

**LISTING RULES AND PROSPECTUS RULES (CONSEQUENTIAL
AMENDMENTS) INSTRUMENT 2005**

Powers exercised

- A. The Financial Services Authority makes this instrument in the exercise of the powers and related provisions in:
- (1) the following sections of the Financial Services and Markets Act 2000 ("the Act"):
- (a) section 89 (Public censure of sponsor);
 - (b) section 93 (Statement of policy);
 - (c) section 138 (General rule-making power);
 - (d) section 156 (General supplementary powers); and
 - (e) section 157(1) (Guidance); and
- (2) the other powers referred to in Schedule 4 of the General Provisions.
- B. The rule-making powers listed above are specified for the purpose of section 153(2) of the Act (Rule-making instruments).

Commencement

- C. This instrument comes into force on 1 July 2005

Amendments to the Handbook

- D. The modules of the FSA's Handbook of rules and guidance listed in column (1) below are amended in accordance with the Annexes to this instrument listed in column (2).

(1)	(2)
Glossary of definitions	Annex A
Interim Prudential sourcebook for Building Societies (IPRU(BSOC))	Annex B
Interim Prudential sourcebook for Friendly Societies (IPRU(FSOC))	Annex C
Interim Prudential sourcebook for Insurers (IPRU(INS))	Annex D
Interim Prudential sourcebook for Investment Businesses (IPRU(INV))	Annex E
Conduct of Business sourcebook (COB)	Annex F

Insurance: Conduct of Business sourcebook (ICOB)	Annex G
Mortgages: Conduct of Business sourcebook (MCOB)	Annex H
Market Conduct sourcebook (MAR)	Annex I
Authorisation manual (AUTH)	Annex J
Supervision manual (SUP)	Annex K
Enforcement manual (ENF)	Annex L
Decision Making manual (DEC)	Annex M
Collective Investment Schemes sourcebook (CIS)	Annex N
Credit Unions sourcebook (CRED)	Annex O
Electronic Money sourcebook (ELM)	Annex P
Recognised Investment Exchanges and Recognised Clearing Houses sourcebook (REC)	Annex Q
Listing Rules (LR), forms	Annex R
Prospectus Rules (PR), forms	Annex S
Disclosure Rules (DR), forms	Annex T

Notes

- E. In the Annexes 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

- F. This instrument may be cited as the Listing Rules and Prospectus Rules (Consequential Amendments) Instrument 2005.

By order of the Board
16 June 2005

Annex A

Amendments to the Glossary of definitions

In this annex, underlining indicates new text and striking through indicates deleted text. Where an entire section of text is being inserted, the place where the change will be made is indicated and the text is not underlined.

Amend the following definitions as shown:

- admission to trading*
- (1) (in LR) admission of securities to trading on an RIE's market for listed securities.
 - ~~(2)~~ (in PR and DR) admission to trading on a *regulated market*.
 - ~~(23)~~ (elsewhere in the Handbook) (in relation to an *investment* and an exchange) the process by which the exchange permits members of the exchange to enter into transactions in that *investment* under and subject to the rules of the exchange.
- associate*
- (1) (in LR) (in relation to a director, substantial shareholder, 50/50 joint venture partner or person exercising significant influence, who is an individual):
 - (a) that individual's spouse 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 related parties;
 - (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.

For the purpose of paragraph (c), if more than one director 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 directors and their associates will be aggregated when determining

whether that *company* is an associate of the *director*.

- (2) (in LR) (in relation to a *substantial shareholder, 50/50 joint venture partner or person exercising significant influence, 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 *substantial shareholder's, 50/50 joint venture partner's or person exercising significant influence's* directions or instructions.
- (3) (except in LR) (in relation to a *person* ("A")):
- (a) an *affiliated company* of A;
 - (b) an *appointed representative* of A or of any *affiliated company* of A;
 - (c) any other *person* whose business or domestic relationship with A or his *associate* might reasonably be expected to give rise to a community of interest between them which may involve a conflict of interest in dealings with third parties.

charge (1) (in LR) (in relation to *securitised derivatives*) means any payment identified under the terms and conditions of the *securitised derivatives*.

U (2) (except in LR) any *fee* or charge made to a *client* in connection with:

- (a) *designated investment business*; or
- (b) any *insurance mediation activities* in respect of a *non-investment insurance contract*;

whether levied by the *firm* or any other *person*, including a *mark-up* or *mark-down*.

class ...

(3) ...

(4) (in LR) *securities* the rights attaching to which are or will be identical and which form a single issue or issues.

competent authority (1) in relation to the functions referred to in Part VI of the Act~~admission to an official listing~~:

- (a) the authority designated under Schedule 8 to the *Act* (Transfer of functions under Part VI (Official listing)) as

responsible for performing those functions under the Act admitting securities to, and for removing securities from, the official list; for the time being, the *FSA* in its capacity as such; or

- (b) an authority exercising functions corresponding to those functions in (a) in under the laws of another EEA State.

...

connected person

...

- (45) (in *DR*, *LR* and *ENF 21* in relation to a *person discharging managerial responsibilities* within an *issuer*) (as defined in section 96B(2) of the Act):

...

debt security

- (1) (in *DR* and *LR*) debentures, debenture stock, loan stock, bonds, certificates of deposit or any other instrument creating or acknowledging indebtedness.
- (2) (except in *DR* and *LR* elsewhere in the Handbook) any of the following:
- (a) a *debenture*;
 - (b) a *government and public security*;
 - (c) a *warrant* which confers a right in respect of an *investment* in (a) or (b).

depository

- (1) (except in *LR*):
- (a) ...
- ...
- (2) (in *LR* a person that issues certificates representing certain securities that have been admitted to listing or are the subject of an application for admission to listing.

director

- (1) (except in *COLL*, *DR*, *LR*, *PR*, *ENF 21* and *CIS*) in relation to any of the following...
- ...
- (3) (in *DR*, *LR*, *PR* and *ENF 21*) (in accordance with section 417(1)(a))

of the Act) a *person* occupying in relation to it the position of a director (by whatever name called) and, in relation to an *issuer* which is not a *body corporate*, a *person* with corresponding powers and duties.

<i>group</i>	<p>(1) (except in relation to an <i>ICVC</i> and except for the purposes of <i>PRU</i> 8.1 (Group risk systems and controls requirement) and <i>LR</i>) as defined in section 421 of the Act...</p> <p>...</p> <p>(4) <u>(in <i>LR</i>):</u></p> <p style="padding-left: 20px;">(a) <u>(except in <i>LR</i> 6.1.19R) an issuer and its subsidiary undertakings (if any); and</u></p> <p style="padding-left: 20px;">(b) <u>in <i>LR</i> 6.1.19R, as defined in section 421 of the Act.</u></p>
<i>Home State</i>	<p>...</p> <p>(7) ...</p> <p>(8) <u>(in <i>LR</i> and <i>PR</i>) (as defined in section 102C of the Act) in relation to an issuer of <i>transferable securities</i>, the <i>EEA State</i> which is the "home Member State" for the purposes of the <i>prospectus directive</i> (which is to be determined in accordance with Article 2.1(m) of that directive).</u></p>
<i>Host State</i>	<p>(1) <u>(in <i>LR</i> and <i>PR</i>) as defined in Article 2.1(n) of the <i>prospectus directive</i>) the <i>EEA State</i> where an <i>offer to the public</i> is made or <i>admission to trading</i> is sought, when different from the <i>Home State</i>.</u></p> <p>(2) <u>(except in <i>LR</i> and <i>PR</i>) the <i>EEA State</i> in which an <i>EEA firm</i>, a <i>UK firm</i>, or a <i>Treaty firm</i> is exercising an <i>EEA right</i> or <i>Treaty right</i> to establish a <i>branch</i> or provide <i>cross border services</i>.</u></p>
<i>intermediaries offer</i>	<p>(1) <u>(in <i>LR</i>) a marketing of <i>securities</i> already or not yet in issue, by means of an offer by, or on behalf of, the <i>issuer</i> to intermediaries for them to allocate to their own clients.</u></p> <p>(2) (for the purposes of the <i>Code of Market Conduct (MAR 1)</i>) a marketing of <i>securities</i> not yet in issue, by means of an <i>offer</i> by, or on behalf of, the <i>issuer</i> to intermediaries for them to allocate to their own clients.</p>
<i>issuer</i>	<p>(1) (except in <i>CIS</i>, <i>LR</i>, <i>PR</i> and <i>DR</i>)</p> <p>(1a) ...</p> <p>(2b) ...</p>

	(3c) ...
	(4d) ...
	(52) (in <i>DR</i>) ...
	(3) <u>(in <i>LR</i>) any company or other legal person or undertaking (including a public sector issuer), any class of whose securities has been admitted to listing or is the subject of an application for admission to listing.</u>
	(4) <u>(in <i>PR</i>) (as defined in section 102A of the Act) a legal person who issues or proposes to issue the transferable securities in question.</u>
<i>listed</i>	(1) (except in <u><i>LR</i>, <i>ENF</i> 21 and <i>LLD</i> and <i>PRU</i></u>) included in an <i>official list</i> .
	(2) (in <i>LLD</i> and <i>PRU</i>)
	(a) included in an <i>official list</i> ; or
	(b) in respect of which facilities for <i>dealing</i> on a <i>regulated market</i> have been granted.
	(3) <u>(in <i>LR</i> and <i>ENF</i> 21) admitted to the official list maintained by the FSA in accordance with section 74 of the Act.</u>
<i>listing rules</i>	the rules made by UKLA governing admission to listing, the continuing obligations of issuers, the enforcement of those obligations and the suspension and cancellation of listing. <u>(in accordance with section 73A(2) of the Act) rules relating to admission to the official list.</u>
<i>member</i>	(1) (except in <i>PROF</i> , <u><i>LR</i></u> , <i>ENF</i> 18 and <i>REC</i>) a <i>person</i> admitted to membership of the <i>Society</i> or any <i>person</i> by law entitled or bound to administer his affairs.
	(2) (in <i>PROF</i> , <u><i>LR</i></u> and <i>ENF</i> 18) (as defined in section 325(2) of the Act (Authority's general duty)) (in relation to a profession) a <i>person</i> who is entitled to practise that profession and, in practising it, is subject to the rules of the relevant <i>designated professional body</i> , whether or not he is a member of that body.
	(3) ...
<i>Model Code</i>	The Model Code on directors' dealings in securities set out in the appendix to Chapter 16 of the listing rules <u><i>LR</i> 9 Ann 1.</u>
<i>offer</i>	...

	(3)	<u>(in LR, PR and ENF 21) an offer of transferable securities to the public.</u>
<i>offeror</i>	(1)	(in MAR 1 (The Code of Market Conduct) <u>and LR 5.2.10R</u>) an offeror as defined in the <i>Takeover Code</i> .
	...	
	(3)	<u>(in LR and in PR and ENF 21) a person who makes an offer of transferable securities to the public.</u>
<i>official list</i>	(1)	<u>(in LR and ENF 21) the list maintained by the FSA in accordance with section 74(1) of the Act for the purposes of Part VI of the Act.</u>
	(2)	<u>(except in LR and ENF 21):</u>
	(a)	the list maintained by the FSA in accordance with section 74(1) of the Act (The official list) for the purposes of Part VI of the Act (Official Listing);
	(b)	any corresponding list maintained by a <i>competent authority</i> for listing in another <i>EEA State</i> .
<i>property investment company</i>	(1)	(in CIS) a <i>body corporate</i> , a substantial activity of which relates to <i>permitted immovables</i> (whether by way of investing, dealing in, developing, redeveloping or refurbishing them and whether directly or indirectly).
	(2)	<u>(in LR) an investment company or an investment trust which invests or intends to invests 20% or more of its gross assets directly in property and satisfies the requirements of LR 15.5 in addition to any other relevant requirements of LR 15.</u>
<i>prospectus</i>	(1)	<u>(in LR and PR) a prospectus required under the prospectus directive.</u>
	(2)	<u>(except in LR and PR) (in relation to a collective investment scheme) a document containing information about the scheme and complying with the requirements in COLL 4.2.5R (Table: contents of the prospectus), COLL 8.3.4R (Table: contents of qualified investor scheme prospectus); COLL 9.3.2R (Additional information required in the prospectus for an application under section 272) or, as the case may be, CIS 3 or CIS 17 applicable to a prospectus of a scheme of the type concerned.</u>
<i>public international body</i>	(1)	<u>(in PR) (as defined in the PD Regulation) a legal entity of public nature established by an international treaty between sovereign States and of which one or more Member States are members.</u>

	(2)	(in <i>LR</i> and <i>DR</i>) the African Development Bank, the Asian Development Bank, the Caribbean Development Bank, the Council of Europe Resettlement Fund, the European Atomic Energy Community, the European Bank for Reconstruction and Development, the European Coal and Steel Community, the European Company for the Financing of Railroad Stock, the European Economic Community, the European Investment Bank, the Inter-American Development Bank, the International Bank for Reconstruction and Development, the International Finance Corporation, the International Monetary Fund and the Nordic Investment Bank.
<i>register</i>	(1)	(in <i>PR</i>) the register of <i>qualified investors</i> maintained by the <i>FSA</i> under section 87R of the <i>Act</i> .
	(2)	(in <i>CIS</i>) the register of <i>holders</i> kept under Schedule 3 to the <i>OEIC Regulations</i> or <i>CIS</i> 6.2.1R (Basic requirements) or, in relation to a <i>collective investment scheme</i> that is not an <i>authorised fund</i> , a record of the holders (other than of <i>bearer certificates</i>) of <i>units</i> in it.
	(3)	(in <i>COLL</i>) the register of <i>unitholders</i> kept under Schedule 3 to the <i>OEIC Regulations</i> or <i>COLL</i> 6.4.4R (Register: general requirements and contents), or <i>COLL</i> 8.5.8R (The register of unitholders: AUTs) as appropriate or, in relation to a <i>collective investment scheme</i> that is not an <i>authorised fund</i> , a record of the holders (other than of <i>bearer certificates</i>) of <i>units</i> in it.
<i>relevant security</i>	(1)	(in <i>MAR 2</i> , when used with reference to the Buy-Back and Stabilisation Regulation)...
	...	
	(3)	(in <i>LR</i>) has the same meaning as in section 80 of the Companies Act 1985.
<i>retail securitised derivative</i>		a <i>securitised derivative</i> which is not a specialist securitised derivative; in this definition, a "specialised securitised derivative" is a <i>securitised derivative</i> which, in accordance with paragraphs 24.1(m) and 24.6 of the listing rules , is required to be admitted to listing with <u>listing particulars which contain a clear statement on the front page any disclosure document</u> that the issue is intended for a purchase by only investors who are particularly knowledgeable in investment matters.
<i>securitised derivative</i>		an <i>option</i> or <i>contract for differences</i> which, in either case, is <i>listed</i> under chapter 24 <u><i>LR</i> 19</u> of the <i>listing rules</i> (including such an <i>option</i> or <i>contract for differences</i> which is also a <i>debenture</i>). (see also <i>COB</i> 5.4.3AG for the treatment of a <i>securitised derivative</i> .)
<i>security</i>	(1)	(<u>except in <i>LR</i> and <i>ENF</i> 21</u>) (in accordance with article 3(1) of the <i>Regulated Activities Order</i> (Interpretation) any of the following

	<i>investments</i> specified ...
	(2) <u>(in LR and ENF 21) (in accordance with section 102A of the Act) anything which has been, or may be admitted to the official list.</u>
<i>share</i>	(1) (except in CIS, <u>LR</u> and DR) the <i>investment</i> ...
	...
	(3) (in DR <u>and LR</u>) (in accordance with section 744 of the Companies Act 1985) a share in the share capital of a <i>company</i> , and includes: <ul style="list-style-type: none"> (a) stock (except where a distinction between shares and stock is express or implied); and (b) <i>preference shares</i>.
<i>special purpose vehicle</i>	(1) <u>(in PR) (as defined in the PD Regulation) an issuer whose objects and purposes are primarily the issue of securities.</u>
	(2) <u>(except in PR) a body corporate, explicitly established for the purpose of securitising assets, whose sole purpose (either generally or when acting in a particular capacity) is to carry out one or more of the following functions: ...</u>
<i>subsidiary undertaking</i>	... <ul style="list-style-type: none"> (3) <u>(in LR) as defined in section 258 of the Companies Act 1985.</u>
<i>transferable security</i>	(1) <u>(in PR and LR) (as defined in section 102A of the Act) anything which is a transferable security for the purposes of the investment services directive, other than money-market instruments for the purposes of that directive which have a maturity of less than 12 months.</u>
	(2) (in COLL and CIS) an <i>investment</i> within COLL 5.2.7R (transferable securities), CIS 5.2.9R (Transferable securities) or, as the case may be, CIS 5A.2.9R (Transferable securities) in relation to <i>schemes</i> falling under COLL 5, CIS 5 or CIS 5A respectively.
<i>trust deed</i>	(1) <u>(in LR) a trust deed or equivalent document securing or constituting debt securities.</u>
	(2) (in COLL and CIS) the deed referred to in COLL 3.2.3R (The trust deed for AUTs or, as the case may be, CIS 2.2.5R (The trust deed for AUTs), together with any deed expressed to be supplemental to it, made between the <i>manager</i> and the <i>trustee</i> (or, in the case of a <i>recognised scheme</i> that is a unit trust scheme, the <i>instrument constituting the scheme</i> as amended from time to time).

