.</u>	<u>From 16 May 2014</u>	<u>16 May 2014</u>
<u>6.</u>	<u>LR 13.8.17</u>	<u>R</u>	<u>LR13.8.17R does not apply.</u>	<u>From 16 May 2014 up to and including 16 August 2014</u>	<u>16 May 2014</u>