

ISDX Growth Market – Rules for Issuers

13 June 2016

Introduction.....	5
Part 1: Applications for Admission to the ISDX Growth Market.....	7
Requirement for ISDX Corporate Adviser.....	8
Eligibility Criteria.....	8
Equity Securities.....	9
Lock-in Requirement	10
Requirement for admission document.....	11
Responsibility for admission document	12
Omission of information from admission document.....	12
Specialist Issuers	13
Fast-track admission	13
Application Documentation.....	14
ISDX's discretion to intervene	15
Part 2: Continuing Obligations of Issuers.....	1918
Responsibilities of an Issuer.....	<u>2049</u>
Responsibilities of an ISDX Corporate Adviser	<u>2049</u>
Price Sensitive Information.....	<u>2149</u>
Standards of Disclosure	<u>2224</u>
Provision of Information.....	<u>2324</u>
Interests in Securities	<u>2423</u>
Financial Reporting	<u>2524</u>
Transactions.....	<u>2625</u>
General.....	<u>2625</u>
Related party transactions.....	<u>2926</u>
Reverse takeovers	<u>2927</u>
Information Relating to Share Capital and Voting Rights	<u>3129</u>

Dividends.....	3230
Administration and Management.....	3230
Other Requirements	3432
Suspension of Trading	3634
Withdrawal of Securities.....	3835
Discipline	4037
Appendix 1: Information for an Admission Document.....	4340
Part 1: Information about the Issuer	4340
Persons Responsible	4340
ISDX Corporate Adviser.....	4340
Statutory Auditors	4441
Risk Factors.....	4441
History of the Issuer	4441
Investments.....	4441
Business Overview	4541
Organisational Structure	4642
Research and Development, Patents and Licences	4643
Trend Information.....	4643
Profit Forecasts, Projections or Estimates	4643
Administration and Management	4643
Major Shareholders.....	4744
Related Party Transactions.....	4844
Historical Financial Information.....	4845
Financial Statements	4845
Interim and Other Financial Information	4946
Legal and Arbitration Proceedings	4946
Significant Change in the Issuer's Financial or Trading Position.....	4946
Specialist Issuers	5046

Working Capital Statement	<u>5047</u>
Share Capital	<u>5047</u>
Memorandum and Articles of Association	<u>5147</u>
Material Contracts	<u>5148</u>
Part 2: Information about the Offer/Admitted to Trading	<u>5249</u>
Interest of Persons involved in the Offer	<u>5249</u>
Reasons for the Offer and Use of Proceeds	<u>5249</u>
Information Concerning the Securities to be Offered/Admitted to Trading	<u>5249</u>
Terms and Conditions of the Offer	<u>5350</u>
Appendix 2: Application Documents	<u>5451</u>
Application Requirements.....	<u>5451</u>
Appendix 3: Interests in Securities	<u>5653</u>
Part 1: Substantial Shareholdings	<u>5653</u>
Part 2: Directors	<u>5754</u>
Appendix 4: Financial Results	<u>5955</u>
Appendix 5: Disclosures in Relation to Transactions.....	<u>6257</u>
Glossary	<u>6358</u>

Introduction

Welcome to ICAP Securities & Derivatives Exchange (“ISDX”), a recognised investment exchange based in the City of London.

The **ISDX Growth Market** is a primary market with a regulatory environment designed to meet the needs of small and mid-cap issuers wishing to obtain a quotation on a public market to access growth capital. The **ISDX Growth Market** is not an EU Regulated Market (“**Regulated Market**”) and securities admitted to trading on the **ISDX Growth Market** are unlisted securities. **ISDX** also operates the ISDX Main Board, a **Regulated Market** for officially listed securities regulated by the **FCA** or another EU Competent Authority and subject to the ISDX Main Board - Admission and Disclosure Standards, which are reproduced at www.isdx.com.

These ISDX Growth Market - Rules for Issuers (the “**Rules**”) set out the **admission** and disclosure responsibilities of companies admitted on the **ISDX Growth Market**. Designed to be straightforward to administer and comply with, the **Rules** are dovetailed to the needs of smaller public companies seeking to raise principally equity finance or as a destination for acquisitions.

Public companies (or equivalent) from all sectors and countries are eligible for **admission** to the **ISDX Growth Market** conditional on **ISDX** approving an **issuer’s** application for **admission** either on the basis of a published **admission document** or prospectus, or in accordance with the **fast-track admission procedure** with respect to issuers from **Qualifying Markets**.

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The **Rules** create binding obligations on **issuers**. Accordingly **ISDX** may impose disciplinary sanctions in cases of breach.

Guidance Notes are not binding in their own right but have interpretative and explanatory value in relation to a **Rule**. Guidance Notes may specify practices tending to establish compliance with a **Rule**. Guidance Notes are intended to address particular aspects of a particular **Rule** rather than to be an exhaustive description of an **issuer's** obligations.

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Part 1: Applications for Admission to the ISDX Growth Market

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Requirement for ISDX Corporate Adviser

1. An **issuer** must appoint an **ISDX Corporate Adviser** to apply for **admission** to the **ISDX Growth Market**.

Eligibility Criteria

2. To be eligible for **admission** to the **ISDX Growth Market**, an **issuer** must:
 - a) be lawfully incorporated;
 - b) be a public limited company or have equivalent status or comparable obligations if incorporated in jurisdictions outside the UK;
 - c) ensure that its **securities** have been allotted, rank *pari passu* and are freely transferable; and
 - d) have made appropriate arrangements for the electronic settlement of transactions in its **securities** and to ensure that such securities are represented in electronic book-entry form in a central securities depository.

Un-sponsored depository receipts or **cash shells** are not eligible for **admission**.

Guidance Notes on Rule 2

- 2.1.a)** Rule 2 b) in the case of **issuers** incorporated in jurisdictions outside the UK, **ISDX** will have regard to the provisions of the **issuer's** constitution in addition to its responsibilities under domestic legislation in assessing whether its obligations are comparable to those for a UK public limited company. **ISDX** will usually require existing shareholders' rights of pre-emption and the provisions for dis-applying such pre-emption rights to be comparable to those for a UK public limited company. Notwithstanding any resolution of the company permitting the allotment of **shares** other than on a pre-emptive basis, **ISDX** will usually consider such a power to be inappropriate if shareholders existing at the time of **admission** have not previously been consulted at the time the resolution was approved and the resolution permits the allotment on a non pre-emptive basis in an amount of shares exceeding 15 per cent of issued share capital upon **admission**.
- 2.2.b)** Rule 2 c): the reference to due allotment under this **Rule** includes allotment on a provisional basis such as nil paid rights. As to unconditional allotment, see **Rule 024**.
- 2.3.c)** Rule 2 d): **ISDX** may in certain circumstances permit restrictions on the transfer of **securities**, such as where the law of a particular country requires it (e.g. **securities** issued under Regulation S of the US Securities Act 1933).
- 2.4.d)** Rule 2 d): an **issuer** should ensure that its Articles of Association or other appropriate constitutional document permit the holding of its **securities** in uncertificated form. A procedure for UK **issuers** exists under the Uncertificated Securities Regulations 2001 (SI 3755/2001). **ISDX** may permit the use of any electronic system which will facilitate the efficient and expeditious settlement of **ISDX** transactions. In exceptional circumstances, **ISDX** may permit residual settlement. Article 3(2) of the Central Securities Depositories Regulation (Regulation 909/2014) imposes a mandatory requirement that where transactions in transferable securities take place on a trading venue, the relevant securities should be represented in electronic book-entry form in a central securities depository.

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Equity Securities

3. An issuer (other than an **investment vehicle** or **REIT**) is required to ensure a minimum of ten per cent of shares in public hands as a percentage of issued share capital on admission. In the event that an **issuer** does not meet this requirement it may be required as a condition of admission to conduct a subscription for shares

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in cash upon, or immediately preceding admission to ensure that a minimum of £250,000 (or currency equivalent) of shares are shares in public hands.

4. In addition to the requirements of paragraphs 35 and 36 of Appendix 1, an **issuer** (other than an **investment vehicle** or **REIT**) must have published or filed audited financial statements covering a 12 month period in order to demonstrate that it has at least a year's trading history.

Guidance Notes on Rules 3 and 4

- 4.1.a) A **REIT** is expected to comply with Part 12 of the Corporation Tax Act 2010 and ensure a reasonable expectation of appropriate liquidity.
- 4.2.b) In the case that an **issuer** does not meet the 10 per cent free float minimum **ISDX** can exercise discretion on a case by case basis where it is satisfied that the protection of investors' interests and the integrity of the **ISDX Growth Market** will not be adversely affected.
- 4.3.c) In the event an **issuer** is unable to comply with the requirements of **Rule 4**, in exceptional circumstances and in its absolute discretion, **ISDX** may grant a derogation from this requirement where it is satisfied that the protection of investors' interests and the integrity of the **ISDX Growth Market** will not be adversely affected.
- 4.4.d) In cases of uncertainty an **issuer** should refer to **ISDX** for guidance.

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5. As a condition of **admission** an **investment vehicle** is required to raise a minimum of £500,000 (or currency equivalent) via a subscription for **securities** in cash upon, or immediately preceding **admission**.

Guidance Note on Rule 5

- 5.1 The figure of £500,000 is to be calculated net of the expenses associated with **admission** and the associated fundraising.

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Lock-in Requirement

6. A **new enterprise**, other than a **fast-track applicant** which has been admitted to trading on its **Qualifying Market** for a continuous period of 18 months or more,

must ensure that, unless **ISDX** otherwise agrees, its **directors** (including members of their **family** and **connected persons**) do not dispose of an interest in its **securities** for a period of twelve months following **admission**.

Guidance Note on Rule 6

*6.1. Circumstances in which **ISDX** may otherwise agree include where such disposals are necessary to satisfy market demand for **securities**, in the event of acceptance of a takeover, dealings by the estate of a deceased person, required by court order or to meet a pressing financial commitment where other funds are not reasonably available.*

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Requirement for admission document

7. An **issuer** which is not a **fast-track applicant** must publish an **admission document** or prospectus (in accordance with **Rule 9** below) on, or at a time preceding, **admission**.
8. A **fast-track applicant** is not required to publish an **admission document**.
9. An **issuer** (including a **fast-track applicant**) which makes an **offer of securities to the public** must comply with any legal obligation arising under the **prospectus rules** to publish a prospectus and ensure such document contains the information specified by the **prospectus regulation**. In addition such document must contain the information prescribed by paragraph 2 of Appendix 1.
10. An **issuer** must ensure that an **admission document** or prospectus remains publicly available for at least one month following **admission**.
11. If, during the period between publication of an **admission document** or prospectus and **admission**, there is a significant change to the information, or otherwise a significant new matter arises or the **issuer** becomes aware of a significant inaccuracy or omission in the information, the **issuer** must publish a supplementary **admission document** or, as the case may be, a prospectus as soon as possible.

Guidance Notes on Rules 7 to 11

- 11.1.a) An **issuer** should seek appropriate advice on the application of the **prospectus rules** to a proposed fundraising.*
- 11.2.b) An **admission document** must comply with the requirements of Appendix 1. The content of an **admission document** is based on the share disclosure requirements in the **prospectus rules**, modified to provide proportionate*

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disclosure requirements for **issuers** which are exempt from the requirement to produce a **prospectus**.

