

**LISTING RULES (TREASURY SHARES) (AMENDMENT) INSTRUMENT 2004**

**Powers exercised**

- A. The Financial Services Authority makes this instrument in the exercise of the following powers and related provisions in the Financial Services and Markets Act (“the Act”):
- (1) section 74 (The official list);
  - (2) section 96 (Obligations of issuers of listed securities); and
  - (3) section 101 (Listing rules: general provisions).

**Commencement**

- B. This instrument comes into force on 1 May 2004.

**Amendments to the Listing Rules**

- C. The Listing Rules are amended in accordance with the Annex to this instrument.

**Citation**

- D. This instrument may be cited as the Listing Rules (Treasury Shares) (Amendment) Instrument 2004.

By order of the Board  
18 March 2004

## Annex

### Amendments to the Listing Rules

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

12.43 The following items must, unless the UK Listing Authority otherwise agrees, be included in the annual report and accounts:

(n) ...

- (iii) in the case of sales of treasury shares for cash made otherwise than through the market, or in connection with an employees' share scheme, or otherwise than pursuant to an opportunity which (so far as was practicable) was made available to all holders of the company's securities (or to all holders of a relevant class of its securities) on the same terms, particulars of the names of purchasers of such shares sold, or proposed to be sold, by the company during the period under review;

...

...

15.23 The limit on discounts of more than 10% to the middle market price of securities set out in paragraphs 4.8, 4.26 and 4.30(b) will apply where a company is selling treasury shares for cash by way of a placing, open offer or vendor consideration placing. ~~Subject to paragraph 15.24 and 15.25, a company must not sell treasury shares for cash at a discount of more than 10% to the middle market price of those shares at the time of the sale otherwise than pursuant to an opportunity which is made available on the same terms to all holders of the company's shares (or to all holders of the relevant class of its shares).~~

15.24 ~~A company may sell treasury shares for cash otherwise than as contemplated in paragraph 15.23 where the UK Listing Authority is satisfied that the issuer is in severe financial difficulties or that there are other exceptional circumstances. Further the limit on the discount to middle market price in paragraph 15.23 shall not apply to a sale of treasury shares for cash if the sale is either:~~

- (a) ~~to a small number of persons who are specifically approved by shareholders in general meeting and who have been named in the circular for the general meeting; or~~
- (b) ~~pursuant to a general disapplication of section 89 of the Companies Act 1985 approved by shareholders in general meeting. Paragraph deleted – May 2004~~

15.25 ~~The prohibition in paragraph 15.23 will not apply to transfers of treasury shares for cash by a company to an employee share scheme under which participation is offered on similar terms to all or substantially all employees of the issuer and its subsidiaries. Paragraph deleted – May 2004~~