Insert the following definitions in the appropriate alphabetical position:

<i>50/50 joint venture</i>	(in <i>LR</i>) a joint venture where the two parties to the joint venture have a deadlocked interest in the joint venture.
<i>50/50 joint venture partner</i>	(in <i>LR</i>) a party to a <i>50/50 joint venture</i> with a <i>listed company</i> or its <i>subsidiary undertaking</i> .
<i>admission or admission to listing</i>	(in <i>LR</i>) <i>admission of securities</i> to the <i>official list</i> .
<i>advertisement</i>	(in <i>PR</i> and <i>LR 4</i>) (as defined in the <i>PD Regulation</i>) announcements: (a) relating to a specific offer to the public of securities or to an admission to trading on a regulated market; and (b) aiming to specifically promote the potential subscription or acquisition of securities.
<i>annual information update</i>	(in <i>PR</i>) the document referred to in <i>PR 5.2.1R</i> .
<i>applicant</i>	(1) (in <i>LR</i>) an <i>issuer</i> which is applying for <i>admission of securities</i> . (2) (in <i>PR</i>) an applicant for approval of a <i>prospectus</i> or <i>supplementary prospectus</i> relating to <i>transferable securities</i> .
<i>asset backed security</i>	(as defined in the <i>PD Regulation</i>) securities which: (a) represent an interest in assets, including any rights intended to assure servicing, or the receipt or timeliness of receipts by holders of assets of amounts payable thereunder; or (b) are secured by assets and the terms of which provide for payments which relate to payments or reasonable projections of payments calculated by reference to identified or identifiable assets.
<i>authorised property unit trust</i>	(in <i>LR</i>) a <i>unit trust scheme</i> authorised by the <i>FSA</i> and which is a <i>property scheme</i> or an <i>umbrella scheme</i> each separate part of which would qualify as a <i>property scheme</i> if it were a separate <i>authorised unit trust scheme</i> .
<i>base prospectus</i>	(in <i>Part 6 rules</i>) a base prospectus referred to in <i>PR 2.2.7R</i> .
<i>book value of</i>	(in <i>LR</i>)(in relation to a <i>property company</i>) the value of a <i>property</i> (which is

<i>property</i>	not classified as a net current asset) before the deduction of mortgages or borrowings as shown in the <i>company's</i> latest annual report and accounts.
<i>break fee</i>	(in <i>LR</i>) a fee payable by a <i>listed company</i> if certain specified events occur which have the effect of materially impeding a transaction or causing the transaction to fail.
<i>building block</i>	(in <i>PR</i> and <i>LR</i>) (as defined in the <i>PD Regulation</i>) a list of additional information requirements, not included in one of the schedules, to be added to one or more schedules, as the case may be, depending on the type of instrument and/or transaction for which a prospectus or base prospectus is drawn up.
CARD	<i>Consolidated Admissions and Reporting Directive.</i>
<i>certificate representing debt securities</i>	(in <i>LR</i>) a <i>certificate representing certain securities</i> where the certificate or other instrument confers rights in respect of <i>debentures</i> or <i>government and public securities</i> .
<i>certificate representing equity securities</i>	(in <i>LR</i>) a <i>certificate representing certain securities</i> where the certificate or other instrument confers rights in respect of <i>equity securities</i> .
<i>certificate representing shares</i>	(in <i>LR</i>) a <i>certificate representing certain securities</i> where the certificate or other instrument confers rights in respect of <i>equity shares</i> .
<i>CESR recommendations</i>	the recommendations for the consistent implementation of the European Commission's Regulation on Prospectuses No 809/2004 published by the Committee of European Securities Regulators.
<i>circular</i>	(in <i>LR</i>) any document issued to holders of <i>listed securities</i> including notices of meetings but excluding <i>prospectuses</i> , <i>listing particulars</i> , annual reports and accounts, interim reports, proxy cards and dividend or interest vouchers.
<i>class 1 acquisition</i>	(in <i>LR</i>) a <i>class 1 transaction</i> that involves an acquisition by the relevant <i>listed company</i> or its <i>subsidiary undertaking</i> .
<i>class 1 circular</i>	(in <i>LR</i>) a <i>circular</i> relating to a <i>class 1 transaction</i> .
<i>class 1 disposal</i>	(in <i>LR</i>) a <i>class 1 transaction</i> that consists of a disposal by the relevant <i>listed company</i> or its <i>subsidiary undertaking</i> .
<i>class 1 transaction</i>	(in <i>LR</i>) a transaction classified as a class 1 transaction under <i>LR 10</i> .
<i>class 2 transaction</i>	(in <i>LR</i>) a transaction classified as a class 2 transaction under <i>LR 10</i> .

<i>class 3 transaction</i>	(in <i>LR</i>) a transaction classified as a class 3 transaction under <i>LR</i> 10.
<i>class tests</i>	(in <i>LR</i>) the tests set out in <i>LR</i> 10 Ann 1 (and for certain specialist companies, those tests as modified by <i>LR</i> 10.7), which are used to determine how a transaction is to be classified for the purposes of the <i>listing rules</i> .
<i>closed-ended</i>	(in <i>LR</i>) (in relation to investment entities) an <i>investment company</i> which is not an <i>open-ended investment company</i> .
<i>close period</i>	(in <i>LR</i>) as defined in paragraph 1(a) of the <i>Model Code</i> .
<i>collective investment undertaking other than the closed-end type</i>	(in <i>PR</i>) (as defined in Article 2.1(o) of the <i>prospectus directive</i>) unit trusts and investment companies: <ul style="list-style-type: none"> (a) the object of which is the collective investment of capital provided by the public, and which operate on the principle of risk-spreading; (b) the units of which are, at the holder's request, repurchased or redeemed, directly or indirectly, out of the assets of these undertakings.
<i>Combined Code</i>	(in <i>LR</i>) the corporate governance code issued by the Financial Reporting Council.
<i>connected client</i>	(in <i>LR</i>) in relation to a <i>sponsor</i> or securities house, any client of the <i>sponsor</i> or securities house who is: <ul style="list-style-type: none"> (a) a partner, <i>director</i>, employee or controller (as defined in section 422 of the Act) of the <i>sponsor</i> or securities house or of an undertaking described in paragraph (d); or (b) the spouse or child of any individual described in paragraph (a); or (c) a <i>person</i> in his capacity as a trustee of a private trust (other than a pension scheme or an <i>employee's share scheme</i>) the beneficiaries of which include any <i>person</i> described in paragraph (a) or (b); or (d) an undertaking which in relation to the <i>sponsor</i> or securities house is a group undertaking.
<i>constitution</i>	(in <i>LR</i>) memorandum and articles of association or equivalent constitutional document.
<i>contract of significance</i>	(in <i>LR</i>) a contract which represents in amount or value (or annual amount or value) a sum equal to 1% or more, calculated on a <i>group</i> basis where relevant, of: <ul style="list-style-type: none"> (a) in the case of a capital transaction or a transaction of which the principal purpose or effect is the granting of credit, the aggregate of the <i>group's</i> share capital and reserves; or

	(b) in other cases, the total annual purchases, sales, payments or receipts, as the case may be, of the <i>group</i> .
<i>convertible securities</i>	(in <i>LR</i>) a <i>security</i> which is: <ul style="list-style-type: none"> (a) convertible into, or exchangeable for, other <i>securities</i>; or (b) accompanied by a <i>warrant</i> or <i>option</i> to subscribe for or purchase other <i>securities</i>.
<i>document viewing facility</i>	(in <i>LR</i>) a location identified on the <i>FSA</i> website where the public can inspect documents referred to in the <i>listing rules</i> as being documents to be made available at the document viewing facility.
<i>employees' share scheme</i>	has the same meaning as in section 743 of the Companies Act 1985.
<i>equity security</i>	(1) (in <i>LR</i>) <i>equity shares</i> and <i>securities</i> convertible into <i>equity shares</i> ; and <ul style="list-style-type: none"> (2) (in <i>PR</i>) (as defined in Article 2.1(b) of the <i>prospectus directive</i>) shares and other transferable securities equivalent to shares in companies, as well as any other type of transferable securities giving the right to acquire any of the aforementioned securities as a consequence of their being converted or the rights conferred by them being exercised, provided that securities of the latter type are issued by the issuer of the underlying shares or by an entity belonging to the group of the said issuer.
<i>exercise notice</i>	(in <i>LR</i>) (in relation to <i>securitised derivatives</i>), a document that notifies the <i>issuer</i> of a holder's intention to exercise its rights under the <i>securitised derivative</i> .
<i>exercise price</i>	(in <i>LR</i>) (in relation to <i>securitised derivatives</i>), the price stipulated by the <i>issuer</i> at which the holder can buy or sell the <i>underlying instrument</i> from or to the <i>issuer</i> .
<i>exercise time</i>	(in <i>LR</i>) (in relation to <i>securitised derivatives</i>), the time stipulated by the <i>issuer</i> by which the holder must exercise their rights.
<i>expiration date</i>	(in <i>LR</i>) (in relation to <i>securitised derivatives</i>), the date stipulated by the <i>issuer</i> on which the holder's rights in respect of the <i>securitised derivative</i> ends.
<i>extraction</i>	(in relation to <i>mineral companies</i>), includes mining, production, quarrying or similar activities and the reworking of mine tailings or waste dumps.
<i>final terms</i>	(in <i>LR</i>) the document containing the final terms of each issue which is intended to be <i>listed</i> .
<i>financial information</i>	(in <i>LR</i>) financial information presented in tabular form that covers the reporting period set out in <i>LR</i> 13.5.13R in relation to the entities set out in

<i>table</i>	LR 13.5.14R, and to the extent relevant LR 13.5.15R and LR 13.5.16R.
<i>guarantee</i>	(1) (in LR) (in relation to <i>securitised derivatives</i>), either: <ul style="list-style-type: none"> (a) a guarantee given in accordance with LR 19.2.2R(3) (if any); or (b) any other guarantee of the issue of <i>securitised derivatives</i>. (2) (in PR) (as defined in the <i>PD Regulation</i>) any arrangement intended to ensure that any obligation material to the issue will be duly serviced, whether in the form of guarantee, surety, keep well agreement, mono-line insurance policy or other equivalent commitment.
<i>guarantor</i>	(in PR) a person that provides a <i>guarantee</i> .
<i>Home Member State</i>	(in PR and LR) <i>Home State</i> .
<i>Host Member State</i>	(in PR and LR) <i>Host State</i> .
<i>IAS</i>	(in LR) <i>International Accounting Standards</i> .
<i>in the money</i>	(in LR) (in relation to <i>securitised derivatives</i>): <ul style="list-style-type: none"> (a) where the holder has the right to buy the <i>underlying instrument</i> or <i>instruments</i> from the <i>issuer</i>, when the <i>settlement price</i> is greater than the <i>exercise price</i>; or (b) where the holder has the right to sell the <i>underlying instrument</i> or <i>instruments</i> to the <i>issuer</i>, when the <i>exercise price</i> is greater than the <i>settlement price</i>.
<i>investment company</i>	(in LR) a <i>company</i> whose object is to invest its funds wholly or mainly in: <ul style="list-style-type: none"> (a) any of the following <i>investments</i> specified in the <i>Regulated Activities Order</i>: <ul style="list-style-type: none"> (i) <i>share</i> (article 76); (ii) <i>debenture</i> (article 77); (iii) <i>government and public security</i> (article 78); (iv) <i>warrant</i> (article 79); (v) <i>certificate representing certain securities</i> (article 80); (vi) <i>unit</i> (article 81); (vii) <i>option</i> (article 83); (viii) <i>future</i> (article 84); (ix) <i>contract for differences</i> (article 85); (x) rights to or interests in investments in (i) to (ix) (article 89); or (b) interests in partnership arrangements, participations, joint ventures

and other forms of non-corporate investment provided that the conditions of listing are met; or

- (c) interests in any other property provided that the relevant requirements of this chapter are met;

with the object of spreading investment risk and managing its portfolio for the benefit of its shareholders.

<i>LR</i>	the Listing Rules sourcebook.
<i>listed company</i>	(in <i>LR</i>) a <i>company</i> that has any <i>class</i> of its <i>securities listed</i> .
<i>list of sponsors</i>	(in <i>LR</i>) the list of <i>sponsors</i> maintained by the <i>FSA</i> in accordance with section 88(3)(a) of the <i>Act</i> .
<i>listing particulars</i>	(in <i>LR</i>) (in accordance with section 79(2) of the <i>Act</i>), a document in such form and containing such information as may be specified in <i>listing rules</i> .
<i>London Stock Exchange</i>	(in <i>LR</i>) London Stock Exchange Plc.
<i>long term incentive scheme</i>	(in <i>LR</i>) any arrangement (other than a retirement benefit plan, a deferred bonus or any other arrangement that is an element of an executive <i>director's</i> remuneration package) which may involve the receipt of any asset (including cash or any security) by a <i>director</i> or <i>employee</i> of the <i>group</i> : (a) which includes one or more conditions in respect of service and/or performance to be satisfied over more than one financial year; and (b) pursuant to which the <i>group</i> may incur (other than in relation to the establishment and administration of the arrangement) either cost or a liability, whether actual or contingent.
<i>MAD</i>	(in <i>LR</i>) the <i>Market Abuse Directive</i> .
<i>major subsidiary undertaking</i>	(in <i>LR</i>) a <i>subsidiary undertaking</i> that represents 25% or more of the aggregate of the gross assets or profits (after deducting all charges except taxation) of the <i>group</i> .
<i>mineral company</i>	(in <i>LR</i>) a <i>company</i> or <i>group</i> , whose principal activity is, or is planned to be, the <i>extraction</i> of <i>mineral resources</i> (which may or may not include exploration for <i>mineral resources</i>).
<i>mineral resources</i>	(in <i>LR</i>) include metallic and non-metallic ores, mineral concentrates, industrial minerals, construction aggregates, mineral oils, natural gases, hydrocarbons and solid fuels including coal.
<i>mineral expert's report</i>	(in <i>LR</i>) a report prepared in accordance with the <i>CESR recommendations</i> .
<i>modified auditor's report</i>	(in <i>LR</i>) an auditor's report:

- (a) in which the auditor's opinion is qualified; or
- (b) which sets out:
 - (i) a problem relating to the business as a going concern; or
 - (ii) a significant uncertainty, the resolution of which is dependent upon future events.

net annual rent (in *LR*) (in relation to a *property*) the current income or income estimated by the valuer:

- (a) ignoring any special receipts or deductions arising from the *property*;
- (b) excluding Value Added Tax and before taxation (including tax on profits and any allowances for interest on capital or loans); and
- (c) after making deductions for superior rents (but not for amortisation) and any disbursements including, if appropriate, expenses of managing the *property* and allowances to maintain it in a condition to command its rent.

new applicant (in *LR*) an *applicant* that does not have any *class* of its *securities* already listed.

non-equity transferable securities (in *PR*) (as defined in section 102A of the *Act*) all *transferable securities* that are not equity securities.

offer of transferable securities to the public (in *PR* and *LR*) (as defined in section 102B of the *Act*), in summary:

- (a) a communication to any person which presents sufficient information on:
 - (i) the transferable securities to be offered, and
 - (ii) the terms on which they are offered;
 to enable an investor to decide to buy or subscribe for the securities in question;
- (b) which is made in any form or by any means;
- (c) including the placing of securities through a financial intermediary;
- (d) but not including a communication in connection with trading on:

- (i) a regulated market;
- (ii) a multilateral trading facility; or
- (iii) any market prescribed by an order under section 130A of the Act.

Note: This is only a summary; to see the full text of the definition, readers should consult section 102B of the Act.

<i>offer for sale</i>	(in <i>LR</i>) an invitation to the public by, or on behalf of, a third party to purchase <i>securities</i> of the <i>issuer</i> already in issue or allotted (and may be in the form of an invitation to tender at or above a stated minimum price).
<i>offer for subscription</i>	(in <i>LR</i>) an invitation to the public by, or on behalf of, an <i>issuer</i> to subscribe for <i>securities</i> of the <i>issuer</i> not yet in issue or allotted (and may be in the form of an invitation to tender at or above a stated minimum price).
<i>offering programme</i>	(in <i>PR</i>) (as defined in Article 2.1(k) of the <i>prospectus directive</i>) a plan which would permit the issuance of non-equity securities, including warrants in any form, having a similar type and/or class, in a continuous or repeated manner during a specified issuing period.
<i>open offer</i>	(in <i>LR</i>) an invitation to existing <i>securities</i> holders to subscribe or purchase <i>securities</i> in proportion to their holdings, which is not made by means of a renounceable letter (or other negotiable document).
<i>overseas company</i>	(in <i>LR</i> and <i>PR</i>) a <i>company</i> incorporated outside the <i>United Kingdom</i> .
<i>PD</i>	<i>Prospectus Directive</i> .
<i>PD Regulation</i>	the Prospectus Directive Regulation (No 2004/809/EC).
<i>PR</i>	the Prospectus Rules sourcebook.
<i>percentage ratio</i>	(in <i>LR</i>) (in relation to a transaction) the figure, expressed as a percentage, that results from applying a calculation under a <i>class test</i> to the transaction.
<i>person exercising significant influence</i>	(in <i>LR</i>) in relation to a <i>listed company</i> , a <i>person</i> or entity which exercises significant influence over that <i>listed company</i> (other than a <i>50/50 joint venture partner</i>).
<i>placing</i>	(in <i>LR</i>) a marketing of <i>securities</i> already in issue but not <i>listed</i> or not yet in issue, to specified <i>persons</i> or clients of the <i>sponsor</i> or any securities house assisting in the placing, which does not involve an offer to the public or to existing holders of the <i>issuer's securities</i> generally.
<i>primary listed issuer</i>	(in <i>LR</i>) an <i>issuer</i> with a <i>primary listing</i> of its <i>securities</i> .

<i>primary listing</i>	(in <i>LR</i>) a <i>listing</i> by the <i>FSA</i> by virtue of which the <i>issuer</i> is subject to the full requirements of the <i>listing rules</i> .
<i>probable reserves</i>	(in <i>LR</i>): <ul style="list-style-type: none"> (a) in respect of <i>mineral companies</i> primarily involved in the <i>extraction</i> of oil and gas resources, those reserves which are not yet <i>proven</i> but which, on the available evidence and taking into account technical and economic factors, have a better than 50% chance of being produced; and (b) in respect of <i>mineral companies</i> other than those primarily involved in the <i>extraction</i> of oil and gas resources, those <i>measured</i> and/or <i>indicated mineral resources</i>, which are not yet <i>proven</i> but of which detailed technical and economic studies have demonstrated that <i>extraction</i> can be justified at the time of the determination and under specified economic conditions.
<i>profit estimate</i>	(in <i>PR</i> and <i>LR</i>) (as defined in the <i>PD Regulation</i>) a profit forecast for a financial period which has expired and for which results have not yet been published.
<i>profit forecast</i>	(in <i>PR</i> and <i>LR</i>) (as defined in the <i>PD Regulation</i>) a form of words which expressly states or by implication indicates a figure or a minimum or maximum figure for the likely level of profits or losses for the current financial period and/or financial periods subsequent to that period, or contains data from which a calculation of such a figure for future profits or losses may be made, even if no particular figure is mentioned and the word "profit" is not used.
<i>prohibited period</i>	(in <i>LR</i>) as defined by paragraph 1(e) of the <i>Model Code</i> .
<i>property</i>	(in <i>LR</i>) freehold, heritable or leasehold property.
<i>property collective investment undertaking</i>	(in <i>PR</i>) (as defined in the <i>PD Regulation</i>) a collective investment undertaking whose investment objective is the participation in the holding of property in the long term.
<i>property company</i>	(in <i>LR</i>) a <i>company</i> primarily engaged in <i>property</i> activities including: <ul style="list-style-type: none"> (a) the holding of <i>properties</i> (directly or indirectly) for letting and retention as investments; (b) the development of <i>properties</i> for letting and retention as investments; (c) the purchase and development of <i>properties</i> for subsequent sale; (d) the purchase of land for development <i>properties</i> for retention as investments.
<i>property valuation</i>	(in <i>LR</i>) a <i>property</i> valuation report prepared by an independent expert in accordance with the Appraisal and Valuation Standards (5 th edition) issued