11.3.c) An **issuer** may publish an **admission document** via electronic means, such as on a website, or by making a copy available for inspection by the public at an address in the UK.

11.4.d) For **issuers** whose **securities** are already admitted to trading on the **ISDX Growth Market**, which propose to seek **admission** for a new class of **securities**, please see **Rule 6262**.

11.5.e) If, following a reverse takeover as described in **Rules 5757** and 59, the **issuer**, as enlarged by the acquisition, wishes to seek **admission** to **ISDX**, audited interim accounts will not be required for the **issuer**.

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Responsibility for admission document

12. An **issuer** must take reasonable care to ensure the information contained in an **admission document** is accurate, complete, relevant and fairly presented.

Omission of information from admission document

13. **ISDX** may on request authorise the omission of information from an **admission document** if:
- the information is of minor importance only, and is not likely to influence an assessment of the **issuer's** financial position or prospects; or
 - the **issuer** or its **ISDX Corporate Adviser** confirms that equivalent information is publicly available by reason of the **issuer's** compliance with the **Rules**.

Guidance Notes on Rule 1343

13.1.a) Any request for **ISDX** to authorise the omission of information must be in writing from the **issuer** or its **ISDX Corporate Adviser**.

13.2.b) **ISDX** may consider that equivalent information is publicly available if such information is contained in a regulatory **announcement** or other public document including annual accounts.

13.3.c) For the avoidance of doubt, **ISDX** cannot authorise the omission of information from a prospectus required by the **prospectus rules**. In these cases, the **issuer** should contact the **FCA**.

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Specialist Issuers

14. A **specialist issuer** other than a **fast-track applicant** is required to include in an **admission document** an expert or technical report in relation to its specialist activities.

Guidance ~~Note~~Notes on Rule 14

- ~~14.1.a)~~ In cases of doubt as to whether an **issuer** is required to include an expert or technical report, **issuers** should consult **ISDX**. An expert report (such as a competent person's or valuation report) will usually be required in the case of a **mineral company** or property investment company.
- ~~14.2.b)~~ Competent person's reports are required to comply with such standards as may be prescribed by **ISDX** from time to time.

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Fast-track admission

15. A **fast-track applicant** must be admitted to trading on a **Qualifying Market** or have made a successful application to be admitted to trading on a **Qualifying Market**.

Guidance Notes on Rule 15

- ~~15.1.a)~~ A list of **Qualifying Markets** recognised by **ISDX** in accordance with objective criteria for recognition prescribed by **ISDX** and amended or supplemented from time to time, is available on **ISDX's** website.
- ~~15.2.b)~~ In the event that a **fast-track applicant** has not been admitted to trading on the relevant **Qualifying Market** at the time of its application for **admission** to the **ISDX Growth Market**, appropriate confirmation will be required before **admission** that it has been approved for admittance to trading on the relevant **Qualifying Market** and of the date on which the **fast-track applicant's securities** will be admitted.
- ~~15.3.c)~~ **Admission** to the **ISDX Growth Market** will not precede the date on which the **fast-track applicant's securities** are admitted to the relevant **Qualifying Market**.

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16. A **fast-track applicant** must have complied with and not been held in breach of the **admission** and continuing obligations of any **Qualifying Market** on which its **securities** are traded.
17. A **fast-track applicant** must satisfy the requirements of **Rules** 1, 2, 3, 4, 5, 8, 9, 10, 11, 20 (and Appendix 2), ~~Q24~~ and 23 of this Part 1.
18. A **fast-track applicant** admitted to trading on its **Qualifying Market** for a continuous period of less than 18 months must comply with **Rule** 6 with the appropriate confirmation required by **Rule** 20 and Appendix 2.
19. On the date of **admission**, on or before the commencement of **dealings**, a **fast-track applicant** will be required to release at the commencement of **dealings** via its **RIS** the **announcement** submitted to **ISDX** in accordance with sub-paragraph b of Appendix 2, suitably updated to take into account its **admission**. In the event of any contemporaneous fund raising, **admission** will be conditional on the **announcement** confirming the outcome of the fundraising and that any applicable minimum subscription has been reached and that, subject to **admission**, the **securities** have been unconditionally allotted.

Application Documentation

20. An **issuer** must submit the documentation and information required by [Appendix 2](#) to **ISDX** within the time period stipulated prior to the intended **admission** date.

Guidance Notes on Rule 20

- [20.1.a\)](#) Every application for **admission** to trading should be submitted to the Regulation Department. An **issuer** must take reasonable care to ensure that the information provided to **ISDX** with the application is accurate and complete.
- [20.2.b\)](#) In the case of an **overseas issuer** which publishes the required information in a language other than English, a translation must be provided within the time period stipulated under **Rule** ~~2020~~ and Appendix 2.
- [20.3.c\)](#) In the case of an **issuer** already admitted to the **ISDX Growth Market** that proposes to seek **admission** for a new class of **securities**, please refer to **Rule** ~~6262~~.

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21. The **issuer** will be required, as a condition of **admission**, to confirm that any applicable minimum subscription has been reached and that, subject to **admission**, the **securities** have been unconditionally allotted.
22. The **issuer** (other than a **fast-track applicant**) must submit to **ISDX** prior to the agreed **admission** date the published **admission document** (or supplementary **admission document**) or prospectus (as the case may be), which will be posted on **ISDX**'s website on **admission**.

Guidance *Notes* on Rule 22

*22.1. If, during the period between publication of an **admission document** and **admission**, an **issuer** has not published a supplementary **admission document** detailing the outcome of any fundraising or subsequent issue of additional **securities**, **ISDX** may not require the publication of a supplementary **admission document** where the **issuer** makes an **announcement** on **admission** including the following information:*

- 22.1.4.i. the outcome of any fundraising activities and the net proceeds, after deduction of the expenses;*
- 22.1.2.ii. the number of **securities** being admitted; and*
- 22.1.3.iii. particulars of any outstanding instruments issued by the **issuer** convertible into, or conferring a right to subscribe for, **securities**.*

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ISDX's discretion to intervene

23. In relation to an application for **admission** from an **issuer**, **ISDX** may in its absolute discretion:
 - require an **issuer's ISDX Corporate Adviser** to clarify, justify or amplify any information contained in the published or draft **admission document** or prospectus, or any of the other application documents;
 - require the **directors** of an **issuer** and its **ISDX Corporate Adviser** to attend an interview;
 - require an **issuer** to provide a further undertaking, or fulfill a further condition, prior to **admission**; or
 - delay or refuse **admission** in the event the **admission** to which the application relates would be detrimental to investors' interests or the integrity of the **ISDX Growth Market**.

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Guidance Notes on Rule 23

23.1.a) *Admission may be delayed beyond the period of ten **business days** prior to the intended **admission** date (at the start of which the information required by **Rule 2029** and Appendix 2 must have been submitted to **ISDX**), where **ISDX** determines that significant additional information or enquiries are necessary.*

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23.2.b) ***ISDX** may, at its discretion, engage suitably qualified practitioners with respect to applications for **admission** of a complex nature requiring specialist expertise, sector or regional specific knowledge not held within **ISDX** to enable it to fulfill its regulatory responsibilities. Although such engagement will seldom be required, **ISDX** may require an **issuer** to pay the reasonable expenses associated with the engagement. An **issuer** will be informed before any such expenses are incurred by **ISDX**.*

23.3.c) *If **ISDX** has not, in its opinion, been furnished with sufficient information by an **issuer** within six months of its initial submission **ISDX** reserves the right to terminate the process.*

23.4.d) *If an **issuer's** last audited financial statements:*

23.4.1.i) *contain an audit report which has been modified in relation to the **issuer's** status as a going concern, appropriate confirmation will be required that such modification will cease to apply by reason of, for example, a subsequent re-financing prior to **admission**; or*

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23.4.2.ii) *contain an audit report which has been qualified or modified for whatever reason,*

e) ***admission** may be delayed until **ISDX** receives appropriate confirmation that such qualification or modification will cease to apply by the date of **admission**.*

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f) *This also applies to any audited interim financial information required pursuant to paragraph 36 of Appendix 1.*

23.5.g) ***ISDX** will refuse the **admission** of an **issuer** notwithstanding compliance with the **Rules** if, in its opinion, the **admission** of the **issuer** would be likely to impair the reputation or integrity of the **ISDX Growth Market** or the interests of investors.*

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23.6.h) *The Board of ~~ICAP Securities & Derivatives Exchange~~**ISDX** has reserved the power to determine applications for **admission** to trading to the Membership, Admissions and Enforcement Committee. The Membership, Admissions and Enforcement Committee will not consider an application from an **issuer** until the Regulation Department has processed the application unless requested to at an early stage. If the Membership, Admissions and Enforcement Committee refuses*

admission the Regulation Department will issue a formal letter and the **issuer** may be requested to provide more information. In the event that **admission** is still refused once further information has been considered, the **issuer** may refer the matter to the Appeals Committee within ten business days. The decision of the Appeals Committee shall be final and binding. An appeal to the Appeals Committee may only be made on the grounds that the Membership, Admissions and Enforcement Committee misdirected itself, reached a decision which no reasonable decision maker could have reached, made a decision not supported by the circumstances of the **issuer**, or made a decision based on an error of law or misinterpretation of the **Rules**.

24. **Admission** is communicated by the issue of a **market notice** by **ISDX** on the date of **admission** on or before the commencement of dealings.

Guidance Note on 2424

24.1.a) As a condition of **admission**, **ISDX** must have received the **issuer's** invoiced initial **annual fee** by midday on the day preceding **admission**.

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Part 2: Continuing Obligations of Issuers

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Responsibilities of an Issuer

25. The **directors** of an **issuer** have joint and several responsibility for compliance with the **Rules**.
26. In addition to compliance with the **Rules**, an **issuer** must observe its wider responsibilities and is required to conduct its affairs to avoid impairing the reputation and integrity of the **ISDX Growth Market**.
27. An **issuer** must retain an **ISDX Corporate Adviser** at all times.

Guidance Notes on Rule **27.2**

- 27.1.a)** Please see **Rule 72**, and Guidance Notes **42.2 and 66.2** in respect of **Rules 42 and 61 to 66** in relation to an **issuer's** wider responsibilities.
- 27.2.b)** **Rule 27.2** does not apply to an **issuer** admitted before 21 December 2003 which has not subsequently appointed an **ISDX Corporate Adviser** unless **ISDX** considers in a particular case that the protection of investors requires otherwise.
- 27.3.c)** **ISDX** may suspend trading in the **securities** of an **issuer** following the resignation or dismissal of its **ISDX Corporate Adviser** without a new appointment - see **Rule 78.78** and its related Guidance Note.

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28. An **issuer** must seek advice from its **ISDX Corporate Adviser** in relation to its obligations under the **Rules** and in respect of its applicable regulatory obligations whenever appropriate and give such advice proper weight.
29. An **issuer** must provide its **ISDX Corporate Adviser** with such information as an **ISDX Corporate Adviser** may reasonably require in the discharge of its responsibilities under the **Rules** and the **Corporate Adviser Handbook**.
30. An **issuer** must treat holders of a class of **securities** equally.

