

Chapter 3

Requirements for listing: all securities

3.1 Preliminary

Application

- 3.1.1 **R** This chapter applies to all *applicants for admission to listing* (unless a *rule* is specified only to apply to a particular type of *applicant* or *security*).

Refusal of applications

- 3.1.2 **G** Under the *Act*, the *FCA* may not grant an application for *admission* unless it is satisfied that:

- (1) the requirements of the *listing rules* are complied with; and
- (2) any special requirement (see **■ UKLR 3.1.4R**) is complied with.

- 3.1.3 **G** Under the *Act*, the *FCA* may also refuse an application for *admission* if it considers that:

- (1) *admission* of the *securities* would be detrimental to investors' interests; or
- (2) for *securities* already listed in a *third country*, the *issuer* has failed to comply with any obligations under that listing.

Special requirements

- 3.1.4 **R**
- (1) The *FCA* may make the *admission* of *securities* subject to any special requirement that it considers appropriate to protect investors.
 - (2) The *FCA* must explicitly inform the *issuer* of any special requirement that it imposes.

No conditional admission

- 3.1.5 **G** The *FCA* is not able to make the *admission* of *securities* conditional on any event. The *FCA* may, in particular cases, seek confirmation from an *issuer* before the *admission* of *securities* that the *admission* does not purport to be conditional on any matter.



3.2 Requirements for all securities

Incorporation

3.2.1

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An *applicant* (other than a *public sector issuer*) must be:

- (1) duly incorporated or otherwise validly established according to the relevant laws of its place of incorporation or establishment; and
- (2) operating in conformity with its *constitution*.

Validity

3.2.2

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To be *listed*, *securities* must:

- (1) conform with the law of the *applicant's* place of incorporation;
- (2) be duly authorised according to the requirements of the *applicant's constitution*; and
- (3) have any necessary statutory or other consents.

Admission to trading

3.2.3

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Other than in regard to *securities* to which **■ UKLR 23** applies, to be *listed*, *equity shares* must be admitted to trading on a *regulated market* for *listed securities*. All other *securities* must be admitted to trading on a *RIE's* market for *listed securities*.

Transferability

3.2.4

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- (1) To be *listed*, *securities* must be freely transferable.
- (2) To be *listed*, *shares* must be fully paid and free from all liens and from any restriction on the right of transfer (except any restriction imposed for failure to comply with a notice under section 793 of the Companies Act 2006 (Notice by company requiring information about interests in its shares)).

3.2.5

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The *FCA* may modify **■ UKLR 3.2.4R** to allow partly paid *securities* to be *listed* if it is satisfied that their transferability is not restricted and investors have been provided with appropriate information to enable dealings in the *securities* to take place on an open and proper basis.

3.2.6 **G** The FCA may, in exceptional circumstances, modify or dispense with **■ UKLR 3.2.4R** where the *applicant* has the power to disapprove the transfer of *shares* if the FCA is satisfied that this power would not disturb the market in those *shares*.

Market capitalisation

3.2.7 **R**

- (1) The expected aggregate market value of all *securities* (excluding *treasury shares* and *shares of a closed-ended investment fund or open-ended investment company*) to be *listed* must be at least:
 - (a) £30 million for *shares*; and
 - (b) £200,000 for *debt securities*.
- (2) The expected aggregate market value of *shares of a closed-ended investment fund or open-ended investment company* to be *listed* must be at least £700,000.
- (3) Paragraph (1) does not apply to tap issues where the amount of the *debt securities* is not fixed.
- (4) Paragraphs (1) and (2) do not apply if *securities* of the same *class* are already *listed*.

3.2.8 **G** The FCA may modify **■ UKLR 3.2.7R** to admit *securities* of a lower value if it is satisfied that there will be an adequate market for the *securities* concerned.

Whole class to be listed

3.2.9 **R** An application for *listing* of *securities* of any *class* must:

- (1) if no *securities* of that *class* are already *listed*, relate to all *securities* of that *class*, issued or proposed to be issued; or
- (2) if *securities* of that *class* are already *listed*, relate to all further *securities* of that *class*, issued or proposed to be issued.

Prospectus

3.2.10 **R**

- (1) This *rule* applies if:
 - (a) a *prospectus* must be approved and published for the *securities*; or
 - (b) the *applicant* is permitted and elects to draw up a *prospectus* for the *securities*.
- (2) To be *listed*, a *prospectus* must have been approved by the FCA and published in relation to the *securities*.

Listing particulars

3.2.11 **R** (1) This *rule* applies if, under **■ UKLR 23**, *listing particulars* must be approved and published for *securities*.

(2) To be *listed*, *listing particulars* for the *securities* must have been approved by the *FCA* and published in accordance with ■ UKLR 23.

Convertible securities and miscellaneous securities carrying the right to buy or subscribe for other securities

3.2.12

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Convertible securities and *miscellaneous securities* giving the holder the right to buy or subscribe for other *securities* may be *admitted to listing* only if the *securities* into which they are convertible or over which they give a right to buy or subscribe are already, or will become at the same time:

- (1) *listed securities*; or
- (2) *securities* listed on a regulated, regularly operating, recognised open market.

3.2.13

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The *FCA* may dispense with ■ UKLR 3.2.12R if it is satisfied that holders of the *convertible securities* have at their disposal all the information necessary to form an opinion about the value of the underlying *securities*.

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