<i>report</i>	by the Royal Institution of Chartered Surveyors.
<i>Prospectus Rules</i>	(as defined in section 73A(4) of the Act) <i>rules</i> expressed to relate to <i>transferable securities</i> .
<i>proven reserves</i>	(in LR): <ul style="list-style-type: none"> (a) in respect of <i>mineral companies</i> primarily involved in the <i>extraction</i> of oil and gas resources, those reserves which, on the available evidence and taking into account technical and economic factors, have a better than 90% chance of being produced; and (b) in respect of <i>mineral companies</i> other than those primarily involved in the <i>extraction</i> of oil and gas resources, those <i>measured mineral resources</i> of which detailed technical and economic studies have demonstrated that <i>extraction</i> can be justified at the time of the determination, and under specified economic conditions.
<i>qualified investor</i>	(in PR) (as defined in section 86(7) of the Act): <ul style="list-style-type: none"> (a) any entity within the meaning of Article 2(1)(e)(i), (ii) or (iii) of the <i>prospectus directive</i>; or (b) an investor registered on the register maintained by the competent authority under section 87R of the Act; or (c) an investor authorised by an <i>EEA State</i> other than the <i>United Kingdom</i> to be considered as a qualified investor for the purposes of the <i>prospectus directive</i>.
<i>registration document</i>	(in Part 6 rules) a registration document referred to in PR 2.2.2R.
<i>regulated information</i>	(in PR) (as defined in the PD Regulation) all information which the issuer, or any person who has applied for the admission of securities to trading on a regulated market without the issuer's consent, is required to disclose under Directive 2001/34/EC or under Article 6 of Directive 2003/6/EC.
<i>related party</i>	(in LR) as defined in LR 11.1.4R.
<i>related party circular</i>	(in LR) a <i>circular</i> relating to a <i>related party transaction</i> .
<i>related party transaction</i>	(in LR) as defined in LR 11.1.5R.
<i>reverse takeover</i>	(in LR) a transaction classified as a <i>reverse takeover</i> under LR 10.
<i>rights issue</i>	(in LR) an offer to existing <i>security</i> holders to subscribe or purchase further <i>securities</i> in proportion to their holdings made by means of the issue of a

	renounceable letter (or other negotiable document) which may be traded (as “nil paid” rights) for a period before payment for the <i>securities</i> is due.
<i>risk factors</i>	(in <i>PR</i>) (as defined in the <i>PD Regulation</i>) a list of risks which are specific to the situation of the issuer and/or the securities and which are material for taking investment decisions.
<i>schedule</i>	(in <i>Part 6 rules</i>) (as defined in the <i>PD Regulation</i>) a list of minimum information requirements adapted to the particular nature of the different types of <i>issuers</i> and/or the different <i>securities</i> involved.
<i>scientific research based company</i>	(in <i>LR</i>) a <i>company</i> primarily involved in the laboratory research and development of chemical or biological products or processes or any other similar innovative science based company.
<i>secondary listed issuer</i>	(in <i>LR</i>) an <i>issuer</i> with a <i>secondary listing</i> of its <i>equity securities</i> .
<i>secondary listing</i>	(in <i>LR</i>) a <i>listing</i> by the <i>FSA</i> of <i>equity securities</i> of an <i>overseas company</i> which is not a <i>primary listing</i> .
<i>securities issued in a continuous and repeated manner</i>	(in <i>PR</i>) (as defined in Article 2.1(l) of the <i>prospectus directive</i>) issues on tap or at least two separate issues of securities of a similar type and/or class over a period of 12 months.
<i>securities note</i>	(in <i>Part 6 rules</i>) a securities note referred to in <i>PR</i> 2.2.2R.
<i>settlement price</i>	(in <i>LR</i>) (in relation to <i>securitised derivatives</i>), the reference price or prices of the <i>underlying instrument</i> or <i>instruments</i> stipulated by the <i>issuer</i> for the purposes of calculating its obligations to the holder.
<i>shadow director</i>	(in <i>LR</i>) as in sub-paragraph (b) of the definition of director in section 417(1) of the <i>Act</i> .
<i>small and medium-sized enterprise</i>	(in <i>PR</i>) (as defined in Article 2.1(f) of the <i>prospectus directive</i>) companies, which, according to their last annual or consolidated accounts, meet at least two of the following three criteria: an average number of employees during the financial year of less than 250, a total balance sheet not exceeding €43,000,000 and an annual net turnover not exceeding €50,000,000.
<i>specialist investor</i>	(in <i>LR</i>) an investor who is particularly knowledgeable in investment matters.
<i>specialist securities</i>	(in <i>LR</i>) <i>securities</i> which, because of their nature, are normally bought and traded by a limited number of investors who are particularly knowledgeable in investment matters.
<i>specialist</i>	(in <i>LR</i>) a <i>securitised derivative</i> which because of its nature is normally bought

<i>securitised derivative</i>	and traded by a limited number of investors who are particularly knowledgeable in investment matters.
<i>sponsor</i>	(in <i>LR</i>) a <i>person</i> approved, under section 88 of the <i>Act</i> by the <i>FSA</i> , as a sponsor.
<i>substantial shareholder</i>	(in <i>LR</i>) any <i>person</i> (excluding a bare trustee) who is entitled to exercise or to control the exercise of 10% or more of the votes able to be cast on all or substantially all matters at general meetings of the <i>company</i> (or any other <i>company</i> which is its <i>subsidiary undertaking</i> or <i>parent undertaking</i> or is a fellow <i>subsidiary undertaking</i> of its <i>parent undertaking</i>).
<i>summary</i>	(in relation to a <i>prospectus</i>) the summary included in the <i>prospectus</i> .
<i>supplementary listing particulars</i>	(in <i>LR</i>) (in accordance with section 81(1) of the <i>Act</i>), supplementary listing particulars containing details of the change or new matter.
<i>supplementary prospectus</i>	(in <i>Part 6 rules</i>) a supplementary prospectus containing details of a new factor, mistake or inaccuracy.
<i>target</i>	(in <i>LR</i>) the subject of a <i>class 1 transaction</i> .
<i>tender offer</i>	(in <i>LR</i>) an offer by a <i>company</i> to purchase all or some of a <i>class</i> of its <i>listed equity securities</i> or <i>preference shares</i> at a maximum or fixed price (that may be established by means of a formula) that is: <ul style="list-style-type: none"> (a) communicated to all holders of that <i>class</i> by means of a <i>circular</i> or advertisement in two national newspapers; (b) open to all holders of that <i>class</i> on the same terms for at least seven days; and (c) open for acceptance by all holders of that <i>class</i> pro rata to their existing holdings.
<i>umbrella collective investment scheme</i>	(in <i>PR</i>) (as defined in the <i>PD Regulation</i>) a collective investment undertaking invested in one or more collective investment undertakings, the asset of which is composed of separate class(es) or designation(s) of securities.
<i>underlying instrument</i>	(in <i>LR</i>) (in relation to <i>securitised derivatives</i>) means either: <ul style="list-style-type: none"> (a) if the <i>securitised derivative</i> is an <i>option</i> or <i>debt security</i> with the characteristics of an <i>option</i>, any of the underlying investments listed in article 83 of the <i>Regulated Activities Order</i>; or (b) if the <i>securitised derivative</i> is a <i>contract for differences</i> or <i>debt security</i> with the characteristics of a <i>contract for differences</i>, any factor by reference to which a profit or loss under article 85 of the <i>Regulated Activities Order</i> can be calculated.
<i>units of a collective</i>	(in <i>PR</i>) (as defined in Article 2.1(p) of the <i>prospectus directive</i>) securities issued by a collective investment undertaking as representing the rights of the

<i>investment scheme</i>	participants in such an undertaking over its assets.
<i>unrecognised scheme</i>	(in <i>LR</i>) a <i>collective investment scheme</i> which is neither a <i>recognised scheme</i> nor a scheme that is constituted as an <i>authorised unit trust scheme</i> .
<i>vendor consideration placing</i>	(in <i>LR</i>) a marketing, by or on behalf of vendors, of <i>securities</i> that have been allotted as consideration for an acquisition.
<i>venture capital trust</i>	(in <i>LR</i>) a <i>company</i> which is, or which is seeking to become, approved as a venture capital trust under section 842AA of the Income and Corporation Taxes Act 1988.
<i>working day</i>	(in <i>PR</i>) (as defined in section 103 of the <i>Act</i>) any day other than a Saturday, a Sunday, Christmas Day, Good Friday or a day which is a bank holiday under the Banking and Financial Dealings Act 1971 in any part of the <i>United Kingdom</i> .

Annex B

Amendments to the Interim Prudential sourcebook for Building Societies

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

VOLUME 1: PRUDENTIAL STANDARDS

X Introductory Chapter

X.1 Introduction

...

X.3.1 G ... The constitutional chapters replace Guidance Notes previously issued by the Commission. In addition, the role of the competent authority for listing in the UK has been transferred to the FSA from the United Kingdom Listing Authority ("UKLA"). This change has been reflected in amendments to the Volume 2 guidance.

...

X.7.2 G Expressions (in italics or not) which are defined in particular chapters of the sourcebook (e.g. Chapters 2 and 3 of Volume 2) have the meanings given there for those chapters (and see GEN 2.2.10G).

X.7.3 G Unless the context otherwise requires or GEN 2.2.11R applies, an expression which has not been defined in this sourcebook has its natural meaning.

...

2 Issued capital

...

2.6 Permanent Interest Bearing Shares

2.6.1 G ... PIBS are usually listed on the London Stock Exchange. ...

...

VOLUME 2: CONSTITUTIONAL GUIDANCE

...

2 MERGER PROCEDURES

DEFINITIONS

...

"listed" included in an official list.

...

"official list" (a) the list maintained by the FSA in accordance with section 74(1) of the Financial Services and Markets Act 2000 (The official list) for the purposes of Part VI of the Act (Official Listing);

(b) any corresponding list maintained by a competent authority for listing in another EEA State.

...

"UKLA" The UK Listing Authority (currently the Authority).

...

2. PRELIMINARY MATTERS

...

Public Announcement

2.13 ... Societies with ~~listed~~listed PIBS will need to have regard to the ~~UKLA~~FSA's requirement concerning early disclosure of information affecting the price of securities. ...

...

3. TRANSFER PROCEDURES

DEFINITIONS AND NOTES

...

"listed" included in an official list.

...

"official list" (a) the list maintained by the FSA in accordance with section 74(1) of the Financial Services and Markets Act 2000 (The official list) for the purposes of Part VI of the Act (Official Listing);

(b) any corresponding list maintained by a competent authority for listing in another EEA State.

...

~~"the UKLA"~~ The UK Listing Authority (currently the Authority).

...

...

2. PRELIMINARY MATTERS

...

Public Announcement

2.5 ... The board will also wish to avoid misleading potential investors and borrowers; and societies with ~~listed~~ listed PIBS must have regard to the ~~UKLA~~ FSA's requirements concerning early disclosure of any information which might affect the price of securities. ...

2.6 ... It should also be made clear, in the case of a takeover, and if such is the case, that the proposal is subject to completion of due diligence investigations by the acquirer and, in either a conversion or takeover when shares in the successor company are to be issued, that the proposal is subject to the shares being ~~listed~~ listed on the London Stock Exchange or elsewhere. ...

...

Prudential Issues

...

2.11 The Authority will also wish to have a letter ~~of consent~~, from or on behalf of the society's board, to the Authority which consents to the FSA discussing the society's affairs with the Banking Regulator (if a different body) and the ~~UKLA~~ competent authority for listing in the UK (if a different body from the FSA and an issue of shares in the successor company is intended to be made in connection with the transfer).

...

4. INFORMATION PROVIDED TO MEMBERS

...

The Transfer Document

4.5 ... It may also be convenient to include additional material required by the ~~UKLA~~FSA in connection with a flotation. ...

...

9. TIMETABLE

9.1 ... The plan and the timetable will, of course, need to cover all that will be required of the society, and the successor company, in relation to the requirements of the Banking Regulator, and of ~~UKLA~~ the FSA concerning the listing of any shares in the successor company.

...

Annex C

Amendments to the Interim Prudential sourcebook for Friendly Societies

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

Chapter 7 DEFINITIONS

Part 1 Definitions

7.1 ...

...
<p><i>listed</i> means, in relation to an investment -</p> <p>(a) that there has been granted and not withdrawn a listing in respect of that investment on any stock exchange in an EEA State which is a stock exchange under the law of that State <u>that the investment is included in an official list</u>; or</p> <p>(b) that facilities have been granted for dealing in that investment on a <i>regulated market</i>,</p> <p>and <i>unlisted</i> must be construed accordingly;</p> <p>...</p>

Appendix 4 ASSET VALUATION RULES

Application

...

2. ...

(9) The conditions referred to in (8) are that-

(a) ...

(b) ...

(i) where the contract is in connection with the delivery of a ~~listed security~~ security or a security admitted to trading, a period commencing on the date of the contract and extending for the usual period of settlement as laid down by the rules of the relevant stock exchange or *regulated market*; or

(ii) ...

...

Securities and beneficial interests in limited partnerships

...

9.

...

(5) (4) must be taken not to apply if it applies by reason only that-

(a) the ~~listing~~listing or admission to trading of the investment has been temporarily suspended following receipt of price sensitive information by the stock exchange on which the investment is listed, or admitted to trading or the *regulated market* on which facilities for dealing have been granted; or

(b) ...

...

Contracts and assets having the effect of derivatives

...

14.

...

(3) A contract or asset does not have the effect of a *derivative contract* by reason only that-

(a) ...

(i) in the case of a ~~listed security~~security or a security admitted to trading, for the usual period for delivery or payment as determined by the rules of the stock exchange or *regulated market* on which the *securities* are listed or admitted to trading, or facilities for dealing have been granted, or

(ii) ...

Annex D

Amendments to the Interim Prudential sourcebook for Insurers

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

VOLUME ONE

...

Chapter 9

FINANCIAL REPORTING

Part I

ACCOUNTS AND STATEMENTS

...

Additional information on derivative contracts

...

9.29

...

(2C) A contract or asset does not have the effect of a *derivative contract* by reason only that-

(a) ...

(i) in the case of a *listed security* or a security admitted to trading, for the usual period for delivery or payment as determined by the rules of the stock exchange or *regulated market* on which the *securities* are listed or admitted to trading, or facilities for dealing have been granted, or

(ii) ...

...

(2D) The conditions referred to in (2C)(b) are that-

...

(b) ...

(i) where the contract is in connection with the delivery of a *listed security* or a security admitted to trading, a period commencing on the date of the contract and extending for the usual period of settlement as laid down by the rules of the relevant stock exchange or *regulated market*, or

(ii) ...

...

Chapter 11

DEFINITIONS

PART I

DEFINITIONS

11.1 ...

Term or phrase	Definition
...	...
<i>listed</i>	in relation to an investment, means that- (a) that there has been granted and not withdrawn a listing in respect of that investment on any stock exchange in an EEA State which is a stock exchange under the law of that EEA State <u>the investment is included in an official list</u> ; or (b) ...
...	...

...

Annex E

Amendments to the Interim Prudential sourcebook for Investment Businesses

In this Annex striking through indicates deleted text.

Chapter 13: Financial Resource Requirements for Personal Investment Firms

...

Appendix 13 (1) Defined terms for Chapter 13

...

Listing Rules	the rules made by the UKLA governing admission to listing, the continuing obligations of issuers, the enforcement of those obligations and the suspension and cancellation of listing.
...	
public offer	an offer of securities to the public and described in the POS Regulations
...	
readily realisable security	(a) a government or public security denominated in the currency of the country of its issuer;
	(b) any other security which is:
	(i) admitted to official listing on an exchange in an EEA State; or
	(ii) regularly traded on or under the rules of such an exchange; or
	(iii) regularly traded on or under the rules of a recognised investment exchange or (except in relation to unsolicited real time financial promotions) designated investment exchange;
	(c) a newly issued security which can reasonably be expected to fall within (b) when it begins to be traded.
...	

Annex F

Amendments to the Conduct of Business sourcebook

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

Control of information

- 2.4.4 ...
- (4) For the purposes of section ~~118(8)~~118A(5)(a) of the *Act*, behaviour conforming with *COB* 2.2.4 R(1) does not amount to market abuse.
- ...
- 3.5.3 G ...
- (1) ...
- (2) regulations from any *overseas regulator* (where relevant) if the *firm* intends to market from the *United Kingdom* into any other country;
- (3) ~~the *POS Regulations* [deleted]~~; and
- (4) the Privacy and Electronic Communications (EC Directive) Regulations (SI 2003/2426).
- ...
- 3.8.9 G ...
- (6) ...
- (a) the *securities* are
- (i) ~~listed~~ listed in the *United Kingdom* under ~~chapter 21 of the listing rules (Investment entities) LR 15~~; or
- (ii) ...
- ...
- 3.9.26 R ...
- (1) ...
- (2) ...
- (b) if no prospectus is required ~~by the *POS Regulations* under Part VI of the *Act*~~, the information specified in *COB* 3.9.27G relating to each *company* in which the *Enterprise Investment Scheme* manager has a material interest and intends to acquire interests on behalf of the scheme;
- ...
- ...

COB 3 Annex 1 An overview of some of the main exemptions contained in the Financial Promotion Order G

...

Article no. and name of exemption	Type of promotion: Unsolicited real time, solicited real time, non-real time	Controlled activity/controlled investment	Other conditions
...			
48 Certified high net worth individuals	...	...	1. ... 2. ... 3. accompanied by an indication of the matters specified by article 48(4) (7).
...			
70 Promotions in connection with listing applications	<i>Solicited real time</i> <i>Non-real time</i>	Note 1	<i>Financial promotion to which listing rules apply</i>
71-73 70 and 71 Promotions included in listing particulars and prospectuses	...	...	...

...

5.4.3A G A *securitised derivative* (as defined in the *Glossary*) is a *derivative*, and *COB* rules relevant to *derivatives* therefore apply. ~~Firms should note that the *Glossary* definition of *securitised derivative* is slightly different from the definition in chapter 24 of the *listing rules*. An instrument listed under that chapter *LR 19*, which is not an *option* or *contract for differences*, is not a *securitised derivative* for the purposes of *COB*.~~

...

Risk warnings in respect of retail securitised derivatives

5.4.6A E (1) In relation to a transaction in a *retail securitised derivative*, the *firm* should provide the private *customer* with:

(a) the notice in *COB 5* Annex 1 (Warrants and derivatives risk warning notice); or

- (b) ~~a copy of the listing particulars prepared for the *securitised derivative* in accordance with chapter 24 of the *listing rules*, in a manner calculated to bring to the attention of the *private customer* the description of risk factors required by paragraphs 24.36 and 24.37 of the *listing rules* (Disclosure about risk factors); or [deleted]~~
- (c) ~~a notice containing~~ a clear, fair and adequate description of the *securitised derivative* which is to be the subject of the transaction, in a manner calculated to bring to the attention of the *private customer* the risks involved, and in particular (and if applicable):
 - (i) ...
 - ...
- (2) A *firm* should either:
 - (a) require the *private customer* to acknowledge receipt of the ~~document~~ notice or description provided in accordance with (1)(a), ~~(b)~~ or (c) and confirm acceptance of its contents, in writing; or
 - (b) be otherwise able to demonstrate that the *private customer* has received the ~~document~~ notice or description and had a proper opportunity to consider its terms.
- (3) A *firm* need not undertake steps (1) and (2) in respect of a *private customer* who is ordinarily resident outside the *United Kingdom*, if it has taken reasonable steps to determine that the *private customer* does not wish to receive the notice or description.

5.4.6B G

- (1) A description provided under COB 5.4.6AE (1)(b):
 - (a) may be included in the *prospectus* or the *listing particulars* for the *securitised derivative*;
 - (b) ~~It is appropriate for a notice provided to a *private customer* in accordance with COB 5.4.6AE (1)(e) to~~ may explain, where applicable, the existence and extent of any factors that reduce the risks to which the *private customer* is exposed (for example, the fact that the *securitised derivative* is *listed*, or subject to some form of guarantee), but the *firm* should ensure that any such statement does not disguise, obscure or diminish the significance of the notice taken as a whole; and
- (2) (c) ~~The document provided to a *private customer* in accordance with COB 5.4.6AE (1)(b) or (c) may use another term (such as "covered warrant") to describe a *securitised derivative*, if it is generally accepted market practice to do so.~~

- (32) In relation to (1) (b) and (c) *firms* are also reminded of the requirements of *COB 2.1* (Clear, fair and not misleading communication).