Responsibilities of an ISDX Corporate Adviser

31. The requirements and responsibilities of an **ISDX Corporate Adviser** are set out in the **Corporate Adviser Handbook**.

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Price Sensitive Information

32. An **issuer** must **announce** as soon as possible any change in:
- a. its sphere of activity;
 - b. its financial position;
 - c. the performance of its business; or
 - d. its expectation of its performance,
- which, if made public, would be likely to have a significant effect on the price of its **securities**.

Guidance ~~Note~~Notes on Rule ~~32~~32

*a) Information which a reasonable investor would be likely to use as part of the basis of an investment decision must be **announced** under this **Rule**. An **issuer** should take reasonable steps to monitor its financial position and performance in relation to any estimate, projection or forecast made public on its behalf, such that any material departure can be **announced** promptly.*

*~~32.1.b)~~ Rule 32 does not replicate **MAR** disclosure obligations and compliance with **MAR** does not mean that an **issuer** will have satisfied its obligations under the **Rules** and vice versa. **Issuers** are reminded that as the competent authority in the UK in respect of **MAR** is the **FCA**, any queries relating to the disclosure obligations in respect of **MAR** should be addressed to the **FCA**. **ISDX** will not provide an opinion or guidance with regard to an **issuer's** compliance with **MAR**.*

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33. An **issuer** must enter into appropriate contractual arrangements with at least one **RIS** in order to facilitate compliance with its disclosure obligations under these **Rules** and must ensure that it retains at least one **RIS** at all times.
34. An **issuer** is not normally required to **announce** information in relation to a corporate, financial or investment transaction in the course of negotiation, if the normal pattern or outcome of the negotiations would be adversely affected by disclosure. An **issuer** may disclose such information to its advisers, lenders, persons with whom it is negotiating (including underwriters or placees), and employee representatives provided such persons owe a duty of confidentiality and agree not to **deal** in the **issuer's securities** prior to the release of an **announcement**.
35. If there is any reason to believe that a breach of confidence has occurred in respect of a corporate, financial or investment transaction which is the subject of specific

negotiations, or is likely to occur, in relation to information which, if public, would be likely to have a significant effect on the price of the **issuer's securities**, or that continued delay may otherwise mislead the public, the **issuer** must make a holding **announcement** as soon as possible.

Standards of Disclosure

36. An **issuer** must take reasonable care to ensure that any information which is **announced** is accurate, complete, relevant and fairly presented.

Guidance Note on Rule 3636

36.1. It should be noted that **ISDX** does not review or approve **announcements**. **Issuers** and **ISDX Corporate Advisers** should take particular care to ensure that, where it is intended to co-ordinate the release of an **announcement** with a suspension, **ISDX** is given prior notice to consider such request.

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37. An **issuer** must ensure that information which is required to be disclosed under the **Rules** is **announced** no later than it is published elsewhere.

Guidance Note on Rule 3737

37.1. An **issuer** must ensure that if price sensitive information is to be published by reason of (a) the requirements of any overseas stock exchange, (b) its disclosure at a shareholder meeting, or (c) its inclusion in any circular or document sent to its shareholders or made available in electronic form, that equivalent information is made available at the same time (or if after normal business hours in the UK, no later than the commencement of business hours on the next UK business day) to the public by way of an **announcement**.

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38. It shall be presumed that information which is **announced** by an **issuer** is required by the **Rules**.

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Provision of Information

39. An **issuer** must ensure that a copy of any document (including any prospectus, **admission document**, annual accounts or other circular) sent to holders of its **securities** is submitted to **ISDX** in electronic form to isdx-regulation@icap.com as soon as possible. An **issuer** must also **announce** details of a physical location where such documents are available for inspection by the public, or, the **issuer's** website address in accordance with **Rule 75**. Such documents must be available for inspection for a period of one month free of charge.

Guidance Note on Rule 3939

39.1. *In the case of an **overseas issuer** which publishes the required information in a language other than English, a translation must be provided.*

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40. **ISDX** may, for the purpose of carrying out its regulatory functions, require an **issuer** to provide it with any information in their possession or control, in such form and within such time limits as it may reasonably require.

Guidance Notes on Rule 4040

40.1.a) *In circumstances where **ISDX** requires information from an **issuer**, **ISDX** will normally convey this demand through the **issuer's ISDX Corporate Adviser**.*

40.2.b) ***ISDX** may, at its discretion, require an **issuer** to pay the reasonable expenses of a third party retained to analyse or verify information provided to it.*

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41. **ISDX** may disclose information within its possession:
- in order to co-operate with persons responsible for the investigation or prosecution of financial crime or other offences;
 - in order to carry out its regulatory functions including for the purpose of bringing or defending legal proceedings; and
 - otherwise with the consent of the **issuer** or **ISDX Corporate Adviser**, or insofar as required or permitted by law.

In addition, **ISDX** may publish such information, after giving reasonable notice to an **issuer** which has failed to do so, to ensure that investors receive the information to which they are entitled under the **Rules**.

Interests in Securities

42. An **issuer** must **announce** as soon as possible any **notifiable change** to a **substantial shareholding** in its **securities**, giving the information specified by Appendix 3.

In addition, an **issuer** must **announce** as soon as possible any re-purchase of its own **shares**, together with the purchase price, indicating the number of **shares** acquired expressed as a percentage of the total number of **shares** of that class.

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Guidance Notes on Rule 4242

42.1.a) For **issuers** incorporated in the UK, the disclosure regime in relation to major shareholdings is set by Chapter 5 of the Disclosure and Transparency **Rules** of the **FCA** (which is set out in full at www.fca.org.uk). The **DTR** requires shareholders to notify **issuers** of holdings in their **shares** above an **applicable threshold**, which provides a mechanism for **issuers** to **announce** such holdings to the market. The **DTR** is set and administered by the **FCA** to whom any queries should be addressed on +44(0)20 7066 1000. All **announcements** should be made via an **RIS**.

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42.2.b) The disclosure obligations of **issuers** under **Rule 4242** reflect the wider regulatory responsibilities of UK **issuers** under paragraphs 5.5.1 (re-purchase of own **shares**) and 5.8.12 (publication of major shareholdings) of the **DTR**, with which the applicable **ISDX** requirements should be interpreted consistently and which take precedence. **Issuers** should note that **announcements** should be made as soon as possible following receipt of a notification.

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42.3.c) **Issuers** incorporated outside the UK whose domestic legislation permits or requires disclosure of equivalent shareholder information should **announce** such information as soon as reasonably practicable and in accordance with local laws and regulations.

42.4.d) It should be noted that positions below the ten per cent threshold held by a **market maker** in an **ISDX** security are exempt from the notification obligations of the **DTR**, subject to certain additional requirements (set out fully in paragraph 5.1.4 of the **DTR**).

43. An **issuer** must ensure that any **deal** by a **director** (including a **shadow director**) of an **issuer**, a member of his or her **family** or **connected person** **discharging managerial responsibility** in the **securities** of that **issuer** is **announced** as soon as possible, giving the information specified by Appendix 3.

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Guidance ~~Note~~Notes on Rule 43.43

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a) ~~A director~~ A **person discharging managerial responsibility** must disclose to an **issuer** information within his knowledge or which could with reasonable diligence be ascertained, in order to ensure compliance with the **Rules**.

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b) The pledging or lending of securities by or on behalf of a person discharging managerial responsibility must be disclosed

43.4.c) MAR includes notification obligations for issuers, persons discharging managerial responsibilities. Compliance with MAR does not ensure compliance with Rule 42 and vice versa. All queries relating to an issuer's disclosure obligations pursuant to MAR should be directed to the FCA.

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Financial Reporting

44. An **issuer** must release financial information in accordance with the following timetable:
- interim results in respect of the first half of each financial year (beginning with the six month period following the end of the last period for which audited accounts have been published on **admission**) must be **announced** as soon as possible and in any event not later than three months after the end of the relevant period; and
 - audited** final results in respect of each financial year must be **announced** as soon as possible and in any event not later than five months after the end of the period to which they relate.
45. If an **issuer** is unable to meet the financial reporting timetable specified by **Rule 44**, **ISDX** will suspend trading in its **securities**.
46. The interim results must contain the information specified by Appendix 4 and be prepared on a basis consistent with the accounting policies which will be applied by the **issuer** in its next annual accounts.

47. The final results in respect of each financial year must contain the information specified by Appendix 4.

~~48. An **issuer** must publish annual audited accounts within the time frame required by the jurisdiction to which it is primarily subject or its applicable accounting standards or, if no such time frame is decreed, within a timetable which the **issuer** must agree in advance with **ISDX**.~~

~~48. *[This Rule has been deleted.]*~~

49. An **issuer** must produce annual audited accounts in accordance with UK GAAP, US GAAP or International Accounting Standards, or other appropriate standard agreed with **ISDX**. Where **ISDX** agrees that an **issuer** may produce annual accounts to another appropriate standard, the **issuer** must state and publish via an **RIS** any significant differences between the accounting policies of the alternative standard and the most similar prescribed standard.

50. Where the audit report in respect of the annual accounts of an **issuer** has been modified in relation to the **issuer's** status as a going concern, the **issuer** must thereafter prepare a trading statement in respect of the first and third quarters of each financial year (commencing with the first such quarter to end after the **announcement** of the **issuer's** final results to which the modified audit report relates) until an audit report without modification is published in respect of a subsequent financial period. The trading statement must be **announced** as soon as possible and no later than one month after the end of the relevant period, and contain the following information:

- an explanation of the impact of any material events, transactions or developments that have taken place during the relevant period; and
- a general description of the financial position and performance of the **issuer** during the relevant period.

Transactions

General

51. An **investment vehicle** which has not substantially implemented its investment strategy after the period of one year following **admission** must seek shareholders' approval in respect of the subsequent year for the further pursuit of its investment strategy.

52. An **investment vehicle** is required to substantially implement its investment strategy within a period of two years following **admission**. In the event that an **investment vehicle** has not undertaken a transaction constituting a reverse takeover under **Rule 57**, or in the case of an **investment vehicle** which has

otherwise failed to substantially implement its investment strategy within the two year period, **ISDX** will suspend trading in accordance with **Rule 78**.

53. **ISDX** will suspend trading in its **securities** in accordance with **Rule 78** if an **issuer** remains a **cash shell** at the six month anniversary following the completion of a disposal of its trading business and/or assets announced in accordance with **Rule 5454**. Alternatively a **cash shell** must apply to **ISDX** to be re-admitted as an **investment vehicle** on the basis that the **issuer** complies with admission requirements set out at Part 1 of the **Rules**.

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Guidance Notes on Rules 5151, 5252, and 5353

53.1.a) *ISDX will treat an investment strategy as substantially implemented if the majority of funds available to an **investment vehicle** (including funding available through debt facilities) have been invested.*

53.2.b) *If trading is suspended pursuant to **Rule 52** an **issuer** should consider returning its cash to shareholders.*

53.3.c) *With respect to existing **investment vehicles** admitted to trading as at the date of the entry into force of this **Rule**, the end of the two year period will be deemed to fall on 9 July 2015; in respect of **investment vehicles** admitted to trading on the date of the entry into force of this **Rule** the end of the relevant two year period will be determined by the operation of **Rule 5252**.*

53.4.d) *An **investment vehicle** cannot result from a **cash shell** in the absence of an application for re-admission as an **investment vehicle** in accordance with **Rule 5353**.*

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54. An **issuer** must **announce** as soon as possible the agreed terms of an acquisition or disposal (by itself or a subsidiary) which, if made public, would be likely to have a significant effect on the price of its **securities**. An **announcement** must contain the information specified by Appendix 5.

Guidance Notes on Rule 5454

54.1.a) It shall be presumed that a transaction is required to be **announced** where:

- **i.** the turnover attributable to the asset sold or acquired exceeds ten per cent of the turnover shown in the **issuer's** last consolidated annual accounts; or
- **ii.** the consideration paid or payable for the asset sold or acquired exceeds ten per cent of the **issuer's** net assets shown in its last consolidated annual accounts.

54.2.b) However, an **issuer** should also consider the wider strategic significance of the transaction, in order to determine whether it needs to make an **announcement**. This **Rule** covers the grant of an option (whether a put or a call or both). Where an option is exercisable at the discretion of a third party, it should be assessed as if the option had been exercised.

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Related party transactions

55. An **issuer** must **announce** as soon as possible the agreed terms of any transaction outside the ordinary course of business between it, or a subsidiary undertaking, and a **related party**. An **announcement** must contain the name of the **related party** and the nature of his or her relationship with the **issuer**.

Guidance Note on Rule ~~5555~~

~~55.1.~~ This **Rule** does not apply to the following categories of transaction: (a) the grant of an unsecured loan or underwriting arrangements on usual commercial terms, (b) the grant of a lawful indemnity, (c) the payment of **directors'** remuneration, or (d) participation in an employee saving or incentive scheme.

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56. In the case of a disposal, directly or indirectly, to one or more **related parties** which will result in a fundamental change to the business, the **issuer** must obtain the consent of its shareholders at a general meeting as a condition of the transaction.

Guidance Note on Rule ~~5656~~

~~56.1.a)~~ In the case of the insolvency of an **issuer**, **Rule 56** does not apply to the actions of an administrator, liquidator or receiver.

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Reverse takeovers

57. An **issuer** must **announce** as soon as possible the agreed terms of a reverse takeover including the information specified by Appendix 5.

Guidance Note on Rule ~~5757~~

~~57.1.~~ An **announcement** should not normally be made until the execution of a formal agreement and the publication of an explanatory circular as required by **Rule 60** unless there has been a leak of price sensitive information in relation to the proposed transaction.

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58. ~~An~~A transaction, including but not limited to an acquisition, will be treated as a reverse takeover if:
- the ~~acquisition transaction~~ will result in a fundamental change to the business, board or voting control of the **issuer**; or
 - unless **ISDX** otherwise agrees, the ~~acquisition transaction~~ is made by an **investment vehicle**; or
 - the ~~acquisition transaction~~ is made by a **cash shell**.

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Guidance ~~Notes~~Note on Rule ~~58~~58

~~58.1.~~For the purpose of this Rule, ~~acquisition transactions~~ of interests in the same asset or entity over a twelve month period should be aggregated.

59. On the **announcement** of a reverse takeover (whether agreed or in contemplation), **ISDX** will suspend trading in the **issuer's securities** in the absence of the publication of the explanatory circular required by **Rule 60**.

Guidance Note on Rule ~~59~~59

~~59.1.~~**ISDX** will not normally suspend trading until a formal agreement has been entered into unless a leak of information concerning the transaction in question has necessitated that an **announcement** be made.

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60. An **issuer** which has agreed a reverse takeover must:
- as soon as possible, send an explanatory circular to its shareholders, which must contain all information reasonably required to carry out an informed assessment of the financial position and prospects of the **issuer** as enlarged by the acquisition and a statement as to whether or not the enlarged entity intends to make an application for re-**admission** to **ISDX**, such that there is a reasonable basis for shareholders to exercise voting rights; and
 - obtain the consent of its shareholders at general meeting as a condition of the transaction.

Guidance Notes on Rule ~~60~~60

~~60.1.a)~~ An explanatory circular may be made available to shareholders in electronic form in the manner required by Rule ~~39~~39.

~~60.2.b)~~ If the **issuer**, as enlarged by the acquisition, wishes to seek **admission to ISDX**, it must make a fresh application in the manner set out in Part 1 and will be precluded from applying in accordance with the **fast-track admission procedure** notwithstanding that it may have originally been admitted to **ISDX** as a **fast-track applicant**. For the avoidance of doubt, a further **application fee** is required but an **announcement** will not be required under sub-paragraph (b) of Appendix 2. If the application is not successful, then **ISDX** will withdraw the **securities** of the **issuer** and the **admission agreement** shall be terminated.

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Information Relating to Share Capital and Voting Rights

61. An **issuer** must ensure that arrangements are made to admit all **securities** in issue within a particular class of **securities**.
62. If an **issuer** proposes to seek **admission** for a new class of **securities**, the **issuer** must inform **ISDX** at least two **business days** in advance, and provide copies of any relevant documents describing the terms of the issue. A further fee payable to **ISDX** will be required in respect of the **admission** of a new class of **securities**.
63. Subject to **Rule 65** below, an **issuer** must **announce** as soon as possible the reason for the issue, cancellation or ~~reorganisation~~re-organisation of any **securities**.
64. An **issuer** must ensure that **announcements** relating to the issue of **securities** include the purpose of the issue, together with details of the number of **securities** and issue price.
65. In respect of **securities** which are issued on a regular basis, an **announcement** may instead be made at the end of the calendar month during which the issue occurred in accordance with **Rule 66** below.
66. In addition to any previous **announcement**, on the last business day of each calendar month during which an increase or decrease occurs, an **issuer** must **announce**:
 - the total number of each class of its **shares**; and
 - the total amount of its issued share capital.

An **announcement** pursuant to this **Rule 66** is not required if there has been no change to the above matters during a particular calendar month.

Guidance Notes on Rules ~~6161-6666~~

- ~~66.1.a)~~ *Issues of **securities** further to the exercise of employee share options will be treated as occurring on a regular basis.*
- ~~66.2.b)~~ *The disclosure requirements of **Rules ~~6161-6666~~** reflect the wider regulatory responsibilities of UK **issuers** under paragraph 5.6.1 of the **DTR** with which the applicable **ISDX** requirements should be interpreted consistently and which take precedence. The purpose of the disclosure is to permit holders of **shares** to calculate the percentage of voting rights they possess, in order to ensure accurate notifications to **issuers**.*
- ~~66.3.c)~~ *In accordance with paragraph 5.8.9 of the **DTR**, the **FCA** maintains and publishes on its website a calendar of **business days** in the UK, to facilitate the periodic **announcement** of the total number of voting rights in relation to a class of an **issuer's shares**.*
- ~~66.4.d)~~ ***Issuers** should note that the definition of a share relates only to issued **shares** of a class carrying voting rights. It does not therefore include other classes of security that may be traded on **ISDX**, such as non-voting preference shares or warrants.*

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Dividends

67. An **issuer** must **announce** as soon as possible any decision to pay a dividend or other action affecting the rights of holders of its **securities**, together with a detailed timetable covering such matters as record, posting, acceptance and payment dates.

Guidance Note on Rule ~~6767~~

- ~~67.1.a)~~ *A proposed corporate actions timetable should be agreed with **ISDX** by means of email to LDNOperationsSupport@icap.com in advance of an **announcement**.*

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Administration and Management

68. An **issuer** must establish sufficient procedures to ensure a sound system of internal control and a reasonable basis for making informed decisions about its financial position and prospects on an ongoing basis.

69. An **issuer** should have due regard for the principles laid down by the UK Corporate Governance Code published by the Financial Reporting Council, insofar as appropriate in relation to the nature and size of the **issuer**. In particular, there should be a clear allocation of responsibilities between the running of the **issuer's** board and the executive roles responsible for the running of the **issuer's** business. An **issuer** must have at least one wholly independent non-executive **director**.

70. An **issuer** must **announce** as soon as possible the appointment, resignation or dismissal of a **director**, or any change to important functions or executive responsibilities of a **director**. In the case of an appointment, an **issuer** must as soon as possible **announce** the information specified by paragraph 21 of Appendix 1.

71. An **issuer** must adopt a code of dealing sufficient to ensure, ~~unless ISDX otherwise agrees, that it complies with, inter alia its directors (obligations under MAR, including members of his or her family and connected but not limited to closed period regulations as defined in MAR. An issuer must also ensure that persons) and relevant employees discharging managerial responsibility:~~

- do not **deal** in its **securities** during a ~~else~~**closed** period, or otherwise on considerations of a short term nature; ~~and~~
- ~~notify the issuer of every deal conducted on their own account relating to securities of that issuer. Such notification shall be made promptly and no later than within three business days of the transaction. Such notification shall contain the information required by Appendix 3.~~

~~71. The repurchase or early redemption by an issuer of its securities is also prohibited during a **closed** period.~~

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Guidance Notes on Rules 70 and ~~71~~74

~~71.1.a)~~ **ISDX Corporate Advisers** should consult the requirements of Appendix B of the **Corporate Adviser Handbook** in relation to the appointment of a **director**.

~~71.2.b)~~ **ISDX** may otherwise agree where exceptional circumstances exist, such as to meet a pressing financial commitment where other funds are not reasonably available or if the financial viability of an **issuer** is in immediate danger. For the avoidance of doubt, transfers for no consideration and transactions between **insiders** are included in this **Rule**. A short sale of **securities** by a **director** or an investment with a maturity of one year or less will always be considered to be of a short term nature and are prohibited. **ISDX** may permit a **director** to honour a binding commitment to **deal** at a price which was fixed or could have been objectively determined prior to the commencement of the **close period**.

c) An **issuer** should maintain a list of ~~relevant employees~~**persons discharging managerial responsibility** to ensure compliance with this **Rule**

~~71.3.d)~~ Compliance with **MAR** does not ensure compliance with **Rule 71** and vice versa. All queries relating to an **issuer's** disclosure obligations pursuant to **MAR** should be directed to the **FCA**.

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72. An **issuer** must ensure that its **directors** observe all legal and regulatory responsibilities involved in having its **securities** admitted to the **ISDX Growth Market**.

Guidance Note on Rule ~~72~~72

~~72.1.a)~~ Under this **Rule**, an **issuer** must ensure that ~~its directors are acquainted with the their responsibilities of section 118 of the Financial Services and Markets Act 2000 (market abuse), Part V of the Criminal Justice Act 1993 (insider dealing), the Bribery Act 2010, financial crime and company legislation generally~~**persons discharging managerial responsibility are familiar with their responsibilities under relevant law, including but not limited to MAR, the prospectus rules, DTR, and any applicable code of practice relating to takeovers and substantial acquisitions of shares.**

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Other Requirements

73. An **issuer** must **announce** as soon as possible the appointment, resignation or dismissal of an **ISDX Corporate Adviser**.