Risk warnings in respect of certain derivatives listed in other EEA States

5.4.6C E ...

(1) ...

(2) (if it provides a right of exercise) the *investment* would comply with ~~paragraph 24.7~~LR 19.2.6R of the *listing rules* (Method of exercising retail securitised derivatives); if it were ~~listed~~ listed on the *UK official list*.

...

Annex G

Amendments to the Insurance: Conduct of Business sourcebook

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

ICOB 1: Application and purpose

Annex 2G

Summary of Handbook provisions for insurance intermediaries

...

	Module	Application
...		
Specialist Sourcebooks	...	...
<u>Listing, Prospectus and Disclosure</u>	<u>Listing Rules, LR</u>	<u>May apply if the firm is applying for listing in the United Kingdom, is a listed issuer in the United Kingdom, is a sponsor or is applying for approval as a sponsor.</u>
	<u>Prospectus Rules, PR</u>	<u>May apply if the firm makes an offer of transferable securities to the public in the United Kingdom or is seeking the admission to trading of transferable securities on a regulated market situated or operating in the United Kingdom.</u>
	<u>Disclosure Rules, DR</u>	<u>May apply if the firm is an issuer, any class of whose financial instruments have been admitted to trading on a regulated market, or are the subject of an application for admission to trading on a regulated market, other than issuers who have not requested or approved admission of their financial instruments to trading on a regulated market.</u>

...

Annex H

Amendments to the Mortgages: Conduct of Business sourcebook

In this Annex underlining indicates new text.

MCOB 1: Application and purpose

Annex 4G

Summary of the application of the Handbook to firms carrying on regulated mortgage activities and firms that communicate or approve qualifying credit promotions

...

	Module	Application
...		
Specialist Sourcebooks	...	...
<u>Listing, Prospectus and Disclosure</u>	<u>Listing Rules, LR</u>	<u>May apply if the firm is applying for listing in the United Kingdom, is a listed issuer in the United Kingdom, is a sponsor or is applying for approval as a sponsor.</u>
	<u>Prospectus Rules, PR</u>	<u>May apply if the firm makes an offer of transferable securities to the public in the United Kingdom or is seeking the admission to trading of transferable securities on a regulated market situated or operating in the United Kingdom.</u>
	<u>Disclosure Rules, DR</u>	<u>May apply if the firm is an issuer, any class of whose financial instruments have been admitted to trading on a regulated market, or are the subject of an application for admission to trading on a regulated market, other than issuers who have not requested or approved admission of their financial instruments to trading on a regulated market.</u>

...

Annex I

Amendments to the Market Conduct sourcebook

In this Annex underlining indicates new text.

5.5.3 G Handbook provisions applicable to ATs

	Part of Handbook	Applicability to ATs
...		
Specialist Sourcebooks	...	...
<u>Listing, Prospectus and Disclosure</u>	<u>Listing Rules (LR)</u>	<u>This may apply if the <i>firm</i> is applying for <i>listing</i> in the <i>United Kingdom</i>, is a <i>listed issuer</i> in the <i>United Kingdom</i>, is a <i>sponsor</i> or is applying for approval as a <i>sponsor</i>.</u>
	<u>Prospectus Rules (PR)</u>	<u>This may apply if the <i>firm</i> makes an <i>offer of transferable securities to the public</i> in the <i>United Kingdom</i> or is seeking the <i>admission to trading of transferable securities</i> on a <i>regulated market</i> situated or operating in the <i>United Kingdom</i>.</u>
	<u>Disclosure Rules (DR)</u>	<u>This may apply if the <i>firm</i> is an <i>issuer</i>, any class of whose <i>financial instruments</i> have been <i>admitted to trading</i> on a <i>regulated market</i>, or are the subject of an application for <i>admission to trading</i> on a <i>regulated market</i>, other than <i>issuers</i> who have not requested or approved admission of their <i>financial instruments to trading</i> on a <i>regulated market</i>.</u>

...

Annex J

Amendments to the Authorisation Manual

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

AUTH 5 Annex 3G

Application of the Handbook to Incoming EEA Firms

(1) Module of Handbook	(2) Potential application to an incoming EEA firm with respect to activities carried on from an establishment of the firm (or its appointed representative) in the United Kingdom	(3) Potential application to an incoming EEA firm with respect to activities carried on other than from an establishment of the firm (or its appointed representative) in the United Kingdom
...		
<i>MAR</i>	...	...
	<p><i>MAR</i> 2 (Price stabilising rules)</p> <p>Applies if the <i>firm</i> undertakes <i>stabilising action</i> and wishes to show that it has acted in conformity with <i>price stabilising rules</i>, or that its <i>behaviour</i> conforms with <i>rules</i> in accordance with section 118(8) <u>118A(5)(a)</u> of the <i>Act</i> (Market abuse) (<i>MAR</i> 2.1 Application)</p>	<p><i>MAR</i> 2 (Price stabilising rules)</p> <p>Only applies in so far as the <i>firm</i> undertakes <i>stabilising action</i> and wishes to rely on a defence that it has acted in conformity with <i>price stabilising rules</i>, or that its <i>behaviour</i> conforms with <i>rules</i> in accordance with section 118(8) <u>118A(5)(a)</u> of the <i>Act</i> (Market abuse) (<i>MAR</i> 2.1.6R(1) <u>2.1</u> and in particular <i>MAR</i> <u>2.1.3R</u>).</p>
...		
<i>REC</i>	...	...
<u><i>LR</i></u>	<p><u><i>LR</i> (Listing Rules)</u></p> <p><u>May apply if the <i>firm</i> is applying</u></p>	<p><u><i>LR</i> (Listing Rules).</u></p> <p><u>As column (2).</u></p>

	<p><i>for listing in the United Kingdom, is a listed issuer in the United Kingdom, is a sponsor or is applying for approval as a sponsor.</i></p>	
<u>PR</u>	<p><u>PR (Prospectus Rules)</u> May apply if the <i>firm</i> makes an <u>offer of transferable securities to the public in the United Kingdom</u> or is seeking the <u>admission to trading of transferable securities on a regulated market</u> situated or operating in the <u>United Kingdom.</u></p>	<p><u>PR (Prospectus Rules). As column (2).</u></p>
<u>DR</u>	<p><u>DR (Disclosure Rules)</u> May apply if the <i>firm</i> is an <u>issuer, any class of whose financial instruments have been admitted to trading on a regulated market, or are the subject of an application for admission to trading on a regulated market, other than issuers who have not requested or approved admission of their financial instruments to trading on a regulated market.</u></p>	<p><u>DR (Disclosure Rules). As column (2).</u></p>

...

Annex K

Amendments to the Supervision manual

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

- 8.1.3 G This chapter is not relevant to the functions of the ~~UKLA, that is the FSA~~ acting in its capacity as the *competent authority* for the purposes of Part VI of the *Act* (Official Listing).
- ...
- 9.1 Application and purpose
- Application
- 9.1.1 G (1) This chapter applies to:
- (a) every *firm*;
 - (b) persons that are subject to the requirements of the *Part 6 rules*; and
 - (c) ~~to persons~~ generally.
- ...
- (3) ~~This chapter does not apply in relation to *guidance* requested from, or given by, the UKLA, that is the FSA acting in its capacity as the *competent authority* for the purposes of Part VI of the *Act* (Official Listing).~~
- ...
- Discussions on a no-names basis
- 9.2.4 G The *FSA* does not expect to enter into discussions on a ‘no-names’ basis about the affairs of an individual *person*- except in relation to *SUP 9.2.4AG*.
- 9.2.4A G The *FSA* may enter into discussions with a *person* on a ‘no-names’ basis about how a particular requirement in *the Part 6 rules* should be interpreted, but:
- (1) the *FSA* will not be bound by any *guidance* given in response to the request; and
 - (2) the *person* receiving the *guidance* will not be able to rely upon it.
- ...

- 9.5 Disputes as to the interpretation of the Part 6 rules
- 9.5.1 G Where a *person* that is subject to any requirement of the *Part 6 rules* disagrees with the individual *guidance* given by the *FSA*, he can request that the *guidance* be reviewed at a meeting of senior *FSA* staff.
- 9.5.2 G Upon receiving a request under *SUP 9.5.1G* senior *FSA* staff will review:
- (1) the initial request for *guidance*;
- (2) the individual circumstances of the *person* seeking the review; and
- (3) the reasons why the *person* does not agree with the individual *guidance*.
- 9.5.3 G The outcome of the senior *FSA* staff meeting will be communicated to the *person*.
- 9.5.4 G A *person* that does not agree with the individual *guidance* that results from a senior *FSA* staff meeting, or a third party that is directly affected by that individual *guidance* may request that the *guidance* be reviewed by the Listing Authority Review Committee.
- 9.5.5 G The Listing Authority Review Committee has powers, delegated by the *FSA* Board, to resolve disputes on the application and interpretation of the requirements set out in *LR*, *DR* and *PR*. A managing *director* of the *FSA* sits as chairman of the Listing Authority Review Committee.
- 9.5.6 G The *person* requesting the review can make representations to the Listing Authority Review Committee either orally or in writing.
- 9.5.7 G All decisions of the Listing Authority Review Committee are final and are determinative of the *FSA*'s opinion as to the interpretation or application of the requirement in question.

...

SUP 16 Annex 2G Reporting requirements

Analysis of profits, Large Exposures and Certain Other Miscellaneous Information (Form B7)

...

BALANCE SHEET ANALYSIS

6.1-6.5 Quoted investments

This should comprise the net long or short position of investments *admitted to trading* or listed on recognised exchanges (the UK and overseas official stock exchanges and the Unlisted Securities Market) and “over the counter” stock markets for which a publicly

ascertainable price is regularly available. ...

...

LIQUIDITY RETURN (FORM LR)

...

(iv) Equities

Equities which are <u>admitted to trading</u> or listed on a recognised stock index (see paragraph 51).	...
---	-----

...

17.5.3 G ... However, if an instrument is already dealt in on a *regulated market*, all secondary issue transactions are reportable if the new issue ranks equally with those already in issue and the issue is already ~~traded~~ admitted to trading on or listed on a *regulated market*. ...

...

Annex L

Amendments to the Enforcement manual

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

- 1.2.2 G ... ~~The Enforcement manual does not (except where expressly stated) include material on the powers relating to the UKLA, which is in the listing rules and related guidance.~~
- 1.2.2A G ENF includes material on the investigation, disciplinary and criminal prosecution powers that are available to the FSA when it is performing functions as the competent authority under Part VI of the Act (see ENF 21). The Act provides a separate statutory framework within which the FSA must operate when it acts in that capacity. Schedule 7 to the Act modifies the application of the Act in relation to the exercise of functions as competent authority under Part VI of the Act. When determining whether to exercise its powers in its capacity as competent authority for listing (for example, the powers described in ENF 21), the FSA will have regard to the matters and objectives which are applicable to the competent authority function.
- ...
- 1.2.3 G In some cases, the Act expressly requires the FSA to prepare and publish statements of policy and procedures on the exercise of its enforcement powers. The Enforcement manual therefore contains statements of policy and procedures on the following matters:
- (1) sections 69 and 210 of the Act require the FSA to publish statements of policy on the imposition of financial penalties on *firms* and *approved persons* (see ENF 13);
 - (1A) section 93 of the Act requires the FSA to publish a statement of its policy on the imposition of financial penalties under section 91 of the Act (see ENF 21);
 - (2) section 124 of the Act requires the FSA to publish a statement of its policy on the imposition of financial penalties for *market abuse* (see ENF 14); and
 - (3) section 169 of the Act (Investigations etc. in support of overseas regulator) requires the FSA to publish a statement of its policy on the conduct of certain interviews in response to requests from *overseas regulators* (see ENF 2).
- ...
- 1.4.19 G ENF 20 (Unfair terms in consumer contracts) describes the FSA's policy on how it will use its powers under the Unfair Terms Regulations.
- 1.4.20 G ENF 21 (Official listing: investigation and discipline powers) describes the FSA's policy on how it will use its investigation and discipline powers relating to official listing cases.
- ...

...

SUBJECT	PART AND SECTION OF THE ACT	ENFORCEMENT MANUAL LOCATION
...		
Disciplinary Powers against Approved Persons		
...		
<u>Disciplinary Powers in official listing cases</u>		
<u>Public censure or statement where an issuer or person fails to comply with his obligations under Part VI of the Act, a provision contained in prospectus rules or any other provision made in accordance with the Prospectus Directive</u>	<u>Part VI, s.87M</u>	<u>ENF 21</u>
<u>Cancellation of sponsor's approval</u>	<u>Part VI, s.88</u>	<u>ENF 21</u>
<u>Public censure of sponsor</u>	<u>Part VI, s.89</u>	<u>ENF 21</u>
<u>Penalties for breach of Part 6 rules</u>	<u>Part VI, s.91</u>	<u>ENF 21</u>
...		
Information Gathering and Investigation powers		
...
Entry of premises under warrant	...	...
<u>Investigation powers in official listing cases</u>	<u>Part VI, s.97</u>	<u>ENF 21</u>
Investigation powers in relation to collective investment schemes	...	...
...		

The Enforcement manual does not contain *guidance* inter alia, on the following:

<p>sections 77 and 78 Discontinuance and suspension of listing</p> <p>section 91 Penalties for breach of listing rules</p> <p>...</p>
--

...

2.1.1A G The FSA's policy on how it will use its powers to investigate in support of its enforcement functions, when acting in the capacity of the competent authority under Part VI of the Act, are set out in ENF 21.2 to ENF 21.4. That guidance contains cross references to material in this chapter, where relevant.

...

ENF 2 Ann 1G: Information gathering and investigation powers

...

Indicators for deciding which agency should take action

9 (a) Tending towards action by the FSA

...

- proceedings for breaches of listing rules Part VI of the Act, of Part 6 rules or the Prospectus Rules or a provision otherwise made in accordance with the Prospectus Directive.

...

ENF 2 Ann 1G: Information gathering and investigation powers – Appendix to the guidelines on investigation of cases of interest or concern to the Financial Services Authority and other prosecuting and other investigating agencies

1. The FSA

1.1 The FSA is the single statutory regulator for all financial business in the UK. Its regulatory objectives (~~when acting other than in its capacity as the UK listing Authority ("UKLA")~~) under the Financial Services and Markets Act 2000 ("the 2000 Act") are:

...

1.2 ~~The FSA's is also the UKLA. The UKLA's~~ regulatory objectives as the competent authority under Part VI of the Act in this area are:

...

1.3 Under the 2000 Act the FSA has powers to investigate concerns including:

...

- suspected breaches of the Listing Rules and related offences in relation to listing Part VI of the Act, of Part 6 rules or the prospectus rules or a provision otherwise made in accordance with the Prospectus Directive.

The FSA's powers of information gathering and investigation are set out in Part XI of the 2000 Act and in section 97 in relation to its ~~UKLA~~ Part VI functions.

1.4 The FSA has power to take the following enforcement action:

...

- various offences in relation to the *FSA's listing authority function under Part VI* ~~Part VI function~~ ;

...

- Issue public censures, ~~suspend or remove~~ cancel a sponsor's ~~from the UKLA list of approved sponsors~~ approval for breaches of Listing Rules by a sponsor.

...

11.1.2 G ...
the *money laundering rules*. The FSA's approach to discipline when it is performing functions as the *competent authority* under Part VI of the Act is dealt with in ENF 21.

...

12.1.1 G ...
(4) the *FSA* may issue a public statement under section 87M (Public censure of issuer) and section 91 of the Act (Penalties for breach of *Part 6 rules of listing rules*) where there has been a contravention of Part VI of the Act, the *Part 6 rules* or the *prospectus rules*, or a provision otherwise made in accordance with the *Prospectus Directive* or a requirement imposed under such provision of the listing rules (see ENF 21). ~~(the powers relating to the UKLA are dealt with in the *listing rules* and related *guidance*)~~

...

13.1.1 G ...
(4) where there has been a contravention of the *Part 6 rules* on an issuer of listed securities or an applicant for listing where there has been a contravention of the *listing rules* (or on a director of an issuer or applicant who at the material time was knowingly concerned in the contravention) (section 91 of the Act (Penalties for breach of *Part 6 rules* ~~listing rules~~)). The *FSA's* powers ~~relating to the UKLA~~ in this regard are dealt with separately in ENF 21 ~~the *listing rules* and related *guidance*.~~

...

13.5 Financial penalties for late submission of reports

13.5.1 G This section sets out the *FSA's* policy and procedures in relation to financial penalties for late submission of reports. It applies to reporting by *firms* required under all *rules* (not including the *Part 6*

rules listing rules) which require *firms* to report to the FSA on a periodic basis. It also applies to periodic reporting by *firms* required by the provisions specified in (6) and (7). The following is a list of the main periodic reporting *rules* (the list may not be comprehensive) and those other provision:

...

...

- 14.9.6 G ...
- (2) where the behaviour falls within sections 118(2)(a), 118(3) or 118(4) of the *Act* (~~Information not generally available~~);
- ...

...

- 15.2.1 G ...
- (6) ~~failing to register a copy of listing particulars on or before publication (under section 83(3)); [deleted]~~
- (7) ~~offering new securities to the public before publishing a prospectus required by the *prospectus rules listing rules* made under section 84 of the *Act* (section 85(3 2))~~
- (8) ~~Issuing an advertisement, or other information specified in the listing rules, without prior approval or authorisation from the competent authority (under section 98(2)); [deleted]~~
- ...

After ENF 20 insert the following new chapter ENF 21 which is not underlined.

ENF 21 Official Listing - Investigation powers and discipline

21.1 Application and Purpose of this chapter

Application

- 21.1.1 G *ENF 21* applies to *persons* whose conduct is covered by any provision imposed by or under Part VI of the *Act* (for example, the *Part 6 rules*). This includes *directors* and formers *directors* who may have been knowingly

involved in a relevant contravention.

- 21.1.2 G In this chapter, and unless the context so requires, references to *FSA* are to the *FSA* when it is performing functions as the competent authority under Part VI of the *Act* (see section 72(1)).

Purpose

- 21.1.3 G The purpose of:
- (1) *ENF* 21.2 to *ENF* 21.4 is to explain the *FSA's* policy on how it will use its powers to investigate in support of its enforcement functions;
 - (2) *ENF* 21.5 to *ENF* 21.9 is to describe the *FSA's* approach to discipline;
 - (3) *ENF* 21.10 is to explain the *FSA's* policy on how it will use its power to cancel a *sponsor's* approval.
- 21.1.4 G Section 93 of the *Act* (Statement of policy) requires the *FSA* to prepare and publish a statement of its policy with respect to the imposition and amount of penalties under section 91. *ENF* 21.6 to *ENF* 21.7 constitute the *FSA's* statement of policy under section 93. The *FSA* may at any time alter or replace this statement of policy after consultation. The *FSA* will have regard to this statement of policy in exercising, or deciding whether to exercise, its power under section 91 of the *Act* (Penalties for breach of Part 6 rules).
- 21.2 The *FSA's* powers to appoint an investigator
- 21.2.1 G Under section 97 of the *Act* (Appointment by competent authority of persons to carry out investigations), the *FSA* may appoint one or more competent persons to conduct an investigation on its behalf if it appears to the *FSA* that there are circumstances suggesting that:
- (1) there may have been a contravention of a provision of Part VI of the *Act* or of *Part 6 rules* or a provision otherwise made in accordance with the *Prospectus Directive*;
 - (2) a *person* who was at the material time a *person* mentioned in section 91(1) or (1A) of the *Act* has been knowingly concerned in a contravention of a provision of Part VI of the *Act* or of *Part 6 rules* or a provision otherwise made in accordance with the *Prospectus Directive* by that *person*; or
 - (3) there may have been a breach of sections 85 or 87G of the *Act*.
- 21.2.2 G An investigator appointed under section 97 is treated under the *Act* as if they were appointed under section 167(1). It follows that an investigator appointed under section 97 will have the powers of a section 167 investigator, as outlined in *ENF* 2.4.