Guidance Note on Rule ~~73.1~~73

~~73.1~~73.1. **ISDX** must be informed of the intention of an **issuer** to change its **ISDX Corporate Adviser** as soon as possible.

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74. An **issuer** must **announce** as soon as possible any decision to change its accounting reference date or the accounting standards to be applied in the preparation of its next annual accounts. In the event that a change to an accounting reference date prolongs the accounting reference period in which an **issuer** finds itself, **ISDX** may require the **issuer** to release a second set of interim results in respect of the six month period following the period covered by the **issuer**'s last interim results.

Guidance Note on Rule 74

74.1. **ISDX** would expect to be informed of the intention of an **issuer** to change its accounting reference date as soon as possible.

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75. An **issuer** must maintain a website from **admission** ensuring that the following minimum categories of information are made publicly available, free of charge:
- the **issuer**'s name;
 - the name of its **Corporate Adviser** and other professional advisers;
 - incorporation (including the company legislation to which the **issuer** is subject);
 - **directors** and biographical details;
 - description of its business, operations or investment strategy (in the case of an **investment vehicle**);
 - number of **securities** in issue and the percentage of **shares in public hands** (updated at the same time as **announcing** information pursuant to **Rule 66**);
 - particulars of any outstanding instruments issued by the **issuer** convertible into, or conferring a right to subscribe for, **securities**; the amount and percentage of immediate dilution assuming full exercise of rights of conversion;

- a list of **substantial shareholdings** and relevant percentage holdings; this information should be updated in accordance with announcements by the **issuer** made in accordance with **Rule 42**;
- regulatory **announcements** for the previous six months or in the case of a **fast-track applicant** regulatory announcements for the six months preceding **admission**;
- published annual reports for the previous three financial years or, if shorter, the period since incorporation;
- historic **admission document** relied on for **admission** or admission to the relevant **Qualifying Market** (if admitted as a **fast-track applicant**); ~~and~~
- circulars sent to shareholders within the last twelve months; and
- Information required by Article 17 of MAR.

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76. An **issuer** must ensure that, if there is any change to the information contained in its profile published on the **ISDX** website, a new profile is submitted for publication as soon as possible.
77. An **issuer** must pay its **annual fees**, as set by **ISDX** from time to time, as they fall due.

Guidance Note on Rule ~~77.4~~

~~77.4.~~ **ISDX** may suspend trading in the **securities** of an **issuer** which has not paid its **annual fees** by the due date.

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Suspension of Trading

78. **ISDX** may at its discretion suspend trading in the **securities**, or a particular class of **securities**, of an **issuer** for the following reasons:
- the **issuer** is unable to accurately assess its financial position and inform the market accordingly;
 - the resignation of a **market maker** in an **issuer's securities** which results in there being no registered **market maker**;
 - the resignation of the **issuer's ISDX Corporate Adviser** without a new appointment;
 - an **issuer** has breached the **Rules**;

- in the case of an **investment vehicle** or **cash shell** pursuant to **Rules 52** and **53**;
- an **issuer** admitted to the **ISDX Growth Market** as a **fast-track applicant** has been held in breach of the rules of a **Qualifying Market** and trading has been suspended by the operator of that market; or
- as otherwise may be necessary to ensure an orderly market, the protection of investors or the integrity of the **ISDX Growth Market**.

A suspension is communicated by the issue of a **market notice** by **ISDX**.

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Guidance Notes on Rule 7878

- 78.1.a) An **issuer** (or its **ISDX Corporate Adviser** on its behalf) may request a suspension of trading in its **securities**. An **issuer** or its **ISDX Corporate Adviser** must ensure that **ISDX** is informed of circumstances which require, or are expected to require, a suspension of trading at the earliest opportunity. Where practicable, a request for suspension should be made during market hours, and include the reason for the suspension and a draft **announcement**.
- 78.2.b) An **issuer** must ensure that, during any period where trading in its **securities** is suspended, it complies with its obligations under the **Rules**.
- 78.3.c) **ISDX** may consider delaying the suspension of trading following the resignation or dismissal of an **ISDX Corporate Adviser** to allow time for the **issuer** to appoint a replacement but will suspend trading in the absence of a new appointment within one month.

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Withdrawal of Securities

79. **ISDX** may withdraw the **securities** of an **issuer** from the **ISDX Growth Market** once **dealings** have been suspended for one month. In any event, withdrawal will normally take place:
- if there is no **market maker** registered in the **issuer's securities**, no later than two months after the date that the last **market maker** ceased to act; or
 - otherwise, no later than six months after the date of suspension.
80. **ISDX** may withdraw the **securities** of an **issuer** from the **ISDX Growth Market** forthwith if:
- an **issuer** admitted to the **ISDX Growth Market** as a **fast-track applicant** has been held in breach of the rules of a **Qualifying Market** and has been withdrawn from trading by the operator of the **Qualifying Market**;
 - circumstances exist which seriously impede the ability of **ISDX** member firms to satisfy their regulatory obligations; or
 - there is not, and there is no reasonable prospect of restoring, an orderly market in the **issuer's securities** (whether as a result of a decline in the number of **shares in public hands** or for some other reason).

Guidance Note on Rule 8080

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80.1. *ISDX may at its discretion allow an **issuer** reasonable time to restore the number of **shares in public hands**, unless this is precluded by the need to maintain the smooth operation of the market or to protect investors.*

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81. An **issuer** must **announce** an intention to withdraw its **securities** from the **ISDX Growth Market**, any withdrawal of **shares** being conditional on shareholder approval, providing details of the reasons for the withdrawal, any alternative arrangements for **dealings** in the **issuer's securities**, and any other information reasonably required to assess the circumstances surrounding the proposal.

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Following the **announcement** a circular must be sent to the **issuer's** shareholders convening a general meeting of shareholders and giving 20 **business days** notice, or such longer period as may be required by law. For the avoidance of doubt, the shareholder approval threshold relates to 75 per cent of votes cast in respect of each class of **securities**. Votes may be cast in person or by proxy.

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An **issuer** is not required to obtain shareholder approval if:

- the **issuer** has **announced** that all conditions in relation to a takeover offer for its **shares** have been satisfied, including a condition for acceptances of at least 75 per cent;
- the **issuer** has made an application for the **admission** of its **shares** to, or has **shares** traded on, another market of equivalent regulatory standing (including a **Qualifying Market**, an EU Regulated Market, or other market of equivalent regulatory standing agreed by **ISDX**); or
- the **issuer** intends to withdraw **securities** other than **shares** from the **ISDX Growth Market**.

Guidance ~~Note~~Notes on Rule ~~81~~81

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81.1.a) *An explanatory circular may be made available to shareholders in electronic form in the manner required by Rule ~~39~~39.*

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81.2.b) ***ISDX** may grant a derogation from the requirement for shareholder approval where an **issuer** has provided irrevocable undertakings representing 75 per cent of voting rights to approve a resolution proposing the withdrawal, or where an **issuer** announces that there is no reasonable prospect of the **issuer** avoiding imminent insolvency proceedings as a result of the **issuer** continuing to be admitted to on the **ISDX Growth Market**.*

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81.3.c) If shareholder approval is not required an **issuer** will still be required to announce an intention to withdraw its **securities** and provide 20 **business days** notice except that **ISDX** may in its discretion reduce the notice period where a right of compulsory acquisition under the Companies Act 2006 has been exercised or where an application has been made for the **admission** to another market of equivalent regulatory standing (including a **Qualifying Market**, and EU Regulated Market, or other market of equivalent regulatory standing agreed by **ISDX**).

Discipline

82. Where an **issuer** has breached its responsibilities under the **Rules**, **ISDX** may impose following the disciplinary sanctions:

- a private reprimand;
- a public censure;
- a fine of up to £100,000; and
- withdrawal of the **issuer's securities** from trading on the **ISDX Growth Market**; and
- publish the fact that it has been censured, fined or withdrawn and the reasons for that action.

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Guidance Note on Rule 82

82.1.a) See in particular **Rules ~~2525~~** and 26.

82.2.b) *ISDX* will adhere to the process set out in the *ISDX Disciplinary Procedures*.

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Appendices

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Appendix 1: Information for an Admission Document

Part 1: Information about the Issuer

An **admission document** must, as a minimum, contain the information specified below and any further information which an investor would reasonably require in order to make an informed assessment of the financial position and prospects of the **issuer** and the rights attaching to its **securities**.

Persons Responsible

1. A declaration by the **directors** of the **issuer** that, having taken all reasonable care to ensure that such is the case, the information contained in the **admission document** is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

ISDX Corporate Adviser

2. The name of the **issuer's ISDX Corporate Adviser**, prominently and in bold on the first page together with the following statement:

"The ISDX Growth Market, which is operated by ICAP Securities & Derivatives Exchange Limited (ISDX), a ~~recognised investment exchange~~[Recognised Investment Exchange](#), is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies.

It is not classified as a Regulated Market under EU financial services law and ISDX Growth Market securities are not admitted to the Official List of the United Kingdom Listing Authority. Investment in an unlisted company is speculative and involves a higher degree of risk than an investment in a listed company. The value of investments can go down as well as up and investors may not get back the full amount originally invested. An investment should therefore only be considered by those persons who are prepared to sustain a loss on their investment. A prospective investor should be aware of the risks of investing in ISDX Growth Market securities and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser authorised under the Financial Services and Markets Act 2000 who specialises in advising on the acquisition of shares and other securities.

[Name of Issuer] is required by ICAP Securities & Derivatives Exchange Limited to appoint an ISDX Corporate Adviser to appoint on its behalf for admission to the ISDX

Growth Market and must retain an ISDX Corporate Adviser at all times. The requirements for an ISDX Corporate Adviser are set out in the Corporate Adviser Handbook and the ISDX Corporate Adviser is required to make a declaration to ISDX in the form prescribed by Appendix D.

This admission document has not been examined or approved by ISDX or the Financial Conduct Authority.”

Statutory Auditors

3. Names and addresses of the **issuer's** auditors for the period covered by the historical financial information (together with their membership in a professional body).
4. If auditors have resigned, been removed or not been re-appointed during the period covered by the historical financial information, indicate details if material.

Risk Factors

5. Prominent disclosure of risk factors that are specific to the **issuer** or its industry in a section headed “Risk Factors”.

History of the Issuer

6. The legal and commercial name of the **issuer**.
7. The place of registration of the **issuer** and its registration number.
8. The date of incorporation and the length of life of the **issuer**, except where indefinite.
9. The domicile and legal form of the **issuer**, the legislation under which the **issuer** operates, its country of incorporation, website, and the address and telephone number of its registered office (or principal place of business if different from its registered office).

Investments

10. A description of the **issuer's** principal investments that are in progress.

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Business Overview

11. A description of the nature of the **issuer's** operations and its principal activities stating the main categories of products sold and services performed.
12. If material to the **issuer's** business or profitability, summary information regarding the extent to which the **issuer** is dependent on patents or licences, industrial, commercial or financial contracts or new manufacturing processes.
13. The basis for any statements made by the **issuer** regarding its competitive position.
14. In respect of an **investment vehicle**, a detailed description of its investment strategy, which must include such matters as:
 - the sectors, countries and regions in which it will consider making investments;
 - what expertise the **directors** of the **issuer** have in such sphere of activity;
 - the identity and expertise of any discretionary fund managers or investment professionals involved in investment decisions;
 - whether it will be an active or passive investor, and how widely it intends to spread its investments; and
 - whether or not the **issuer** intends to return its cash to shareholders in the event that the **issuer** fails to substantially implemented its investment strategy.

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Guidance Note on Paragraph **1414** of Appendix 1

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The investment strategy must be sufficiently precise in terms of sector and geographical focus to allow a reasonable investor to make an informed assessment of the **issuer's** focus, prospects and the expertise that the **directors** of the **issuer** have in such sphere of activity. The **directors** will be expected to limit their focus to a particular sector and region.

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15. In the case of an **investment vehicle**, a statement that if the **issuer** has not made a material investment within one year following **admission** it will either seek shareholders' approval in respect of each subsequent year for the further pursuit of its investment strategy or return its cash to shareholders, and that such approval will be sought in each subsequent year if it has not made by then a material investment.

Organisational Structure

16. If the **issuer** is a member of a group, a brief description of the group and of the **issuer's** position within the group.
17. A list of the **issuer's** significant subsidiaries, including name, country of incorporation or residence, proportion of ownership interest and, if different, proportion of voting power held.

Research and Development, Patents and Licences

18. Where material, provide a description of the **issuer's** research and development policies, including the amount spent on **issuer-sponsored** research and development activities in respect of the last financial year.

Trend Information

19. Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the **issuer's** prospects for at least the current financial year.

Profit Forecasts, Projections or Estimates

20. If an **issuer** chooses to include a profit forecast, projection or estimate, the **admission document** must contain:
 - a statement setting out the principal assumptions upon which the **issuer** has based its forecast, projection or estimate. The assumptions must be readily understandable by investors and be specific and precise; and
 - confirmation that, having made due and careful enquiry, the forecast, projection or estimate has been properly compiled on the basis stated and that the basis of accounting used for the profit forecast, projection or estimate is consistent with the accounting policies of the **issuer**.

Administration and Management

21. The following information in relation to each of the **issuer's directors** and proposed **directors**:
 - full name and function;

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- the names of all companies and partnerships of which such person has been a **director** or partner during the previous five years;
 - details of any unspent convictions in relation to indictable offences;
 - details of any administrations, receiverships or insolvent liquidations (including company or partnership voluntary arrangements) of a company or partnership where such person was a **director** or partner at the relevant time or during the twelve months preceding such events;
 - details of any bankruptcy or individual voluntary arrangement; and
 - details of any official public incrimination or sanction of such person by statutory or regulatory authorities (including designated professional bodies) and whether such person has ever been disqualified by a court from acting in the management or conduct of the affairs of a company.
22. Information about the **directors'** service contracts with the **issuer** or any of its subsidiaries providing for benefits upon termination of employment, or an appropriate negative statement.
23. The aggregate amount of remuneration paid (including any contingent or deferred compensation) and benefits in kind granted to the **directors** by the **issuer** during the last completed financial year.
- ~~24. Information about the **directors'** service contracts with the **issuer** or any of its subsidiaries providing for benefits upon termination of employment, or an appropriate negative statement.~~
- ~~24. Deleted.~~
25. In relation to each **director** and proposed **director** (including members of their **family** and **connected persons**), their share ownership and any options over such **shares** in the **issuer** at the most recent practicable date.
26. In respect of a **new enterprise**, a statement that the **directors** of the **issuer** (including members of their **family** and **connected persons**) have agreed not to dispose of any interest in its **securities** for a period of twelve months following **admission**.
27. A statement as to whether or not the **issuer** complies with its country of incorporation's corporate governance regime(s).

Major Shareholders

28. Insofar as within the **issuer's** knowledge or which could with reasonable diligence be ascertained, details of any **substantial shareholdings** in an **issuer's shares**, stating whether before or after **admission**.

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Related Party Transactions

29. The nature and extent of any **related party** transactions required to be disclosed under the accounting standards applicable to the **issuer**, to which the **issuer** was a party during the period of twelve months preceding the offer.

Historical Financial Information

30. The **admission document** must contain historical financial information covering the latest three complete financial years (or such shorter period that the **issuer** has been in operation notwithstanding that trading may not have commenced), prepared in accordance with UK GAAP, US GAAP, International Financial Reporting Standards or other appropriate accounting standard agreed with **ISDX**.
31. The financial information must include in respect of each year the audit report, or alternatively a report by a person qualified to act as an auditor, as to whether or not, for the purposes of the **admission document**, the financial statements give a true and fair view, in accordance with applicable accounting practices. If an **issuer's** last financial statements contain an audit report which has been modified in relation to going concern, confirmation will be required that such modification will cease to apply (by reason of, for example, a subsequent re-financing) prior to **admission**.
32. If an **issuer's** last financial statements contain an audit report which has been qualified or modified for whatever reason, **admission** may be delayed until **ISDX** receives appropriate confirmation such qualification or modification will cease to apply by the date of **admission**.
33. A statement by the **directors** of the **issuer** that the financial information disclosed under this Part has been prepared in accordance with the law applicable to the **issuer**, and that they accept responsibility for it.

Financial Statements

34. If the **issuer** prepares both individual and consolidated annual financial statements, it must include at least the audited consolidated annual financial statements for the previous three financial years or, if shorter, the period since incorporation in the **admission document**. Every material subsidiary of the **issuer** must be included unless the accounting standards adopted by the **issuer** otherwise require.

Guidance Note on Paragraph ~~34~~34 of Appendix 1

In assessing the materiality of a subsidiary for the purpose of paragraph ~~34~~34 of this Appendix, regard should be had to whether its inclusion in the consolidated accounts is necessary for the proper understanding of the group.

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Interim and Other Financial Information

35. If the **issuer** has published quarterly or interim financial information since the date of its last audited financial statements, these must be included in the **admission document** together with a statement of whether the quarterly or half yearly financial information has been audited or reviewed.
36. If the **issuer's** last audited financial statements are in respect of a period which ends more than nine months prior to the date of **admission**, the **admission document** must contain ~~audited~~ interim financial information covering at least the first six months of the following financial year.

Guidance Note on Paragraph 36 of Appendix 1

*Issuers are reminded that upon **admission** they must meet their obligations under Rule 44 to publish financial information including interims.*

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Legal and Arbitration Proceedings

37. Information on any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the **issuer** is aware), during a period covering at least the previous twelve months which may have, or have had ~~in the recent past~~ significant effect on the **issuer** and/or group's financial position or profitability, or an appropriate negative statement.

Significant Change in the Issuer's Financial or Trading Position

38. A description of any significant change in the financial or trading position of the group which has occurred since the end of the last financial period for which either audited financial information or interim financial information have been published (including any significant change to indebtedness), or an appropriate negative statement.

Specialist Issuers

39. A description of any significant changes that have occurred since the expert or technical report submitted in accordance with **Rule 14**, or an appropriate negative statement.

Working Capital Statement

40. A statement that, in the opinion of the **directors** having made due and careful enquiry, the working capital available to the **issuer** and its group will be sufficient for the period of at least twelve months following **admission**.

Guidance Note on Paragraph **4040** of Appendix 1

*Whilst a working capital report is not required to be submitted with the application documents prescribed by **Rule 2020** and Appendix 2, **ISDX** may require a particular **issuer** to justify the working capital statement required by paragraph **4040** of this Appendix and demonstrate to **ISDX**'s satisfaction that there is a reasonable basis for making such statement.*

*For guidance on the assessment of working capital **issuers** and **ISDX Corporate Advisers** should consult the 'ISDX Growth Market – Practice note on working capital for issuers seeking admission'.*

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Share Capital

41. The amount of issued capital, and for each class of share capital:
- the number of **shares** authorised;
 - the number of **shares** issued and fully paid and issued but not fully paid; and
 - the par value per share, or that the **shares** have no par value.
42. If there are **shares** not representing capital, the number and main characteristics of such **shares**.
43. The amount of any convertible **securities**, exchangeable **securities** or **securities** with warrants, with an indication of the conditions governing and the procedures for conversion, exchange or subscription.

Memorandum and Articles of Association

44. A description of the **issuer's** objects and purposes and where they can be found in the memorandum and articles of association.
45. A summary of any provisions of the **issuer's** articles of association, statutes, charter or bylaws with respect to the **directors**.
46. A description of the rights, preferences and restrictions attaching to each class of share capital.
47. A description of what action is necessary to change the rights of holders of the shares, indicating where the conditions are more significant than is required by law.
48. A description of the conditions governing the manner in which annual general meetings and general meetings of shareholders are called including the conditions of admission.
49. A brief description of any provision of the **issuer's** articles of association, statutes, charter or bylaws that would have an effect of delaying, deferring or preventing a change in control of the **issuer**.
50. An indication of the articles of association, statutes, charter or bylaw provisions, if any, governing the ownership threshold above which shareholder ownership must be disclosed.
51. A description of the conditions imposed by the memorandum and articles of association, statutes, charter or bylaw governing changes in the capital, where such conditions are more stringent than is required by law.

Material Contracts

52. A summary of each material contract, other than contracts entered into in the ordinary course of business, to which the **issuer** or any member of the group is a party, for the two years immediately preceding publication of the **admission document**.

Part 2: Information about the Offer/Admitted to Trading

~~Interest~~**Interests** of Persons involved in the Offer

53. The names of any persons underwriting or guaranteeing the offer.
54. Details of the payment to a person (other than a trade supplier, professional adviser or underwriter disclosed in the **admission document**) of fees in excess of £10,000 (however satisfied), in respect of services provided to the **issuer** during the period of twelve months prior to publication of the **admission document**.

Reasons for the Offer and Use of Proceeds

55. The total proceeds which it is expected will be raised by the offer, and the expected net proceeds, after deduction of the expenses, of the offer.
56. The estimated net amount of the proceeds broken into each principal intended use.

Information Concerning the Securities to be Offered/Admitted to Trading

57. A description of the type and the class of the **securities** being offered/admitted to trading, including the ISIN (International Security Identification Number) or other such security identification code.
58. Legislation under which the **securities** have been created.
59. Currency of the **securities** issue.
60. A description of the rights attaching to the **securities**, including where applicable:
 - if the **securities** are **shares**, rights as regards:
 - a. voting;
 - b. dividends;
 - c. return of capital on the winding up of the **issuer**;
 - d. redemption;and a summary of the consents necessary for the variation of any of those rights.
 - if the **securities** are debentures, rights as regards:
 - a. interest payable; and
 - b. repayment of the principal sum;

- if the **securities** are convertible **securities**:
 - a. the terms and dates on which the holder of the convertible **securities** is entitled to acquire the related underlying **securities**;
 - b. the procedures for exercising the entitlement to the underlying **securities**; and
 - c. such information relating to the underlying **securities** as would have been required under this Part if the **securities** being offered had been the underlying **securities**.

61. Confirmation that there are no restrictions on the free transferability of the **securities** being offered.
62. The dates on which entitlement to dividends or interest arises.
63. Particulars of tax on income from the **securities** withheld at source, including tax credits.
64. The procedure for the exercise of any right of pre-emption attaching to the **securities**.