21.3 The *FSA's* policy on appointing an investigator, use of investigation powers and control of investigations

Appointment of an investigator

21.3.1 G The *FSA's* primary aim when appointing an investigator will be to confirm whether a provision of Part VI of the *Act* (sections 85 and 87G) or *Part 6 rules* or a provision otherwise made in accordance with the *Prospectus Directive* have been complied with and, if they have not, to determine the nature and extent of any breach. The *FSA* will usually appoint a member of *FSA* staff as an investigator, as allowed by section 170(5) of the *Act*.

21.3.2 G The *FSA* may be alerted to possible breaches by complaints from the public or investors, by referrals from prosecuting authorities or through its information gathering activities. It will assess on a case by case basis whether to carry out a formal investigation, after considering all the available information. Factors it will take into account are:

- (1) the elements of the suspected breach;
- (2) whether the *FSA* considers that the *persons* concerned are willing to co-operate with it;
- (3) whether obligations of confidentiality inhibit individuals from providing information without the *FSA* having recourse to its formal powers;
- (4) evidence and information needed to substantiate any suspected breach;
- (5) availability and accessibility of related information or evidence; and
- (6) any other factors (so far as the *FSA* considers them to be applicable).

Use of investigation powers

21.3.3 G The *FSA's* policy on the use of powers by investigators appointed under section 97 is the same as that described in *ENF 2.11.1G* to *ENF 2.11.2G* in the context of investigators appointed by the *FSA* under powers contained in other Parts of the *Act*.

Control and direction of the investigation

21.3.4 G The *FSA* has powers under section 170 of the *Act* to control and direct investigators appointed under section 97 (see *ENF 2.11.4G* and *ENF 2.11.5G* for a summary of the powers under sections 170(7) and (8)).

21.4 The FSA's obligations, powers and policy on various further matters related to investigations

Notification to the person under investigation and other matters

21.4.1 G The *FSA's* obligations, powers and policy on various further matters related to investigations under section 97 broadly mirror those described in the following *ENF 2* guidance:

- (1) *ENF 2.12.1G to ENF 2.12.3G, ENF 2.12.6G and ENF 2.12.7G* - Notification of the *person* under investigation.
- (2) *ENF 2.10* – Provisions of the *Act* on *protected items*, banking confidentiality, and admissibility of statements to investigators.
- (3) *ENF 2.14* – Interviews and interview procedures.
- (4) *ENF 2.15* – Powers to enforce requirements and to co-operate with information gathering and investigation powers.

Publicity during and following investigations

21.4.2 G The *FSA* will not normally make public that it is or is not investigating a particular matter under section 97, or the outcome of any such investigation. Its policy in this area is broadly the same as that described in *ENF 2.13* in the context of investigations by the *FSA* under other provisions of the *Act*, subject to the fact that slightly different considerations to those listed at *ENF 2.13.4G* will be applied. Specifically, where it is investigating any matter, the *FSA* will, in exceptional circumstances, make a public announcement that it is doing so if it considers such an announcement is desirable to:

- (1) maintain public confidence in the market; or
- (2) maintain the smooth operation of the market; or
- (3) protect investors; or
- (4) prevent widespread malpractice; or
- (5) help the investigation itself.

The *FSA's* powers to disclose information gathered in investigations

21.4.3 G In accordance with section 349 of the *Act* (Exceptions from section 348), the *FSA* may also make referrals of information gathered under *LR 1.3.1R* and in investigations where circumstances indicate that such a referral is appropriate.

- 21.5 Discipline
- Discipline: general
- 21.5.1 G The disciplinary measures available to the *FSA* are set out in Part VI of the *Act* and consist of:
- (1) financial penalties (described in *ENF* 21.7); and
 - (2) public censures (described in *ENF* 21.8).
- 21.5.2 G Disciplinary sanctions are one of the regulatory tools available to the *FSA*. They are not the only tool, and it may be possible to address instances of non-compliance without recourse to disciplinary action. However, the effective and proportionate use of the *FSA*'s powers to enforce requirements imposed by or under Part VI of the *Act* (including the *Part 6 rules*) will play an important role in supporting the *FSA*'s pursuit of its regulatory functions.
- 21.5.3 G The imposition of financial penalties and the issuance of censures for breaches of the requirements imposed by or under Part VI of the *Act* help to promote high standards of conduct and ensure that regulatory standards are being upheld by deterring *persons* from further breaching the requirements and by demonstrating generally the benefits of compliant *behaviour*. An increased public awareness of regulatory standards may also contribute to the protection of investors.
- Non-disciplinary measures
- 21.5.4 G Non-disciplinary measures are also available to the *FSA* where it considers that it is necessary to take protective or remedial action. These include the following.
- (1) where the smooth operation of the market is, or may be, temporarily jeopardised or where the protection of investors so requires, the *FSA* may suspend, with effect from such time as it may determine, the *listing* of any *securities* at any time and in such circumstances as it thinks fit (whether or not at the request of the *issuer* or its *sponsor* on its behalf);
 - (2) when the *FSA* is satisfied that there are special circumstances which preclude normal regular dealings in any *listed securities*, it may cancel the *listing* of any *security*;
 - (3) where there are reasonable grounds to suspect non compliance with the *disclosure rules*, the *FSA* may require the suspension of trading of a financial instrument with effect from such time as it may determine; and
 - (4) where there are reasonable grounds for suspecting that a provision of Part VI of the *Act*, a provision contained in the *prospectus rules*, or

any other provision made in accordance with the *Prospectus Directive* has been infringed, the *FSA* may:

- (a) suspend or prohibit the offer to the public of transferable securities as set out in section 87K of the *Act*; or
- (b) suspend or prohibit admission of transferable securities to trading on a regulated market as set out in section 87L of the *Act*.

Exercise of powers at request of competent authority of another EEA State

- 21.5.5 G Under section 87P of the *Act* (Exercise of powers at request of competent authority of another EEA State), the *FSA* may exercise its powers under sections 87K and 87L of the *Act* to assist a competent authority of an *EEA State* in the performance of its functions under the law of that State in connection with the *Prospectus Directive*.

Criminal prosecution powers and action for market abuse

- 21.5.6 G The *Act* also provides the *FSA* with criminal prosecution powers in relation to offences under sections 85. These are described in *ENF 15*.
- 21.5.7 G The *FSA* has criminal prosecution powers in relation to *insider dealing and misleading statements and practices*. Additional considerations apply in determining whether the *FSA* will take disciplinary action for cases of alleged *market abuse* (section 123 of the *Act*) (see *ENF 14*).

Private Warnings

- 21.5.8 G In certain cases, despite having concerns regarding the *behaviour* of a *person*, the *FSA* may decide that it is not appropriate, having regard to all the circumstances of the case, to bring formal disciplinary action. For example, the breach may be minor in nature or degree, or the *person* may have taken immediate and full remedial action (although these types of factor by themselves will not determine the course of action taken by the *FSA*). In these types of case, the *FSA* considers that it will be helpful for the *person* to be made aware that they came close to being subject to formal disciplinary action, and may to that end, if appropriate, give a private warning.
- 21.5.9 G The *FSA's* general approach to the content of a private warning in this context and to the relevance of such a warning for disciplinary action in relation to future breaches of provisions imposed by or under Part VI of the *Act* will follow, in broad terms, the approach described in *ENF 11.3.4G* and *ENF 11.3.6G* to *ENF 11.3.9G* in the context of private warnings given to *firms* or *approved persons*.

21.6 Factors relevant to determining whether to take disciplinary action in Part VI cases

- 21.6.1 G In determining whether to take disciplinary action, the *FSA* will consider the full circumstances of each case. A number of factors may be relevant for this purpose. The following list of factors is not exhaustive; not all of these factors may be relevant in a particular case, and there may be other factors that are relevant:
- (1) whether the breach reveals serious or systemic weaknesses in all or part of the *person's* established procedures for compliance with provisions imposed by or under Part VI of the *Act*;
 - (2) whether the *person* has brought the misconduct to the attention of the *FSA*;
 - (3) whether the *person* has admitted the misconduct and provides full and immediate co-operation to the *FSA*;
 - (4) whether the *person* has previously given any undertakings to the *FSA* to do or not to do a particular act or engage or not to engage in particular *behaviour*;
 - (5) whether the *FSA* has previously requested the *person* to take remedial action, and the extent to which such action has been taken;
 - (6) whether the *FSA* has given any *guidance* on the conduct in question and the extent to which the *person* has sought to follow the *guidance* (the *FSA* will not take action against a *person* for *behaviour* in line with current written *guidance* or binding oral *guidance* in the circumstances contemplated by the *guidance*);
 - (7) where other regulatory authorities (including the *FSA* under other regulatory powers) propose to take action in respect of the same or similar breach which is under consideration by the *FSA*, the *FSA* will consider whether their action would be adequate to address the *FSA's* concerns, or whether it would be appropriate for the *FSA* to take its own action.

Action against directors, former directors and persons discharging managerial responsibilities

- 21.6.2 G The primary responsibility for ensuring compliance with Part VI of the *Act*, the *Part 6 rules* or the *prospectus rules*, or a provision otherwise made in accordance with the *Prospectus Directive* or a requirement imposed under such provision rests with the persons identified in section 91(1) and section 91(1A) of the *Act* respectively. Normally therefore, any disciplinary action taken by the *FSA* for contraventions of these obligations will in the first instance be against those persons.

21.6.3 G However, in the case of a contravention by a *person* referred to in section 91(1)(a) or section 91(1)(b)(i) or section 91(1A) of the *Act* ("P"), where the *FSA* considers that another *person* who was at the material time a *director* of P was knowingly concerned in the contravention, the *FSA* may take disciplinary action that *person*. In circumstances where the *FSA* does not consider it appropriate to seek a disciplinary sanction against P (notwithstanding a breach of relevant requirements by such person), the *FSA* may nonetheless seek a disciplinary sanction against any other person who was at the material time a *director* of P and was knowingly concerned in the contravention.

21.6.4 G *Persons* discharging managerial responsibilities within an issuer and their *connected persons*, who has requested or approved the admission of a *financial instrument* to trading on a *regulated market*, and *connected persons* have their own responsibilities under the *disclosure rules*, as set out in *DR 3* for which they are primarily responsible. Accordingly, disciplinary action for a breach of the *disclosure rules* will not necessarily involve the issuer.

Discipline for breaches of Listing Principles

21.6.5 G The *Listing Principles* are set out in *LR 7*. The *Listing Principles* are a general statement of the fundamental obligations of issuers of equities with a primary listing. The *Listing Principles* derive their authority from the *FSA's* rule-making powers set out in section 74(4) of the *Act*. A breach of a *Listing Principle* will make an issuer of equities with a primary listing liable to disciplinary action by the *FSA*.

21.6.6 G In determining whether a *Listing Principle* has been broken, it is necessary to look to the standard of conduct required by the *Listing Principle* in question. Under each of the *Listing Principles*, the onus will be on the *FSA* to show that an issuer has been at fault in some way. This requirement will differ depending upon the *Listing Principle*.

21.6.7 G In certain cases, it may be appropriate to discipline an issuer on the basis of the *Listing Principles* alone. Examples include the following:

- (1) where there is no detailed *listing rule* which prohibits the *behaviour* in question, but the *behaviour* clearly contravenes a *Listing Principle*;
- (2) where an issuer of equities with a primary listing has committed a number of breaches of detailed rules which individually may not merit disciplinary action, but the cumulative effect of which indicates the breach of a *Listing Principle*.

- 21.7 G Financial penalties in Part VI cases
- Powers to impose penalties
- 21.7.1 G Section 91(1) of the *Act* enables the *FSA* to impose a penalty of such amount as it considers appropriate, if it considers that:
- (a) in relation to a listed security, an issuer of *listed securities* or applicant for *listing*; or
 - (b) in relation to a *financial instrument*:
 - (i) an issuer who has requested or approved the admission of the instrument to trading on a *regulated market*;
 - (ii) a *person discharging managerial responsibilities* within such an issuer; or
 - (iii) a *person* connected to such a person discharging managerial responsibilities;
- has contravened any provision of the *Part 6 rules*.
- 21.7.2 G Section 91(1A) of the *Act* enables the *FSA* to impose a penalty of such amount as it considers appropriate, if it considers that:
- (a) an *issuer of transferable securities*; or
 - (b) a *person offering transferable securities* to the public or requesting their admission to a regulated market; or
 - (c) an applicant for the approval of a prospectus in relation to *transferable securities*; or
 - (d) a *person* on whom a requirement has been imposed under section 87K or 87L; or
 - (e) any other *person* to whom the *Prospectus Directive* applies;
- has contravened a provision of Part VI of the *Act* or of *prospectus rules*, or a provision otherwise made in accordance with the *Prospectus Directive* or a requirement imposed on him under such a provision.
- 21.7.3 G The *Act* provides further that if in such a case the *FSA* considers that another *person*, who was at the material time a *director* of a *person* referred to in section 91(1)(a), (1)(b)(i) or (1A) of the *Act*, was knowingly concerned in the contravention, it may impose on him a penalty of such amount as it considers appropriate (section 91(2)).

Factors relevant to determining the appropriate level of financial penalty

- 21.7.4 G The *FSA* will consider all the relevant circumstances of a case when it determines the level of financial penalty (if any) that is appropriate and in proportion to the contravention in question. The *FSA* does not use a tariff of penalties for different kinds of breach. This is because there are very few cases in which the circumstances are essentially the same and the *FSA* considers that, in general, the use of a tariff for particular kinds of breach would inhibit the flexible and proportionate approach it takes in this area.
- 21.7.5 G Section 93(2) of the *Act* requires that the *FSA*'s policy in determining the amount of a penalty must have regard to:
- (a) the seriousness of the breach in question in relation to the nature of the requirement contravened;
 - (b) the extent to which that contravention was deliberate or reckless; and
 - (c) whether the *person* on whom the penalty is to be imposed is an individual.
- 21.7.6 G The *FSA* will consider any of the following factors that may be relevant to the circumstances of a case when it determines the amount of a penalty to be imposed on a *person*. The following list is not exhaustive; not all of these factors may be relevant in a particular case, and there may be other factors that are relevant:
- (1) (The seriousness of the misconduct) The *FSA* recognises the need for a financial penalty to be proportionate to the nature and seriousness of the breach in question and that, by their nature, some breaches may be more serious than others. The following may be relevant:
 - (a) the duration and frequency of the breach;
 - (b) whether the breach revealed serious or systemic weaknesses in the *person's* procedures;
 - (c) the impact of the breach on the orderliness of capital markets, including whether public confidence in those markets has been damaged;
 - (d) the loss or risk of loss caused to investors or other market participants; and
 - (e) the extent to which the breach departs from current market practice.
 - (2) (The extent to which the breach was deliberate or reckless) In

determining whether a breach was deliberate, the *FSA* may have regard to whether the *behaviour* of the *person* was intentional; that is, whether the *person* intended or foresaw the consequences of their *behaviour*. The matters to which the *FSA* may have regard in determining whether a breach was reckless include, but are not limited to, whether the *person*:

- (a) failed to comply with the *issuer's* or applicant's procedures and/or *FSA guidance*;
- (b) took decisions beyond their field of competence; and
- (c) gave consideration to the consequences of the *behaviour* that constitutes the breach.

If the *FSA* decides that the conduct was deliberate or reckless, it is more likely to impose a higher penalty on the *person* than would otherwise be the case.

- (3) (Whether the person on whom the penalty is to be imposed is an individual) Individuals will not always have the resources of a *body corporate* and this will be taken into account when determining the amount of a penalty. This will be of particular relevance when assessing any verifiable evidence of serious financial hardship or financial difficulties if the individual were to pay the level of penalty decided on in respect of the particular breach.
- (4) (The circumstances of the person on whom the penalty is to be imposed) The *FSA* will have regard to the size, financial resources and other circumstances of the *person*, and may take into account verifiable evidence of serious financial hardship or financial difficulties if the *person* were to pay the level of penalty associated with the particular breach. Size and resources may be relevant considerations for the following reasons:
 - (a) the degree of seriousness of a breach may be linked to the size of the *issuer* or of the applicant. For example, a systemic failure in a large issuer or large applicant could damage or threaten to damage a much larger number of investors than would be the case with a small *issuer* or small applicant. In considering seriousness, the *FSA* will have regard to the length of time over which the breach occurred;
 - (b) the size and resources of the *person* may also be relevant in relation to mitigation, in particular what steps the *person* took after the breach had been identified. The *FSA* will take into account what it is reasonable to expect from the *person* in relation to its size and resources and factors such as what proportion of a *person's* resources were used to resolve a problem; and

- (c) the purpose of a penalty is not to render a *person* insolvent or threaten their solvency. Where this would be a material consideration, the *FSA* will consider, having regard to all other factors, whether a lower penalty would be appropriate. This is most likely to be relevant to *persons* with less financial resource. However, if a *person* reduces their net worth with the purpose of reducing its ability to pay a financial penalty, for example by transferring assets to group companies or third parties, the *FSA* will take account of those transferred assets when determining the amount of a penalty.
- (5) (The amount of profits accrued or loss avoided) The *FSA* may have regard to the amount of profits accrued or loss avoided as a result of the breach. For example:
 - (a) the *FSA* will propose a penalty which is consistent with the principle that a *person* should not benefit from their breach; and
 - (b) the penalty should also act as an incentive to the *person* (and others) to comply with regulatory standards.
- (6) (Conduct before the breach) The *FSA* may have regard to any professional advice that was sought by the *person* before the breach occurred and whether the *person* followed that professional advice.
- (7) (Conduct following the breach) The *FSA* may also take into account the conduct of the *person* in bringing the breach to the *FSA*'s attention, including:
 - (a) whether the *person* brought the breach to the attention of the *FSA*;
 - (b) how quickly, effectively and completely the *person* brought the breach to the *FSA*'s attention;
 - (c) the degree of co-operation the *person* showed during the investigation of the breach; and
 - (d) any remedial steps the *person* has taken since the breach was identified, including: identifying whether investors suffered loss, compensating them, taking disciplinary action against staff involved (if appropriate) and ensuring that similar problems cannot arise in the future.
- (8) (Disciplinary record and compliance history) The *FSA* may take into account the previous disciplinary record and general compliance history of the *person*, including whether the *FSA* has taken any

previous formal disciplinary action against the *person*. For example, the disciplinary record of the *person* could lead to the *FSA* increasing the penalty where that *person* has committed similar breaches in the past.

(9) (Previous action taken by the *FSA*) The *FSA* will seek to ensure consistency when it determines the appropriate level of penalty. If it has taken disciplinary action previously in relation to a similar breach, this will clearly be a relevant factor.

(10) (Action by other regulatory authorities) Where action by other regulatory authorities relates to the *person* in question, this may be taken into consideration.