Terms and Conditions of the Offer

65. The number of **securities** being offered (distinguishing the **securities** offered for subscription and those offered for sale).
66. A statement of whether or not the offer is conditional on **admission to ISDX**.
67. The period during which the offer of the **securities** is open.
68. The price at which the **securities** are offered or, if appropriate, the procedure, method and timetable for fixing the price.
69. The arrangements for payment for the **securities** being offered and the arrangements and timetable for their delivery.
70. The arrangements, during the period prior to the delivery of the **securities**, relating to the moneys received from applicants including the arrangements and timetable for the return of moneys to applicants where their applications are not accepted in whole or in part.

Appendix 2: Application Documents

Application Requirements

In relation to applications for **admission** the following information must be submitted to **ISDX** at least ten **business days** (unless otherwise stated) prior to the intended **admission** date:

- a. a signed and completed **admission agreement**;
- b. an **announcement** from the **issuer** stating that it has made an application for its **securities** to be admitted to trading on the **ISDX Growth Market** (see below);
- c. the published **admission document** (for **issuers** other than **fast-track applicants**) or, as the case may be, a prospectus in conformity with **Rule 7**;
- d. a signed **declaration** from the **ISDX Corporate Adviser**;
- e. a cheque for the **application fee**, as specified from time to time by **ISDX**;
- f. at least two **business days** prior to the expected **admission** date, confirmation from at least one **market maker** that it has agreed to register in the **issuer's securities** and of the proposed opening price upon **admission**; and
- g. at least two **business days** prior to **admission**, the **issuer** will be required, as a condition of **admission**, to confirm:
 - that any applicable minimum subscription has been reached; and
 - that in the case of an **investment vehicle** a minimum of £500,000 (or currency equivalent) has been raised upon, or immediately preceding **admission**;

and that, subject to **admission**, the **securities** have been unconditionally allotted.

The **announcement** required under sub-paragraph (b) should include the following:

- (i) the **issuer's** registered and trading name;
- (ii) the address and telephone number of its registered office (or principal place of business if different from its registered office);
- (iii) the full names and functions of the **directors** of the **issuer**;
- (iv) sector classification;
- (v) a brief factual description of the **issuer** and its activities which will serve as a company profile on **admission**;

- (vi) the name of its **ISDX Corporate Adviser**;
- (vii) the number and class (and the par value per share, or that the **shares** have no par value, if applicable) of **securities** being admitted;
- (viii) the timetable for any offer of **securities** (including an address or website where any prospectus or fundraising document is available for inspection) being undertaken in conjunction with **admission**, together with any information required to be disclosed under paragraphs ~~5353~~ and ~~5454~~ of Part 2 of Appendix 1;
- (ix) **Shares in public hands** as a percentage of issued share capital;
- (x) **Substantial shareholdings** required to be disclosed under paragraph 28 of Part 1 of Appendix 1;
- (xi) the address of the website where the items required by **Rule ~~7575~~** are available for inspection; and
- (xii) the expected **admission** date. If the expected **admission** dates changes, the **announcement** will be required to be updated.

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A **fast-track applicant** should include the following additional information:

- (xiii) the name of its **Qualifying Market** and the date on which it was admitted;
- (xiv) the arrangements for the settlement of transactions in its **securities**;
- (xv) if applicable, confirmation that its **directors** (including members of their **family** and **connected persons**) have agreed to the lock-in requirements under **Rule 6**; and
- (xvi) confirmation of whether the **issuer** is subject to legal or regulatory requirements in its home country regarding the conduct of takeovers and the acquisition of significant voting rights.

Appendix 3: Interests in Securities

Part 1: Substantial Shareholdings

The **announcement** of a **substantial shareholding** should contain the information disclosed to the **issuer** in any relevant shareholder notification (under the **DTR** or applicable overseas regulation) including the following matters:

- a. the name of the person subject to the notification obligation;
- b. the nature of the transaction triggering the obligation (such as the acquisition or disposal of **shares**);
- c. the resultant number of voting rights held by the notifying person, expressed also as a percentage of the total number of voting rights of that class of **shares**. In the case of a person ceasing to have a **substantial shareholding**, confirmation of that fact shall suffice;
- d. the date on which the **applicable threshold** was reached or crossed;
- e. the date on which the **issuer** received the notification;
- f. for a UK **issuer**, any other required particulars contained in an applicable **DTR** notification; and
- g. confirmation of whether the interest relates to a legal or beneficial holding.

Part 2: Directors

Guidance Notes on ~~Appendix 3~~ Appendix 3 Part 1

*The information required to be provided to a UK **issuer** in relation to a major shareholding is set out in paragraph 5.8.1 of the **DTR**. Such an **issuer** should ensure that its **announcement** includes all the disclosed particulars of a holding, in order to meet its responsibilities under paragraph 5.8.12 of the **DTR**. In particular for the avoidance of doubt, the "required particulars" mentioned in Appendix 4.1(f) would include:*

- *if applicable, the name of any subsidiary undertakings through which the **substantial shareholding** is held (**DTR** 5.8.1(2)); and*
- *if different to the person required to make the notification, the registered holder of any **shares** which are the subject of the triggering transaction (**DTR** 5.8.1(4)).*

*An **issuer** is entitled to rely on the information it receives in a shareholder notification as a proper basis for any **announcement** required by the **Rules**.*

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Part 2: Persons discharging managerial responsibility

Where the **announcement** relates to a holding of **securities** by a ~~director (or shadow director)~~ person discharging managerial responsibility it must contain the following information:

- ~~a. the information specified by paragraphs (a) to (e) above;~~
- a. the name of the person and for a **person discharging managerial responsibilities** their position within the issuer;
- b. for a person closely associated with a **person discharging managerial responsibilities** the name and position of the relevant person;
- c. the reason for the notification;
- d. the date and place of the transaction;
- e. the nature of the transaction;
- ~~b.f.~~ the number and class of **securities** acquired or sold in the particular **deal**, including a description and identifier (eg ISIN) of the financial instrument ;
- ~~c.~~ where the notification relates to an indirect holding, the name of any relevant **family member or connected person**; and

e.g. _____ the price paid per security.

Guidance Notes on Appendix 3

~~The information required to be provided to a UK issuer in relation to a major shareholding is set out in paragraph 5.8.1 of the DTR. Such an issuer should ensure that its announcement includes all the disclosed particulars of a holding, in order to meet its responsibilities under paragraph 5.8.12 of the DTR. In particular for the avoidance of doubt, the "required particulars" mentioned in Appendix 4.1(f) would include:~~

- ~~• if applicable, the name of any subsidiary undertakings through which the substantial shareholding is held (DTR 5.8.1(2)); and~~
- ~~• if different to the person required to make the notification, the registered holder of any shares which are the subject of the triggering transaction (DTR 5.8.1(4)).~~

~~An issuer is entitled to rely on the information it receives in a shareholder notification as a proper basis for any announcement required by the Rules.~~

Appendix 4: Financial Results

1. The **announcement** of an **issuer's** interim results must as a minimum contain the following information:
 - a. a statement by the board;
 - b. the balance sheet;
 - c. the profit and loss account;
 - d. in respect of the financial information disclosed under 1(b) and 1(c) above, comparative information for the previous corresponding period, together with a summary of any change in accounting policy likely to affect the validity of the comparison; and
 - e. a statement of whether or not the information has been reviewed by the **issuer's** auditor.
2. The **announcement** of an **issuer's** final results must contain the following information:
 - a. the information prescribed by paragraphs 1(a), 1 (b) and 1(c) above;
 - b. a statement of earnings or loss per share;
 - c. any decision to pay a dividend together with the dividend timetable;
 - d. in respect of the financial information disclosed under 2(a) to 2(c) above, comparative information for the corresponding period in the previous financial year, together with a summary of any change in accounting policy likely to affect the validity of the comparison;
 - e. if there is, or is likely to be, a qualification in the audit opinion, or if it has been or is likely to be modified in relation to going concern or otherwise, the reproduction of the terms of such qualification or modification; and
 - f. a statement of whether the information contained in the **announcement** has been extracted from audited information or agreed with the auditor, or an appropriate negative statement.

Paragraphs 1 (c) and 2 (a)

The profit and loss account must include as a minimum:

- turnover;
- gross profit (or loss) before tax;

- tax; and
- profit (or loss) after tax.

Paragraphs 1 (b) and 2 (a)

The balance sheet must include as a minimum:

- fixed assets;
- current assets;
- current liabilities;
- other liabilities;
- share capital; and
- reserves.

Paragraph 2 (c)

A dividend timetable must include as a minimum:

- the rate of the net dividend in pence per share;
- the dividend payment date;
- the record date (books close date); and
- the type of dividend (e.g. final, interim or special).

Paragraph 2 (e)

If following the **announcement** it becomes known to the **directors** of the **issuer** that the audit report is to be qualified, or modified in relation to going concern or otherwise, the terms of such qualification or modification must be made the subject of an immediate **announcement**.

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Appendix 5: Disclosures in Relation to Transactions

An **announcement** in relation to a transaction or reverse takeover must contain the following information where known to the **issuer**:

- a. particulars of the transaction, including the name of any relevant company or business;
- b. a description of the assets which are the subject of the transaction;
- c. if applicable, a description of the turnover and profits attributable to the assets (and in the case of an acquisition, a description of any goodwill being acquired);
- d. the consideration and how it is being satisfied, including any arrangements for the payment of deferred consideration and any agreement for the repayment or assumption of inter-company or third party debt;
- e. in the case of a disposal and where possible, the profit or loss realised in relation to book value and the proposed application of the proceeds (or where the consideration is satisfied in **shares**, the **issuer's** intentions regarding the sale or retention of the holding); and
- f. any other information reasonably required to assess the impact and effects of the transaction on the **issuer**.

Glossary

[Glossary](#)

Term	Definition
admission	The admission by ISDX of the securities of an issuer to trading on the ISDX Growth Market .
admission agreement	The document setting out the detailed contractual responsibilities of an issuer in respect of the admission of its securities .
admission document	The document required to be published by an issuer under Rule 7 containing the information specified in Appendix 1.
announce or announcement	The submission of an announcement via a RIS for release.
annual fee	The annual fee payable by an issuer in respect of the admission of its securities , as set by ISDX from time to time.
application fee	The fee payable by an issuer in respect of an application for the admission of its securities , as set by ISDX from time to time.
applicable threshold	In relation to substantial shareholdings , each percentage point between three per cent and 100 per cent, found by rounding a holding expressed as a percentage down to the nearest whole number.
business days	A day when the ISDX Growth Market is open for business, and excludes weekends and public holidays in the UK.

Term	Definition
cash shell	An issuer which does not, through itself or its subsidiaries, carry on a business activity, or intend to commence a business activity in accordance with an announced business activity, excluding an investment vehicle . Cash shells are not eligible for admission to trading but can result from an issuer admitted to trading on the ISDX Growth Market disposing of its trading business and/or material assets.