21.8 Public statements of censure

Censuring instead of imposing a penalty

21.8.1 G The *Act* provides that instead of imposing a penalty, the *FSA* may publish a statement of censure (section 91(3)). Where the *FSA* considers it inappropriate to impose a financial penalty on a *person*, it may consider that a statement censuring that *person* may have particular value.

Sponsors

21.8.2 G The *FSA* has no statutory power to impose a financial penalty on a *sponsor*. As such any references in *ENF* 21 to financial penalties being a disciplinary sanction, or an alternative disciplinary sanction, do not apply to *sponsors*. However, the *Act* enables the *FSA* to publish a statement censuring a *sponsor* (under section 89 of the *Act* (Public censure of sponsor)) where it considers that the *sponsor* has contravened any requirement imposed on him by *listing rules* made as a result of section 88(3)(c) of the *Act*.

Censuring for failure to comply with obligations under Part VI

21.8.3 G The *Act* further provides that where the *FSA* considers that a *person* identified in section 87M of the *Act* has failed to comply with his obligations under Part VI of the *Act*, it may publish a statement to that effect (section 87M).

Factors in determining whether to issue a public censure

21.8.4 G The *FSA* regards the decision to issue a statement of censure as a serious sanction. The *FSA* is aware of the effect such a statement may have on the reputation or business of such a *person*.

21.8.5 G The criteria the *FSA* may take into account when determining whether it is appropriate to issue a public censure are similar to those for determining the level of financial penalty listed in *ENF* 21.7.6G. The starting point is that the *FSA* will consider all the relevant circumstances of the breach. Some particular considerations may be relevant when the *FSA* determines whether

to issue a public censure rather than (in the case only of *persons* who may be the subject of a financial penalty under section 91(1) of the *Act*) impose a financial penalty. The following list is not exhaustive; not all of these factors may be relevant in a particular case, and there may be other factors that are relevant:

- (1) if the *person* has made a profit or avoided a loss as a result of the misconduct, this may be a factor in favour of a financial penalty, on the basis that a *person* should not be permitted to benefit from their misconduct;
- (2) if the misconduct is more serious in nature or degree, this may be a factor in favour of a financial penalty, on the basis that the sanction should reflect the seriousness of the misconduct: other things being equal, the more serious the misconduct, the more likely the *FSA* is to impose a financial penalty;
- (3) if the *person* has brought the misconduct to the attention of the *FSA*, this may be a factor in favour of a public censure, depending upon the nature and seriousness of the misconduct;
- (4) if the *person* has admitted the misconduct and provides full and immediate co-operation to the *FSA*, this may be a factor in favour of a public censure, depending upon the nature and seriousness of the misconduct;
- (5) if the *person* has a poor disciplinary record or compliance history (for example, where the *FSA* has previously brought disciplinary action in relation to the same or similar *behaviour*) this may be a factor in favour of a financial penalty, on the basis that it may be particularly important to deter future cases;
- (6) if the *person* has inadequate means (excluding any manipulation or attempted manipulation of their assets) to pay the level of financial penalty which their misconduct would otherwise attract, this may be a factor in favour of a lower level of financial penalty or a public censure. However, it would be in an exceptional case that the *FSA* would be prepared to agree to impose a public statement rather than a financial penalty, if a financial penalty would otherwise be the appropriate sanction. Examples of such exceptional cases could include:
 - (a) verifiable evidence that a *person* would suffer serious financial hardship if the *FSA* imposed a financial penalty;
 - (b) the likelihood of a severe adverse impact on a *person's* shareholders or a consequential impact on market confidence or market stability if the *FSA* imposed a financial penalty. However, this does not exclude the imposition of a financial penalty which will have an impact

on a *person's* shareholders.

- 21.9 Action involving other regulatory authorities
- 21.9.1 G The *FSA's* policy on action involving other regulatory authorities mirrors that set out in *ENF 11.8.1G* to *ENF 11.8.5G* in this context.
- 21.10 G Cancellation of approval as a sponsor
- Cancellation of approval: general
- 21.10.1 G The *FSA* may cancel a *sponsor's* approval if it considers that a *sponsor* has failed to meet the criteria for approval as a *sponsor* as set out in *LR 8.6.5R*.
- 21.10.2 G The *FSA* recognises that its decision to cancel a *sponsor's* approval may have a substantial impact on the *sponsor*.
- Criteria the *FSA* will consider
- 21.10.3 G When considering whether to cancel a *sponsor's* approval, the *FSA* will take into account all relevant factors, including, but not limited to, the following:
- (1) the competence of the *sponsor*;
 - (2) the adequacy of the *sponsor's* systems and controls;
 - (3) the *sponsor's* history of compliance with the *listing rules*;
 - (4) the nature, seriousness and duration of the suspected failure of the *sponsor* to meet (at all times) the criteria for approval as a *sponsor* set out in *LR 8.6.5R*;
 - (5) any matter which the *FSA* could take into account if it were considering an application for approval as a *sponsor* made under section 88(3)(d) of the *Act*.

Annex M

Amendments to the Decision Making manual

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

1.1.1 G ... It is relevant to *firms, approved persons*, applicants for *Part IV permission, persons* for whom an application for approval under section 59 of the *Act* has been made, persons that are subject to the requirements set out in the *Part 6 rules*, and other *persons*, whether or not they are regulated by the *FSA*. ~~The *UKLA's* procedure for giving *statutory notices* under Part VI of the *Act* (Official listing) is set out in the *listing rules* and related *guidance*.~~

...

DEC 2: Annex 1G

List of warning notices and decision notices under the Act (~~other than Part VI~~) and certain other enactments

Section of the Act	Description	Handbook reference	Decision maker
...			
<u>67(1)/(4)</u>	...	...	...
<u>76(4)/(5)</u>	<u>when the <i>FSA</i> is proposing/deciding to refuse an application for <i>listing of securities</i></u>	<u><i>LR 2</i> and <u>3</u></u>	<u><i>RDC</i></u>
<u>78(10)/(11) (a)</u>	<u>when the <i>FSA</i> has suspended the <i>listing of securities</i> and is proposing/deciding to refuse an application by an <i>issuer</i> for cancellation of the suspension</u>	<u><i>LR 5</i></u>	<u><i>RDC/Executive procedures</i></u>
<u>87M(2)/(3)</u>	<u>when the <i>FSA</i> is proposing/deciding to publish a statement censuring an <i>issuer</i> of <i>transferable securities</i>, a <i>person</i> offering <i>transferable securities</i> to the public or a <i>person</i> requesting the admission of <i>transferable securities</i> to trading on a <i>regulated market</i>.</u>	<u><i>ENF 21</i></u>	<u><i>RDC</i></u>
<u>88(4)</u>	<u>when the <i>FSA</i> is proposing/deciding to (1) refuse a <i>person's</i> application for approval as a <i>sponsor</i>; or (2) on its own initiative, cancel a <i>person's</i> approval as a <i>sponsor</i></u>	<u><i>LR 8</i></u>	<u><i>RDC</i></u>
<u>88(4)</u>	<u>when the <i>FSA</i> is proposing/deciding to cancel a</u>	<u><i>ENF 21</i></u>	<u><i>Executive</i></u>

	<u>person's approval as a sponsor at the sponsor's request</u>		<u>procedures</u>
89(2)/(3)	<u>when the FSA is proposing/deciding to publish a statement censuring a sponsor</u>	<u>ENF 21</u>	<u>RDC</u>
92(1)/(4)	<u>when the FSA is proposing/deciding to take action against any person described under section 91 for breach of LR</u>	<u>ENF 21</u>	<u>RDC</u>

...

DEC 3 Annex 1G

Statutory notice procedure: Supervisory notice procedure

Section of the Act	Description	Handbook reference	Decision maker
...			
<u>53(4)/(7)/(8)(b)</u>	...	...	...
<u>78(2)/(5)</u>	<u>when the FSA is proposing/discontinues the listing of a security</u>	<u>LR 5</u>	<u>RDC/ Executive procedures</u>
<u>78(2)/(5)</u>	<u>when the FSA is proposing/suspends the listing of a security</u>	<u>LR 5</u>	<u>Executive procedures</u>
<u>87O(2)/(5)</u>	<u>when the FSA is proposing/deciding to exercise or deciding to maintain, vary or revoke any of the powers in sections 87K or 87L in respect of an infringement of any applicable provision.</u>	<u>PR 5</u>	<u>Executive procedures</u>
<u>96C</u>	<u>when the FSA is proposing/suspends trading in a financial instrument</u>	<u>DR</u>	<u>Executive procedures</u>

...

4.1.4 G The RDC has responsibility for *statutory notice decisions* and *statutory notice associated decisions* if the FSA proposes or takes any of the following actions:

...

(18) ...; and

- (19) ...;
- (20) to refuse an application for *listing of securities*;
- (21) to discontinue the *listing of securities* on the FSA's own initiative;
- (22) to publish a statement censuring an *issuer of transferable securities*, a *person offering transferable securities* to the public or a *person requesting the admission of transferable securities* to trading on a *regulated market*;
- (23) to refuse an application for approval as a *sponsor*;
- (24) to cancel a *person's* approval as a *sponsor* on the FSA's own initiative;
- (25) to publish a statement censuring a *sponsor*; and
- (26) to impose a financial penalty or to issue a statement censuring a *person* for breach of any requirement set out in *LR*.

Examples of allocation of decision making

- 4.1.8 G Examples of matters decided by *executive procedures* (where the FSA decides or is required to use the statutory powers in question rather than to achieve the action required in other ways, for example through individual *guidance* or securing the agreement of a *firm* to take action on a voluntary basis) include:

- ...
- (6) ...; ~~and~~
 - (7) ...;
 - (8) suspending the *listing of securities*;
 - (9) suspending trading in a *financial instrument*;
 - (10) discontinuing the *listing of securities* at the *issuer's* request;
 - (11) exercising any of the powers in sections 87K or 87L of the *Act* in respect of an infringement of any applicable provision;
 - (12) cancelling a *person's* approval as a *sponsor* at the *sponsor's* request; and
 - (13) refusing an application by an *issuer* for cancellation of a suspension of *listing* made under s. 77 of the *Act*.
- ...

4.3.7A G The following decisions will be taken by an individual FSA staff member under executive procedures:

- (1) the suspension of *listing* on the FSA's own initiative or at the request of the *issuer*;
- (2) the suspension of trading in a *financial instrument*;
- (3) the discontinuance of *listing of securities* at the issuer's request;
- (4) the exercise of any of the powers in sections 87K or 87L of the Act in respect of a breach of any applicable provision;
- (5) the cancellation of a *person's* approval as a *sponsor* at the *sponsor's* request; and
- (6) the refusal of an application by an *issuer* for cancellation of a suspension of *listing* made under section 77 of the Act.

Annex N

Amendments to the Collective Investment Schemes sourcebook

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

Eligible markets: requirements

5A.3.3 R (1) A *securities* market is *eligible* for the purposes of the *rules* in this sourcebook if it is a market established in an *EEA State* on which *transferable securities* admitted to ~~official listing~~ the official list in the *EEA State* are *dealt* in or traded.

(2) ...

...

Annex O

Amendments to the Credit Unions sourcebook

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

App 1.1 This is the table referred to in CRED 2.2.2 G

1.1.1 Table

	Sourcebook or manual	Reference code
Specialist sourcebooks	...	...

	United Kingdom Listing Authority	UKLA
<u>Listing, Prospectus and Disclosure</u>	<u>Listing Rules</u>	<u>LR</u>
	<u>Prospectus Rules</u>	<u>PR</u>
	<u>Disclosure Rules</u>	<u>DR</u>

Annex P

Amendments to the Electronic Money sourcebook

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

1.5.2 G Application of other parts of the Handbook to *ELMIs*

Block	Module	Application
Block 1 (High level standards)	...	...
Block 2 (Business Standards)	...	...
Block 3 (Regulatory processes)	...	...
Block 4 (Redress)	...	...
Block 5 (Specialist sourcebooks (other than ELM))	...	...
<u>Listing, Prospectus and Disclosure</u>	<u>Listing Rules (LR)</u>	<u>May apply if the <i>ELMI</i> is applying for <i>listing</i> in the <i>United Kingdom</i> or is a <i>listed issuer</i> in the <i>United Kingdom</i>.</u>
	<u>Prospectus Rules (PR)</u>	<u>May apply if the <i>ELMI</i> makes an <i>offer of transferable securities to the public</i> in the <i>United Kingdom</i> or is seeking the <i>admission to trading of transferable securities on a regulated market</i> situated or operating in the <i>United Kingdom</i>.</u>
	<u>Disclosure Rules (DR)</u>	<u>May apply if the <i>ELMI</i> is an <i>issuer</i>, any class of whose <i>financial instruments</i> have been <i>admitted to trading on a regulated market</i>, or are the</u>

		<u>subject of an application for admission to trading on a regulated market, other than issuers who have not requested or approved admission of their financial instruments to trading on a regulated market.</u>
--	--	---

...

Annex Q

Amendments to the Recognised Investment Exchanges and Recognised Clearing Houses sourcebook

In this Annex underlining indicates new text and striking through indicates deleted text. Where entire provisions are deleted these are not shown struck through.

2.1.4 G

Location of recognition requirements and guidance

Recognition Requirements Regulations	Subject	Section in REC 2
...
Part I of the Schedule	UK RIE recognition requirements	
...		
Paragraph 5	Disclosure by issuers of securities	2.12
...

...

The provision REC 2.12.3D is deleted in its entirety.

2.12.3 D [deleted]

...

The provision, REC 2.12.13G is deleted in its entirety.

~~Scope of paragraph 5 of the Schedule to the Recognition Requirements Regulations~~

2.12.13 G [deleted]

Annex R

Listing Rules Forms

The following 55 pages of this Annex detail new forms that are referred to in the Listing Rules sourcebook. The text in these forms is not underlined.

The forms are listed in column (1) and are referred to in LR as noted in column (2).

(1)	(2)
Shareholder statement	<i>LR 3.3.3R, 8.4.3R, 8.4.9R</i>
Application for admission of securities to the official list	<i>LR 3.3.2R, 3.4.4R, 3.4.8R, 3.4.9R, 3.5.4R</i>
Block listing six monthly return	<i>LR 3.5.6R</i>
Issuer's declaration	<i>LR 3.3.5R</i>
Pricing statement	<i>LR 3.3.3R, 8.4.3R, 8.4.9R, 8.4.13R</i>
Public sector issuer certificate	<i>LR 3.4.11R</i>
Notification of major interests in shares	<i>LR 9.6.7R, 9.6.8R</i>
Contact details	<i>LR 9.2.11R</i>
Sponsor's confirmation of independence	<i>LR 8.7.12R to 8.7.14R</i>
Sponsor's declaration for the production of a circular	<i>LR 8.4.13R, 13.2.4R</i>
Sponsor's declaration on an application for listing	<i>LR 8.4.3R, 8.4.9R</i>
Sponsor employee application form	<i>LR 8.6.2R</i>
Sponsor firm application form	<i>LR 8.6.2R</i>

SHAREHOLDER STATEMENT

TO BE COMPLETED BY:

1. A *SPONSOR* ON BEHALF OF AN *APPLICANT* THAT IS APPLYING FOR A *PRIMARY LISTING OF EQUITY SHARES* FOR THE FIRST TIME; OR

2. AN *APPLICANT* THAT IS APPLYING FOR:
 - a. A *PRIMARY LISTING OF PREFERENCE SHARES* FOR THE FIRST TIME ; OR
 - b. A *SECONDARY LISTING OF EQUITY SHARES* FOR THE FIRST TIME.

INFORMATION PROVIDED ON THIS FORM MUST BE TYPED OR PRINTED ELECTRONICALLY.

To: The FSA

Date: _____ 20__

Name of <i>applicant</i>:	
Description of <i>security</i>:	
Total number of <i>securities</i> to be admitted:	
Estimated opening price:	
Name of <i>sponsor</i> (if applicable):	
Name(s) of securities house(s) assisting with the marketing (if any):	

Summary of shareholdings:			
	Number of <i>securities</i>	Number of holders	Percentage of issued <i>equity share capital</i>
Shares in public hands:			
(1) <i>sponsor</i> (including market makers)			
(2) securities house(s) assisting with marketing (if any) (including market makers)			

(3) <i>employees</i> *			
(4) other public *			
SUB TOTAL			
Shares not in public hands: *			
TOTAL			100%

* see LR 6.1.19R to LR 6.1.20G

SIGNED BY _____
 Suitably experienced *employee*/duly authorised officer,
 for and on behalf of:

 Name of *sponsor* or name of *applicant*

If you knowingly or recklessly give false or misleading information you may be liable to prosecution.

APPLICATION FOR ADMISSION OF SECURITIES TO THE OFFICIAL LIST

This form should be suitably amended for an *applicant* which is not a public limited company.

Admission to the *official list* will be simultaneous with *admission to trading* on an *RIE's* market for listed securities. You will need to complete a separate application form to apply for trading on a *RIE*.

To: The FSA

Date: _____ 20__

_____ (the *applicant*) hereby applies for the *securities* described below to be admitted to the *official list* of the FSA.

COMPLETE AS APPROPRIATE:

Details of <i>equity shares</i> already admitted to the <i>official list</i>:		
Authorised	Denomination	Issued and paid up
	in	
	in	
	in	
£		£
Details and the legal description of <i>securities</i> for which this application is being made:		
Authorised	Denomination	Issued and paid up (inclusive of present value)
	in	
	in	
£		£
Nominal value	Redemption date	Coupon
£		

Amounts and descriptions of *securities* for which application is now being made (include distinctive numbers if any) where the *securities* are to be issued under a programme, give a description of the programme and the maximum amount of *securities* which may be listed at any one time:

Type of issue for which application is being made:

Please specify where the *applicant* is listed and the nature of the listing:

Primary

Secondary

Please specify on which *markets* the *applicant* has applied to have its *securities* traded:

Confirmation

We acknowledge our obligations arising under the *listing rules* and the legal implications of *listing* under the Financial Services and Markets Act 2000. Accordingly, we confirm that:

- (a) all the conditions for *listing* in the *listing rules* which are required to be fulfilled before the application have been fulfilled in relation to the *issuer* and the *securities* for which application is now made;
- (b) all information required to be included in the *prospectus/listing particulars* has been included or, if the final version has not yet been submitted (or approved), will be included before it is submitted; and
- (c) all the documents and information required to be included in the application have been or will be supplied in line with the *listing rules* and all other requirements of the *FSA* in respect of the application have been or will be complied with.

We undertake to comply with the *listing rules* so far as applicable to the *issuer*.

We undertake to comply with all applicable continuing obligations.

We acknowledge the obligation to comply with the requirement to publish a *supplementary prospectus* or *supplementary listing particulars* if, at any time after a *prospectus* or *listing particulars* have been approved and before dealings in any *securities* covered by this application begin, the *issuer* becomes aware that a significant new factor, material mistake or inaccuracy has arisen or has been noted in relation to the information included in the *prospectus* or *listing particulars*.

SIGNED BY _____
Director/company secretary/suitably experienced employee/duly authorised officer, for and on behalf of:

Name of applicant

Application to be heard on:	
Admission expected to be effective on:	

Name(s) of contact(s) at <i>applicant</i> regarding the application:	
Telephone number(s) of contact(s) at <i>applicant</i> regarding the application:	

Additional Information

Details of how fee's have been paid	
Method	Amount and date
Cheque	
BAC's/CHAP's (reference details required)	
Credit Card	

FTSE Classification (if known)	
FTSE Indices (if known)	
Countries of Secondary Listing (if applicable)	
Accounting Standards used	
Auditing Standards used	

If you knowingly or recklessly give false or misleading information you may be liable to prosecution.

BLOCK LISTING SIX MONTHLY RETURN

INFORMATION PROVIDED ON THIS FORM MUST BE TYPED OR PRINTED ELECTRONICALLY.

To: The FSA

Date: _____20__

AVS No:			
Name of <i>applicant</i> :			
Name of scheme:			
Period of return:	From:	To:	
Balance under scheme from previous return:			
The amount by which the block scheme has been increased, if the scheme has been increased since the date of the last return:			
Number of <i>securities</i> issued/allotted under scheme during period:			
Balance under scheme not yet issued/allotted at end of period			
Number and <i>class</i> of <i>securities</i> originally listed and the date of admission			
Total number of <i>securities</i> in issue at the end of the period			

Name of contact:	
Address of contact:	
Telephone number of contact:	

SIGNED BY _____
Director/company secretary/suitably experienced employee/duly authorised officer, for and on behalf of

Name of applicant

If you knowingly or recklessly give false or misleading information you may be liable to prosecution.

ISSUER'S DECLARATION

This declaration may be amended to meet individual cases. Paragraph 7 may be deleted where appropriate.

To: The FSA

Date: _____20__

I, _____ a *director*/the secretary of _____ [name of *applicant*], declare as follows:

1. that to the best of my knowledge, information and belief (having taken reasonable care to ensure that this is the case), compliance has been made with all other legal requirements in connection with such issue/offer/placing/introduction;
2. that all applicable conditions for *listing* set out in *LR 2* and, if applicable, *LR 6* have been fulfilled in relation to the *applicant* and the *securities* of the *applicant* referred to above;
3. that _____ *shares* of _____ [insert number and *class*] have been subscribed/purchased for cash and fully allotted/transferred to the subscribers/purchasers;
4. that all money due to the *applicant* in respect of the issue/offer/placing has been received by it;
5. that _____ *shares* of _____ [insert number and *class*] have been issued credited as fully paid by way of conversion/exchange/consideration for property acquired/other consideration not being cash and have been duly allotted/transferred to the persons entitled to them;
6. that the definitive documents of title have been/are ready to be delivered;
7. that completion has taken place of the purchase by the *applicant* of all property stated in the *prospectus*, or *listing particulars* to members dated _____ 20__ as having been purchased or agreed to be purchased by it and the purchase consideration for all such property has been duly satisfied;
8. that all *shares* of each *class* referred to above are in all respects identical*;
9. that no alterations have been made to the *prospectus*, or *listing particulars* approved for publication by the *FSA* other than in relation to the pricing of the issue or takeover offer, number of *securities*, figures depending on such information, and correction of errors; and

10. that there are no other facts bearing on the *applicant's* application for *listing* of such *securities* which, in my opinion, should be disclosed to the *FSA*.

SIGNED BY _____

Director/company secretary/suitably experienced employee/duly authorised officer, for and on behalf of

Name of applicant

If you knowingly or recklessly give false or misleading information you may be liable to prosecution.

* In this context identical means:

- a) the *securities* are of the same nominal value with the same amount called up or paid up;
- b) they are entitled to dividend/interest at the same rate and for the same period, so that at the next ensuing distribution, the dividend/interest payable per unit will amount to exactly the same sum (gross and net); and
- c) they carry the same rights as to unrestricted transfer, attendance and voting at meetings and are *pari passu* in all other respects.

PRICING STATEMENT

TO BE COMPLETED BY:

- 1. A SPONSOR ON BEHALF OF AN APPLICANT THAT HAS A PRIMARY LISTING THAT IS PLACING EQUITY SHARES OF A CLASS ALREADY LISTED; OR**
- 2. AN APPLICANT THAT HAS A SECONDARY LISTING THAT IS PLACING EQUITY SHARES OF A CLASS ALREADY LISTED.**

INFORMATION PROVIDED ON THIS FORM MUST BE TYPED OR PRINTED ELECTRONICALLY.

To: The FSA

Date: _____20__

1.	Name of <i>applicant</i>:		
2.	Description of <i>equity shares</i>:		
3.	Total number of <i>equity shares</i> being placed:		
4.	Net price to the <i>applicant</i> or vendor:		
5.	Estimated opening price:		
6.	Name of <i>sponsor</i> (if applicable):		
7.	Name(s) of securities house(s) assisting with the marketing (if any):		
8.	Name(s) of market makers offered <i>equity shares</i>:		
9.	<i>Placing of further equity shares for cash:</i>	Market price with placing arranged	
		Date when placing arranged	20__
10	<i>Vendor consideration placing:</i>	Price at which allotted to vendor	
		Price at which placed	

		with clients	
		Market price when placing arranged	
		Date when placing arranged	20__

The net price should represent the effective issue price to the *applicant*, or where applicable, the effective sale price to the vendor(s).

SIGNED BY _____
 suitably experienced *employee*/duly authorised officer,
 for and on behalf of:

 Name of *sponsor* or name of *applicant*

If you knowingly or recklessly give false or misleading information you may be liable to prosecution.

PUBLIC SECTOR ISSUER CERTIFICATE

Certificate to be given by a regional or local authority in an *offer for subscription* or an *offer for sale*.

To: The FSA

Date: _____ 20__

Full name of issuer: _____

In connection with the issue of _____ stock of _____ (name of *issuer*) we certify that arrangements to the following effect have been duly made:

(i) **In the case of an *offer for subscription*:** All monies received by _____ bank/issuing house under the offer dated _____ on behalf of _____ and to which the latter are entitled will be paid to the _____ bank at _____ being the ordinary bankers of _____ for credit to a special account which has been opened in the name of the stock within the following periods:

- (a) monies paid before allotment – three days after allotment; and
- (b) all other monies – 24 hours after collection.

In the case of an *offer for sale*: Allotment letters and scrip certificates are being issued by _____ and on behalf of _____ . No such document will be issued until _____ has paid to _____ at _____ being the ordinary bankers of _____ for credit to a special banking account which has been opened in the name of the stock all sums due from _____ in respect of the amount certified in the document to have been paid by the holder.

- (ii) _____ bank/issuing house will:
- (a) supply the registrar of the *issuer* as early as practicable with a complete record of the scrip certificates it issued – showing in each case the number and other identification mark of the certificate, the amount of stock to which it relates and a description of the manner in which it has been authenticated;
 - (b) notify, immediately payment has been made in full on any scrip certificate, the registrar and (if the bank, or issuing house are also registrars of the stock)

_____ bank/issuing house who are the duly appointed registrars of the stock; and

- (c) issue scrip certificates within 21 days of allotment, bearing:
- (i) an autographic signature either of an officer of the authority or of an officer (duly authorised by the authority) of the issuing house or bank; or
 - (ii) where mechanical signatures are applied, the initials of a responsible officer of the authority or of the issuing house or bank or both.
 - (iii) The registrar will not register or inscribe any person as a holder of the stock except when fully-paid scrip certificates for that amount are surrendered for cancellation. If a scrip certificate is lost or destroyed, the registrar may not register or inscribe the person claiming to be the holder of the lost or destroyed scrip earlier than the first day on which scrip certificates can be lodged for registration or inscription. The registrar can only do this if the person claiming to be the holder provides such indemnity as may be required.

If scrip certificates are not to be issued, amend by substituting 'fully paid allotment letters' for 'scrip certificates'.

SIGNED BY _____
Duly authorised officer,
for and on behalf of:

Name of *issuer*

If you knowingly or recklessly give false or misleading information you may be liable to prosecution.

NOTIFICATION OF MAJOR INTERESTS IN SHARES

All relevant boxes should be completed in block capital letters.

1. Name of <i>listed company</i>		2. Name of shareholder with a major interest	
3. Please state whether notification indicates that it is regarding the holding of the shareholder named in 2 above; in respect of a non-beneficial interest; or in the case of an individual holder if it is a holding of that <i>person's</i> spouse or children under the age of 18		4. Name of the registered holder(s) and, if more than one holder, the number of <i>shares</i> held by each of them	
5. Number of <i>shares</i> /amount of stock acquired	6. Percentage of issued <i>class</i> (any <i>treasury shares</i> held by the <i>listed company</i> should not be taken into account when calculating percentage)	7. Number of <i>shares</i> /amount of stock disposed	8. Percentage of issued <i>class</i> (any <i>treasury shares</i> held by the <i>listed company</i> should not be taken into account when calculating percentage)
9. <i>Class of security</i>		10. Date of transaction	11. Date <i>listed company</i> informed
12 Total holding following this notification		13 Total percentage holding of issued <i>class</i> following this notification (any <i>treasury shares</i> held by the <i>listed company</i> should not be taken into account when calculating percentage)	

CONTACT DETAILS

Under *LR 9.2.11R* a *listed company* must ensure that the *FSA* is provided with up-to-date contact details of at least one appropriate person it has nominated to act as the first point of contact with the *FSA* in relation to the *listed company's* compliance with the *listing rules* and *disclosure rules*.

A *listed company* should consider *LR 9.2.12G* when nominating a person under *LR 9.2.11R*.

All persons nominated should be contactable on *business days* between the hours of 7am and 7pm.

Please complete all relevant boxes in block capital letters.

Name of listed company

Contact details

Name

Company name

(if different to listed company)

Switchboard number

Direct line

Mobile

Additional contact details (if applicable)

Name

Company name

(if different to
listed company)

Switchboard
number

Direct line

Mobile

Please send or fax this form to:

Company Monitoring, Markets Division,
The Financial Services Authority
25 The North Colonnade
Canary Wharf
London, E14 5HS

Fax: 020 7066 8368

If you have any questions about this form, please call Company Monitoring on 020 7066 8333, Option 4.

SPONSOR'S CONFIRMATION OF INDEPENDENCE

To: The FSA

Date: _____ 20__

Full name of *sponsor*: _____

Full name of *listed company or applicant*: _____

I, _____, a suitably experienced *employee* of the *sponsor* or an officer duly authorised to give this declaration confirm, having made all reasonable enquiries and having regard to LR 8.3.6R and LR 8.3.7G, that:

1. _____ (name of *sponsor*) and any other *company* in the *sponsor's group* is independent of the *listed company or applicant* and any other *company* in the *listed company or applicant's group*;
2. none of the *directors*, partners or *employees*, or any of the *directors*, partners or *employees* of any other *company* in the *sponsor's group*, involved in the provision of *sponsor* services has a material interest in the *listed company or applicant* or any other *company* in the *listed company or applicant's group*;
3. there are no other matters of which we are aware, having made all reasonable enquiries, which may affect our independence from the *listed company or applicant* or any other *company* in the *listed company or applicant's group*.

SIGNED BY: _____
Suitably experienced *employee*/duly authorised officer

Name of *sponsor*

Confirmation of independence by the Compliance Department

I, _____, being a duly authorised compliance officer of the *sponsor*, confirm that I am satisfied that the information provided on this Confirmation of Independence is accurate and complete.

SIGNED BY _____
Compliance Officer
for and on behalf of:

Name of *sponsor*

If you knowingly or recklessly give false or misleading information you may be liable to prosecution.

SPONSOR'S DECLARATION FOR THE PRODUCTION OF A CIRCULAR

To: The FSA

Date: _____ 20____

Full name of *sponsor*: _____

Full name of *listed company*: _____

Transaction being undertaken: _____

I, _____ a suitably experienced *employee* of the above *sponsor*, or an officer duly authorised to give this declaration, confirm that we have:

- provided all the necessary services described in *LR 8.2*, *LR 8.3* and *LR 8.4* with due care and skill;
- come to a reasonable opinion, based on our professional experience and 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 rules*; and
 3. the *directors* of the *listed company* have a reasonable basis on which to make the working capital statement required by *LR 9.5.12R*, *LR 13.4.1R* or *LR 13.7.1R*.

I confirm that we have maintained adequate and appropriate records in relation to this transaction that show the basis of our reasonable opinion of the matters set out above.

I also confirm that all matters known to us which, in our opinion, should be taken into account by the *FSA* in considering this transaction have been disclosed with sufficient prominence in the circular or otherwise in writing to the *FSA*.

SIGNED BY _____
Suitably experienced *employee*/duly authorised officer

Name of *sponsor*

If you knowingly or recklessly give false or misleading information you may be liable to prosecution.

SPONSOR'S DECLARATION ON AN APPLICATION FOR LISTING

To: The FSA

Date: _____ 20____

Full name of *sponsor*: _____

The undersigned request that you will allow _____ (number) *equity securities* of _____ (denomination) each of _____ (name of *applicant*) to be admitted to the *Official List*.

Type of issue for which the application is being made _____

I, _____ a suitably experienced *employee* of the above *sponsor*, or an officer duly authorised to give this declaration, confirm that we have:

- provided all the necessary services set out in *LR 8.2*, *LR 8.3* and *LR 8.4* with due care and skill;
- taken reasonable steps to satisfy ourselves that the *directors* of the *applicant* understand the nature and extent of their responsibilities under the *listing rules* and *disclosure rules*;
- come to a reasonable opinion, based on our professional experience and 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 a reasonable basis on which to make the working capital statement required by *LR 6.1.16R*;
 4. the *directors* of the *applicant* have established procedures which enable the *applicant* to comply with the *listing rules* and the *disclosure rules* on an ongoing basis**; and
 5. 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***.

I confirm that we have maintained adequate and appropriate records in relation to this application that show the basis of our reasonable opinion of the matters set out above.

I also confirm that all matters known to us which, in our opinion, should be taken into account by the FSA:

(a) in considering the application for *admission to listing*; and

(b) in deciding whether the *admission* of the *equity securities* would be detrimental to investors' interests;***

have been disclosed with sufficient prominence in the *prospectus* or otherwise in writing to the *FSA*. Should any further information come to our notice before *admission to listing*, I will inform the *FSA* immediately.

The *equity securities* in respect of which the application for *admission to listing* is being made will be included in the _____ section of the daily *official list*.

SIGNED BY _____
Suitably experienced *employee*/duly authorised officer

Name of *sponsor*

If you knowingly or recklessly give false or misleading information you may be liable to prosecution.

*Paragraph 2 may be deleted if the *home Member State* of the *applicant* is not, or will not be, the *United Kingdom*.

**Paragraphs 4 and 5 may be deleted if the *applicant* is not a *new applicant*.

***Paragraph (b) may be deleted if the *applicant* is not a *new applicant*.

To be completed in all cases

Application to be heard on: _____ 20__

Admission expected to become effective on: _____ 20__

Name of contact at *sponsor* regarding application: _____

Telephone number: _____

Sponsor Employee Application Form

This form is to be completed by a *sponsor* or a *sponsor* applicant when:

- A an initial Sponsor Firm Application Form is submitted by a *sponsor* applicant; or
- B a staff member is to be named by a *sponsor* as being a suitably experienced *employee*.

1. Name of *sponsor*

--

2. Individual's full name

Title	First name(s)	Surname
Job Title		Date of Birth
Tel:	e-mail:	Fax:

3. Primary contact at *sponsor*

Name:	Title:	Telephone number:	e-mail:
-------	--------	-------------------	---------

4. Responsibilities (Include here a summary of the individual's role and responsibilities on:

- transactions which require the appointment of a *sponsor* (see *LR 8.2.1*. In this form these transactions are referred as *Listing Rule Transactions*);
- transactions where a *prospectus* is required under the *Prospectus Directive*; and
- transactions which are similar in terms of size and complexity to those transactions set out in *LR 8.2.1* including whether he/she is authorised, where appropriate, to give signed declarations to the *FSA* on behalf of the *sponsor*)

[Redacted area]

5. Qualifications

Provide details of any professional or business qualifications and/or memberships of any professional bodies, exchanges or trade associations obtained.*

[Redacted area]

7. Transaction history

Describe recent experience gained acting in a senior capacity under the employment of a *sponsor* on *Listing Rule Transactions* where the individual provided advice and services on *Listing Rule Transactions*.

The *FSA* may also consider other complementary experience gained by the individual where it is demonstrated to the *FSA's* satisfaction that the individual has acted in a senior capacity, providing advice and services in a competent manner on transactions similar in terms of size and complexity to *Listing Rule Transactions*. Where an individual needs to rely on transactions of the type set out in *LR 8.6.9(2)(a)* and *(b)* to demonstrate competence, the *FSA* will require as a minimum that the individual has recent experience of one *Listing Rule Transaction* where the individual has acted as the eligible employee or suitably experienced *employee* and is the only individual to claim the transaction as evidence of their experience. An example of a transaction that would be considered similar in terms of size and complexity is an admission of a *company* to *AIM* where the individual was involved (as a *NOMAD*) in a senior capacity.

When completing this section please detail the role and responsibilities of the individual on the transaction, in particular, whether he or she was acting in the capacity of a suitably experienced *employee* or eligible employee. Please also indicate for each transaction whether the individual is the sole employee of the *sponsor* to claim the transaction or whether other *employees* are citing the transaction as evidence of their experience.

Listing Rule Transactions	Role undertaken on transaction and experience gained.	Named <i>sponsor</i> on the transaction	Date	Claimed by other employee?

Transactions where a <i>prospectus</i> is required [under LR 8.6.9(2)(a)]	Role undertaken on transaction and experience gained. Name and contact at relevant regulatory authority that had oversight of the transaction, if not the <i>FSA</i> .	Named adviser on the transaction	Date	Claimed by other <i>employee</i> ?

Other significant transaction [under LR 8.6.9 (2)(b)]	Role undertaken on transaction and experience gained. Name and contact at relevant regulatory authority that had oversight of the transaction, if not the <i>FSA</i> .	Named adviser on the transaction	Date	Claimed by other <i>employee</i> ?

10. Other listing rule experience

Please document below details of any significant dealings the individual has had with the *FSA* that you wish to be taken into consideration. Such experience could include submissions to the UKLA helpdesk on complex class tests or related party issues, or complex circulars vetted by the *FSA* which do not require the appointment of a *sponsor* under *LR 8.2.1*.

Other <i>listing rule</i> experience	Date

11. Is there any other information that may be relevant to the *FSA* in considering this application? If yes, please give details on a separate sheet.

12. Data Protection Act disclosure

For the purposes of complying with the Data Protection Act, please note that any personal information provided to the *FSA* will be used by the *FSA* to discharge its statutory functions under FSMA and other relevant legislation and that it may be disclosed to third parties for those purposes.

13. Monitoring *sponsors* under *LR 8*

Please note that the *FSA* will be evaluating and recording the performance of *sponsor* employees in respect of all contact with the *FSA* but, in particular, contact regarding *Listing Rule Transactions*. This information will be used in assessing the ongoing eligibility of the *sponsor* and will form part of any assessment of an application to gain suitably experienced *employee*

status. Information submitted in relation to this application may also be passed to other regulators to enable them to discharge their functions (see *LR 8.7.5*).

14. Declaration by the individual

I confirm that the information supplied is complete and correct to the best of my knowledge and belief.

I authorise the *FSA* to make such enquiries and seek such further information as it thinks appropriate in the course of verifying the information given in this form. I also understand that the results of these checks may be disclosed to the *sponsor* submitting this application.

I am aware that knowingly or recklessly giving the *FSA* information that is false or misleading in a material particular is a criminal offence.