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Term	Definition
close closed period	<p>The period of two months preceding publication of an issuer's final or interim results (or, if shorter, the period between the end of the relevant financial period and publication), or any other time when the issuer is in possession of inside information in relation to its securities and it has become reasonably probable that an announcement of such information will be required by the Rules (whether or not the director, including members of his or her family and connected persons, or relevant employee who proposes to deal has knowledge of such matter).</p> <p>Where an issuer reports on a quarterly basis, the close period shall be one month preceding publication of its results, save that it shall remain two months in relation to its final results (or, if shorter, the period between the end of the relevant financial period and publication). The period set by MAR article 19 (11) during which a person discharging managerial responsibility is prohibited from conducting any transactions on its own account or for the account of a third party, directly or indirectly, relating to the securities of the issuer or to derivatives or other financial instruments linked to them as amended from time to time. A closed period shall be a period of 30 calendar days before the announcement of an interim financial report or a year-end report which the issuer is obliged to make public according to:</p> <p>(a) the rules of the trading venue where the issuer's shares are admitted to trading; or</p> <p>(b) national law.</p>
closing price	The mid-price between the best bid and best offer price at end of the Mandatory Quote Period as defined in the Trading Rules (4.30pm).

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Term	Definition
connected person	<p>A trust of which a director of an issuer is a trustee or beneficiary (other than an employee saving or incentive scheme of which a director is a beneficiary only), or a company in which the directors of an issuer have, or have a right or obligation to acquire (individually or collectively), a direct or indirect interest in:</p> <ul style="list-style-type: none"> • for the purpose of Rule 5555, share capital conferring 30 per cent or more of voting rights; or • for the purpose of Rules 6, 43 and 71, share capital conferring 20 per cent or more of voting rights.
Corporate Adviser Handbook	The ISDX Corporate Adviser Handbook as amended or supplemented from time to time by market notice which sets out the requirements and responsibilities for ISDX Corporate Advisers .
deal	<p>Any agreement, right or obligation to acquire or dispose of a legal or beneficial interest in securities (whether present or future, direct or indirect or subject to further conditions). This includes (a) on market transactions, (b) the grant, exercise or any dealings in share options or warrants, (c) the pledging of securities (whether as collateral for a loan or otherwise), (d) the issue or conversion of any instrument convertible into securities, or (e) the acquisition or disposal of a financial product whose value is determined by movements in the price of securities, such as a contract for differences.</p> <p>For the purpose of Rule 71 only, deal does not include participation in a rights or entitlement issue, or other pre-emptive offer to shareholders (including the payment of a scrip dividend or bonus issue), the grant of options in accordance with the published terms of an employee share option scheme, or the acceptance of a takeover (including the gathering of irrevocable undertakings).</p>

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Term	Definition
declaration	The declaration to ISDX in the form prescribed in Appendix D of the Corporate Adviser Handbook required to be made by an ISDX Corporate Adviser when submitting an application for admission or alternatively upon being appointed as an issuer's new ISDX Corporate Adviser .
director	A person who carries out the functions of a director whether or not officially appointed and by whatever name called.
DTR	Chapter 5 of the Disclosure and Transparency Rules of the FCA , setting out vote-holder and issuer notification rules in relation to major shareholdings in companies. The DTR is available for inspection on the FCA website at www.fca.org.uk .
EBITDA	Earnings before interest, taxes, depreciation and amortisation.
eligibility criteria	The criteria to be met by an issuer applying for admission to ISDX as set out in Rule 2 .
family	As defined in section 253 of the Companies Act 2006.
fast-track applicant	An issuer admitted to a Qualifying Market or which has successfully applied to be admitted to trading on a Qualifying Market , applying for admission to the ISDX Growth Market in accordance with the fast-track admission procedure .
fast-track admission procedure	The admission procedure set out in Rules 1546 to 19 of Part 1 with respect to the admission of a fast-track applicant .
FCA	The Financial Conduct Authority.
inside information	Information of a specific and precise nature which is not generally available, but which if made public would be likely to have a significant effect on the price of the securities of the issuer concerned.

Term	Definition
insider	A person or entity privy to inside information .
investment vehicle	An issuer whose actual or intended principal activity is to invest in the securities of other businesses (whether publicly traded or not), or to acquire a particular business, in accordance with specific investment criteria. The term does not include a mineral exploration company or issuers that conduct any trading activity which is significant in the context of the whole group.
ISDX	ICAP Securities & Derivatives Exchange Limited, a company incorporated in England with registered company number 4309969 whose registered office is located at 2 Broadgate, London, EC2M 7UR and the recognised investment exchange , as appropriate.
ISDX Corporate Adviser	An ISDX member firm which has been approved by ISDX to act in the capacity of a Corporate Adviser and has been admitted to the register of such advisers.
ISDX Growth Market	The ISDX primary market segment operated by ISDX for dealings in unlisted securities admitted to trading in accordance with the Rules .
issuer	An issuer whose securities have been admitted to trading on the ISDX Growth Market , or for which an application for admission has been made, including a fast-track applicant unless the context requires otherwise. For the purpose of any disciplinary action, issuer shall include an entity which was an issuer at the time that the events the subject of the proceedings occurred.
<u>market abuse regulation or MAR</u>	<u>EU Regulation 596/2014 of the European Parliament and the Council of 16 April 2014, as may be amended from time to time.</u>
market maker	An ISDX member firm which has been approved by ISDX to act in the capacity of a market maker in relation to the securities of an issuer .
market notice	A regulatory notice published by ISDX .

Term	Definition
MiFID	Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments.
mineral company	As defined in the European Securities and Markets Authority's recommendations on ' <i>The consistent implementation of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive</i> ' as amended from time to time.
mineral exploration company	A mineral company as defined in the European Securities and Markets Authority's recommendations on ' <i>The consistent implementation of Commission Regulation (EC) No 809/2004 implementing the Prospectus Directive</i> ' as amended from time to time, engaged in exploration, development, or planning activities but excluding production activities.
new enterprise	An issuer whose main activity is not supported by an historic revenue record as shown by audited information (such as annual accounts together with an auditor's report) covering the period of at least 24 months prior to admission , including where the context requires an investment vehicle .
notifiable change	<p>The following events of which the issuer has been formally notified:</p> <ul style="list-style-type: none"> • the acquisition of a substantial shareholding; • a change in the applicable threshold of a substantial shareholding; or • an event which results in a person ceasing to have a substantial shareholding. <p>A notifiable change may arise as a result of a transaction in shares or other events affecting the breakdown of voting rights as set out in paragraph 5.1.2 of the DTR.</p>

Term	Definition
offer of securities to the public	<p>A communication to any person which presents sufficient information on:</p> <ul style="list-style-type: none"> the securities to be offered, and the terms on which they are offered, <p>to enable an investor to decide to buy or subscribe for the securities in question. This definition should be interpreted in a manner consistent with section 102B of the Financial Services and Markets Act 2000 and the prospectus rules.</p>
overseas issuer	<p>An issuer incorporated or constituted under the law of a country outside the United Kingdom.</p>
<u>person discharging managerial responsibility</u>	<p><u>As defined in MAR, as may be amended from time to time; including:</u></p> <p><u>A person within an issuer who is:</u></p> <ul style="list-style-type: none"> <u>a) a member of the administrative, management or supervisory body of that entity; or</u> <u>b) a senior executive who is not a member of the bodies referred to in (a), who has regular access to inside information relating directly or indirectly to that entity and power to take managerial decisions affecting the future developments and business prospects of that entity; and</u> <u>c) a person closely associated with them being:</u> <ul style="list-style-type: none"> <u>i) a spouse, or a partner considered to be equivalent to a spouse in accordance with national law;</u> <u>ii) a dependent child;</u> <u>iii) a relative who has shared the same household for at least one year before the relevant time;</u> <u>iv) a member of their family; or</u> <u>v) a legal person, trust or partnership the managerial responsibilities of which are discharged by a Person discharging managerial responsibilities or by a person referred to above, which is directly or indirectly controlled by such a person, which is set up for the benefit of such a person, or the economic interests of which are substantially equivalent to those of such a person.</u>

Term	Definition
prospectus regulation	EU Regulation 2004/809/EC, which sets out the information requirements for a prospectus published under the prospectus rules .
prospectus rules	Part 6 of the Financial Services and Markets Act 2000 relating to the requirement to publish a prospectus and the Rules made by the FCA under that part.
qualified investor	An investor registered on the register of qualified investors maintained by the FCA .
Qualifying Market	A market classified as a Multilateral Trading Facility as defined by Article 4(15) of MiFID and recognised by ISDX as a Qualifying Market subject to the satisfaction of objective criteria prescribed by ISDX and amended or supplemented from time to time by market notice . A list of recognised Qualifying Markets is maintained by ISDX on its website.
recognised investment exchange	An entity the subject of a recognition order made by the FCA under the Financial Services and Markets Act 2000 declaring an entity to be a recognised investment exchange .
REIT	A UK REIT as defined in Part 12 of the Corporation Tax Act 2010.
related party	A person who is, or was during the twelve months preceding the transaction, a director , shadow director (including his or her family and connected persons) or a person who has, or has a right or obligation to acquire, a direct or indirect interest in the share capital of an issuer (its subsidiary or parent undertaking, or subsidiary undertaking of its parent undertaking) conferring ten per cent or more of voting rights, or is entitled to appoint or remove directors holding a majority of voting rights at board meetings of the issuer .
relevant employee	An employee or officer of an issuer who, by virtue of his office or employment, has regular or occasional access to inside information relating to the issuer.

Term	Definition
revenue	Revenue or turnover as shown in an issuer's most recent audited financial information reported in accordance with UK GAAP, US GAAP or International Accounting Standards or other appropriate standard agreed with ISDX , or alternatively in respect to an issuer's historical revenue record supported by previous audited financial information.
RIS	A Regulated Information Service which is a Primary Information Provider (PIP) that is approved by the FCA to disseminate regulatory information to the market and is on the list of Regulated Information Services maintained by the FCA .
Rule or Rules	The ISDX Growth Market - Rules for Issuers , as amended or supplemented from time to time by market notice .
securities	A class of securities admitted to trading on the ISDX Growth Market (or for which an application for admission has been made) in accordance with the Rules .
shadow director	A person in accordance with whose directions or instructions the directors of an issuer are accustomed to act (not including a person who gives advice in a professional capacity).
shares	Issued shares of a class carrying voting rights at general meetings of the issuer in all circumstances which are admitted to trading on the ISDX Growth Market . This definition should be interpreted in a manner consistent with paragraph 5.1 of the DTR .
shares in public hands	Includes all shares not held by related parties (including directors , shadow directors , family , and connected persons), relevant employees , locked-in persons, and persons or persons acting in concert who have an interest in five per cent or more of the relevant class of shares . Shares permitted to be held in treasury are not counted as shares in public hands .

Term	Definition
specialist issuer	An issuer whose principal activity in the opinion of ISDX relates to a specific area of expertise including a mineral company , property development, scientific based or shipping companies.
substantial shareholding	A direct or indirect holding of the shares or qualifying financial instruments of an issuer required to be notified to the issuer in accordance with the requirements of the DTR (or any applicable overseas law or regulation permitting or requiring equivalent disclosure), or a holding above an applicable threshold revealed through enquiries made by the issuer under companies legislation.

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