Individual's full name	Date
Signature	

15. Declaration by the Compliance Officer

I have read Chapter 8 of the *listing rules* and I am satisfied that this individual is considered suitably experienced for the purposes of Chapter 8 of the *listing rules*.

Signature	Date
Name of signatory in block capitals:	
Job Title:	

Please return this form to:

**Sponsor Supervision Team
UK Listing Authority
25 The North Colonnade
Canary Wharf
London E14 5HS**

Tel: 020 7066 8333 (option 5)

8. What is the applicant's target market (e.g. sector, size of issuer etc)?

9. Please describe the applicant's intended activities (e.g. flotations, public offers etc)

10. Describe the experience of the applicant in the last three years with respect to:

- transactions that require or required the appointment of a *sponsor* (see LR 8.2.1. In this form, these transactions are referred to as *Listing Rule Transactions*);
- transactions where a *prospectus* is required under the *Prospectus Directive*; and,
- transactions which are similar in terms of size and complexity to *Listing Rule Transactions* .

Please include the nature of the transaction and the capacity in which the applicant acted (continuing on a separate sheet where necessary).

Transaction	Capacity	Nature of the transaction	Date

11. State the number of *employees* who will be involved in *sponsor* activities excluding administrative *employees*.

12. State the volume and type of *Listing Rule Transactions* the applicant expects to undertake over the next 12 months.

13. Please explain how the applicant will staff *Listing Rule Transactions* including the minimum number of employees that will be assigned to a *Listing Rule Transaction* and the level of experience and seniority of each member of the transaction team.

[Redacted area]

14. State how many suitably experienced *employees* the firm anticipates it will require over the next 12 months to ensure that each *Listing Rule Transaction* is led by a suitably experienced *employee* and the applicant is able to ensure that it can provide the services described in *LR 8.2*, *LR 8.3* and *LR 8.4* to a competent standard at all times. Consideration should be given to the size, number and nature of *Listing Rule Transactions* undertaken and anticipated by the applicant. If the applicant anticipates that it will require more suitably experienced *employees* over the next 12 months than it currently employs, please explain (on a separate sheet) how the applicant intends to address this shortfall. Please note that the *FSA* does not consider that an applicant can demonstrate competence with fewer than two suitably experienced *employees*.

[Redacted area]

15. If the applicant has, or will be entering into any outsourcing agreements or arrangements with a third party please provide details below.

[Redacted area]

16. Please list all individuals who are considered suitably experienced *employees* giving details of any professional qualifications and position within the applicant. Please note that a Sponsor Employee Application Form is required for each *employee* detailed below.

Name	Qualifications	Position

17. Please describe the systems and controls that are in place to ensure the applicant's compliance with all applicable *listing rules* when performing any of the service set out in *LR 8.2, LR 8.3 or LR 8.4 [LR 8.6.12G(3)]*. Please advise when these systems and controls were last reviewed.

[Redacted]

18. Describe the systems and controls that are in place to ensure that adequate records are made and retained (for 6 years) of all matters relating to the provision of any service to a *listed company* or *applicant* [LR 8.6.12(5)].

[Redacted]

[Redacted]

19. Describe the systems and controls that are in place to ensure that employees do not act beyond their proper authority [LR 8.6.16(2)]. Please advise when these systems and controls were last reviewed.

[Redacted]

[Redacted]

20. Describe the systems and controls that are in place to ensure that *employees* performing any of the services set out in LR 8.2, 8.3 & 8.4 are adequately supervised. Please advise when these systems and controls were last reviewed.

[Redacted]

[Redacted]

21. Please describe the systems and controls that are in place to identify and manage conflicts of interest, including the arrangements that are in place to ensure that the applicant is independent of any *listed company* or *applicant* that it wishes to provide *sponsor* services to. Please advise when these systems and controls were last reviewed.

[Redacted]

[Redacted content]

22. Is there any other information that may be relevant to the *FSA* in considering this application? If yes, please give details on a separate sheet.

Yes	No
-----	----

23. Other information required in support of your application which should be submitted with this application form:

- A list of all *employees* involved in *sponsor* activities (excluding administrators) together with an internal organisation plan which clearly details respective responsibilities and reporting lines;
- Details of key decision making/risk mitigation committees relevant to *sponsor* activities;
- A copy of the applicant's Compliance/Procedure manual relevant to *sponsor* activities.

24. Data Protection Act disclosure

For the purposes of complying with the Data Protection Act, please note that any personal information provided to the *FSA* will be used by the *FSA* to discharge its statutory functions under the *Act* and other relevant legislation and that it may be disclosed to third parties for those purposes.

25. Monitoring of *sponsors* under *LR 8*

Please note that the *FSA* will be evaluating and recording the performance of *sponsor employees* in respect of all contact with the *FSA* but, in particular, contact regarding *Listing Rule Transactions*. This information will be used in assessing the ongoing eligibility of the *sponsor* and will form part of any assessment of an application to gain suitably experienced *employee* status. Information submitted in relation to this application may also be passed to other regulators to enable them to discharge their functions (see *LR 8.7.5*).

26. Declaration

I am authorised to make this application for approval as a *sponsor* on behalf of the applicant named in question 1.

I confirm that the information in this application is complete and correct to the best of my knowledge and belief.

I have read Chapter 8 of the *listing rules* and believe that this application conforms to the criteria for approval as a *sponsor* set out in Chapter 8 of the *listing rules*.

I confirm that the applicant has adequate systems and controls in place to ensure that it can carry out the role of *sponsor* in compliance with the principles for *sponsors* as set out in LR 8.3.

I authorise the *FSA* to make such enquiries and to seek such further information as it thinks appropriate to verify the information given on this form.

I am aware that knowingly or recklessly giving the *FSA* information that is false or misleading in a material particular is a criminal offence.

I will notify the *FSA* immediately of any significant change to the information given on this form or accompanying documents.

I understand that the *FSA* may require me to provide further information or documents at any time after I have sent the application and before the applicant have been approved as a *sponsor*,

This declaration must be signed by two *directors* of the applicant, or, in the case of a *partnership*, by two *partners*. One should have overall responsibility for *sponsor* activities; the other should have overall responsibility for compliance.

Name in block capitals

Date

Position

Signature

Name in block capitals

Date

Position

Signature

**Please return this form to:
Sponsor Supervision Team
UK Listing Authority
25 The North Colonnade
Canary Wharf
London E14 5HS
Tel: 020 7066 8333 (option 5)**

Note: Please ensure that the application fee of £4,000 is enclosed with this application.

The *FSA* will usually notify an applicant of its decision on an application for approval as a *sponsor*:

- within one month beginning with the date on which the application is received; or
- if within that period the *FSA* has required the applicant to provide further information in connection with the application, within one month beginning with the date on which that information is provided.

Applicants should be aware that processing an application will take longer if the information and/or documentation submitted to the *FSA*, at any stage of the approval process, is found to be inaccurate or incomplete.

Annex S

Prospectus Rules Forms

The following 6 pages of this Annex detail new forms that are referred to in the Prospectus Rules sourcebook. The text in these forms is not underlined.

The forms are listed in column (1) and are referred to in *PR* as noted in column (2).

(1)	(2)
Form A	<i>PR 3.1.1R</i>
Form B	<i>PR 5.4.2R</i>
Form C	<i>PR 5.4.9R</i>

FORM A

Application for the approval of a prospectus in accordance with Part VI of the Financial Services and Markets Act 2000 (FSMA)

To: **Financial Services Authority**

Date:

_____ [insert name of issuer, offeror, or person seeking admission to trading on a regulated market] (the 'applicant') hereby applies for the draft prospectus¹/registration document/securities note and summary² attached hereto to be approved by the FSA.

Confirmation:

We acknowledge our obligations under FSMA, the Prospectus Directive Regulation and the Prospectus Rules and the legal implications of approval of a prospectus/registration document/securities note and summary under those provisions. Accordingly we confirm, in relation to the application for approval of the attached prospectus/registration document/securities note and summary that:

- (a) the United Kingdom is our Home Member State under the Prospectus Directive;
- (b) all information required to be included in a prospectus/registration document/securities note and summary has been included therein, or if the final version has not yet been submitted, will be included therein prior to submission and
- (c) all the documents and information required to be provided with the application have been or will be supplied in accordance with the Prospectus Rules and all other requirements of the FSA in respect of this application have been or will be complied with; and
- (d) We undertake to lodge with you the board resolution required pursuant to [3.1.1(8)R] of the Prospectus Rules as soon as practicable after approval if this has not been lodged before approval.

Signed

Director or Secretary or other duly authorised officer for and on behalf of

Name of Applicant

Attachments:

- Draft prospectus/registration document/securities note and summary
- The documents referred to in PR 3.1.1
- The applicable fee

¹ References to prospectus in this form include a base prospectus and a supplementary prospectus

² Please delete as appropriate

Form B

Application for the inclusion on the Qualified Investor Register (QIR) in accordance with rule 5.4.3 of the Prospectus Rules

Information

We will put the following information on the FSA's Qualified Investor Register.

Issuers or offerors of securities or their agents can obtain a copy of this register on the condition that it is solely for the purpose of determining whether you are a Qualified Investor, and making an offer of securities to you, in connection with an offer of securities they are making.

As a Qualified Investor, there will be no obligation to publish a prospectus when securities are offered to you and therefore any rights or protections that may accrue to you arising from a prospectus will not apply.

The information marked with an asterisk "*" is mandatory information for inclusion on the register. All information will be included on the copy of register sent to issuers unless otherwise stated. The signing of the attached self-certification form is also mandatory for inclusion.

The information held on this register will be deemed to expire on 30 June of each year. You will be sent a letter confirming that you have been placed on the QIR once we have processed your application.

Individuals

Name*:

Contact address (see below)*:

Your contact address can be a PO Box, your broker's name and address (with your identification number for them) or the address of an adviser/representative (for example your solicitor/accountant/financial adviser).

Email Address†:

Small and Medium Size Enterprises

Company name*:

Contact name and position*:

Registered office address*:

Contact email address†:

† This address will be stored by the FSA but not included in the copy of the register sent out. It will be used to only by the FSA to contact you regarding the QIR.

I/we understand that the information above (unless otherwise stated) will be available on request to the issuers or offerors of securities.

I/we consent that the information may be:

- 1) disclosed by the FSA to an issuer or offeror that applies to view the register; and
- 2) used by the issuer or offeror (or an agent of the issuer or offeror) for the purposes of:
 - (a) determining whether I am/we are a Qualified Investor; or
 - (b) making an offer of securities to me/us,

in connection with an offer of securities to the public by the issuer or offeror.

I/we also accept that the FSA may disclose information to other public authorities, such as other securities regulators, for the purposes of the performance of the FSA's, or their, functions (see section 348 of FSMA).

I/we do not consent to use of the information by the issuer or offeror (or an agent of the issuer or offeror) for any purposes other than those set out above; nor do we consent to disclosure to any other person by the issuer, offeror or their agent, without our express prior permission.

I/we understand that the information given above will remain on the Qualified Investor Register unchanged until 30 June unless I request it to be changed or removed before that date.

Signed:

Date:

To: **Financial Services Authority**

Date:

For Individuals

I _____ certify that I meet at least two of the following criteria:

- I have carried out transactions of a significant size (at least EUR 1,000) on securities market in the UK at an average frequency of, at least 10 per quarter over the previous four quarters;
 - The size of my securities portfolio exceeds EUR 0.5 million;
 - I work or have worked for at least one year in the financial sector in a professional position which requires knowledge of securities investment.
-

For Small and Medium Sizes Enterprises

I/we _____ certify that meets at least two of the following criteria based on our latest annual accounts, for financial year ending _____:

- The average number of our employees is less than 250.
 - Our total balance sheet does not exceed EUR 43, 000,000.
 - Our annual net turnover does not exceed EUR 50,000,000.
-

If you are unsure whether you meet the criteria to become a Qualified Investor we recommend that you seek advice before proceeding with this application. Also, be aware that consenting to be a Qualified Investor will modify your position under the Data Protection Act 1998 because your private data will be available on, and for the purposes of, the Register.

Confirmation

I /we acknowledge that I am/we are aware of the implications of certification as a Qualified Investor under FSMA. In particular, I am/we are aware, that as a Qualified Investor, there is no obligation to publish a prospectus when securities are offered to me/us and therefore any rights that may accrue to me/us under a prospectus will be waived as a result.

Signed

Date

Applicant, director or secretary or other duly authorised officer for and on behalf of

Name of applicant:

For FSA use.

- Application logged
- Information checked
- Register updated
- Application closed

QIR Number: _____

Form C

Application to receive a copy of the Qualified Investor Register (QIR) in accordance with rules 5.4.8 and 5.4.9 of the Prospectus Rules

Information

The information on the Qualified Investor Register (QIR) is designed to facilitate the issue of securities without the requirement to publish a prospectus under the EU Prospectus Directive (2003/71/EC).

It is not to be used for any purpose other than determining whether an investor is a Qualified Investor, and making an offer of securities to the Qualified Investor, in connection with an offer of securities to the public by you.

You must also ensure that the information is kept secure and not disclosed by you or your agent to any other person.

Persons whose names appear on the QIR have certified that they meet the criteria to qualify as Qualified Investors under the Prospectus Directive. Individuals can remove themselves from the QIR at any time and the FSA is only responsible for the accuracy of the QIR at the time it is sent out. If an investor removes themselves from the register within 31 days of you receiving a copy the FSA will send you another copy.

For individuals, the following information will be shown on the QIR: name, QI number and contact address (can be of individual's representative or adviser) or broker identification. For Small and Medium Enterprises (SMEs) the QIR will show: company name, QI number, contact name and registered office address.

To receive a copy of the register please fill out the details below and send this form to the Register Team, FSA, 25 The North Colonnade, Canary Wharf, London, E14 5HS.

There is an administration charge to be paid to receive the QIR.

- To receive a one-off copy of the register, please enclose a cheque for £25.
- To be placed on a year's subscription to receive monthly copies of the QIR, please enclose a cheque for £150.

Cheques should be made out to Financial Services Authority.

The QIR is provided on a spreadsheet (MS Excel 97) and sent out via email only. It is essential, therefore, that you provide us with the email address that we should send the QIR to.

We need all the information requested below to grant your application for the QIR.

Name of Company: _____

Company Address: _____

Email Address: _____

Telephone Number: _____

Please tick the appropriate selection:

- One-off copy at £25 plus V.A.T
- Annual Subscription for monthly copy of QIR at £150 plus V.A.T

Please remember to enclose the correct payment made out to Financial Services Authority to avoid delays to the processing of your application.

Disclaimer (to be signed by a Director or Company Secretary)

I/we confirm that I am/we are an issuer/offeror of securities and that I/we understand that the data found on the Qualified Investor Register must not be used by me/us (or my/our agents) for any purpose other than:

- 1) determining whether an investor is a Qualified Investor; and/or
- 2) making an offer of securities to a Qualified Investor,

in connection with an offer of securities to the public by me/us.

I/we understand that the Qualified Investors do not consent to the information being used by me/us (or my/our agent) for any purposes other than set out in those set out above or being disclosed to any other person by me/us or my/our agent (without the express prior consent of the qualified investor).

I/we understand that if information is used by me/us (or my/our agent) for any other purpose or disclosed by me/us (or my/our agent) to any other person I/we may be in breach of the Prospectus Rules or section 348 of FSMA (contravention of which may result in a fine or imprisonment or both).

I/we also understand that the investors on the register have certified that they meet the criteria for being a Qualified Investor.

I/We also accept that the FSA may disclose information to other public authorities, such as other securities regulators, for the purposes of the performance of the FSA's, or their, functions.

Signed: _____ Date: _____

Print Name: _____ Position: _____

Subscriber Number (to be completed by FSA): _____

Annex T

Disclosure Rules Forms

The following 2 pages of this Annex detail a new form that is referred to in the Disclosure Rules sourcebook. The text in this form is not underlined.

The form is listed in column (1) and referred to in DR as noted in column (2).

(1)	(2)
Notification of transactions of directors/persons discharging managerial responsibility and connected persons	<i>DR 3.1.4R, 3.1.7G</i>

NOTIFICATION OF TRANSACTIONS OF DIRECTORS/PERSONS DISCHARGING MANAGERIAL RESPONSIBILITY AND CONNECTED PERSONS

This form is intended for use by an *issuer* to make a *RIS* notification required by *DR* 3.1.4R(1).

- (1) An *issuer* making a notification in respect of a transaction relating to the *shares* or debentures of the *issuer* should complete boxes 1 to 16, 23 and 24.
- (2) An *issuer* making a notification in respect of a derivative relating the *shares* of the *issuer* should complete boxes 1 to 4, 6, 8,13, 14, 16, 23 and 24.
- (3) An *issuer* making a notification in respect of options granted to a *director/person discharging managerial responsibilities* should complete boxes 1 to 3 and 17 to 24.
- (4) An *issuer* making a notification in respect of a *financial instrument* relating to the *shares* of the *issuer* (other than a debenture) should complete boxes 1 to 4, 6, 8, 9, 11, 13, 14, 16, 23 and 24.

Please complete all relevant boxes should in block capital letters.

1.	Name of the <i>issuer</i>	2.	State whether the notification relates to (i) a transaction notified in accordance with <i>DR</i> 3.1.4R(1)(a); or (ii) <i>DR</i> 3.1.4(R)(1)(b) a disclosure made in accordance with section 324 (as extended by section 328) of the Companies Act 1985; or (iii) both (i) and (ii)
3.	Name of <i>person discharging managerial responsibilities/director</i>	4.	State whether notification relates to a <i>person</i> connected with a <i>person discharging managerial responsibilities/director</i> named in 3 and identify the <i>connected person</i>
5.	Indicate whether the notification is in respect of a holding of the <i>person</i> referred to in 3 or 4 above or in respect of a non-beneficial interest ³	6.	Description of <i>shares</i> (including <i>class</i>), debentures or derivatives or financial instruments relating to <i>shares</i>
7.	Name of registered shareholders(s) and, if more than one, the number of <i>shares</i> held by each of them	8	State the nature of the transaction

9.	Number of <i>shares</i> , debentures or financial instruments relating to <i>shares</i> acquired	10.	Percentage of issued <i>class</i> acquired (<i>treasury shares</i> of that <i>class</i> should not be taken into account when calculating percentage)
11.	Number of <i>shares</i> , debentures or financial instruments relating to <i>shares</i> disposed	12.	Percentage of issued <i>class</i> disposed (<i>treasury shares</i> of that <i>class</i> should not be taken into account when calculating percentage)
13.	Price per <i>share</i> or value of transaction	14.	Date and place of transaction
15.	Total holding following notification and total percentage holding following notification (any <i>treasury shares</i> should not be taken into account when calculating percentage)	16.	Date issuer informed of transaction

If a person discharging managerial responsibilities has been granted options by the issuer complete the following boxes

17.	Date of grant	18.	Period during which or date on which it can be exercised
19.	Total amount paid (if any) for grant of the option	20.	Description of <i>shares</i> or debentures involved (<i>class</i> and number)
21.	Exercise price (if fixed at time of grant) or indication that price is to be fixed at the time of exercise	22.	Total number of <i>shares</i> or debentures over which options held following notification
23.	Any additional information	24.	Name of contact and telephone number for queries

Name and signature of duly authorised officer of issuer responsible for making notification

Date of notification _____