



Financial Services and Markets Act 2000

2000 CHAPTER 8

PART VI

OFFICIAL LISTING^{F1}

[^{F1}Approval of prospectus

Annotations:

Amendments (Textual)

- F1** Ss. 84-87R and cross-headings substituted for ss. 84-87 (1.7.2005) by [The Prospectus Regulations 2005 \(S.I. 2005/1433\)](#), reg. 2(1), [Sch. 1 para. 5](#)

87A Criteria for approval of prospectus by competent authority

- (1) The competent authority may not approve a prospectus unless it is satisfied that—
 - (a) the United Kingdom is the home State in relation to the issuer of the transferable securities to which it relates,
 - (b) the prospectus contains the necessary information, and
 - (c) all of the other requirements imposed by or in accordance with this Part or the prospectus directive have been complied with (so far as those requirements apply to a prospectus for the transferable securities in question).
- (2) The necessary information is the information necessary to enable investors to make an informed assessment of—
 - (a) the assets and liabilities, financial position, profits and losses, and prospects of the issuer of the transferable securities and of any guarantor; and
 - (b) the rights attaching to the transferable securities.
- (3) The necessary information must be presented in a form which is comprehensible and easy to analyse.

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- (4) The necessary information must be prepared having regard to the particular nature of the transferable securities and their issuer.
- (5) The prospectus must include a summary (unless the transferable securities in question are ones in relation to which prospectus rules provide that a summary is not required).
- (6) The summary must, briefly and in non-technical language, convey the essential characteristics of, and risks associated with, the issuer, any guarantor and the transferable securities to which the prospectus relates.
- (7) Where the prospectus for which approval is sought does not include the final offer price or the amount of transferable securities to be offered to the public, the applicant must inform the competent authority in writing of that information as soon as that element is finalised.
- (8) “Prospectus” (except in subsection (5)) includes a supplementary prospectus.

87B Exemptions from disclosure

- (1) The competent authority may authorise the omission from a prospectus of any information, the inclusion of which would otherwise be required, on the ground—
 - (a) that its disclosure would be contrary to the public interest;
 - (b) that its disclosure would be seriously detrimental to the issuer, provided that the omission would be unlikely to mislead the public with regard to any facts or circumstances which are essential for an informed assessment of the kind mentioned in section 87A(2); or
 - (c) that the information is only of minor importance for a specific offer to the public or admission to trading on a regulated market and unlikely to influence an informed assessment of the kind mentioned in section 87A(2).
- (2) The Secretary of State or the Treasury may issue a certificate to the effect that the disclosure of any information would be contrary to the public interest.
- (3) The competent authority is entitled to act on any such certificate in exercising its powers under subsection (1)(a).
- (4) This section does not affect any powers of the competent authority under prospectus rules.
- (5) “Prospectus” includes a supplementary prospectus.

87C Consideration of application for approval

- (1) The competent authority must notify the applicant of its decision on an application for approval of a prospectus before the end of the period for consideration.
- (2) The period for consideration—
 - (a) begins with the first working day after the date on which the application is received; but

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- (b) if the competent authority gives a notice under subsection (4), is to be treated as beginning with the first working day after the date on which the notice is complied with.
- (3) The period for consideration is—
 - (a) except in the case of a new issuer, 10 working days; or
 - (b) in that case, 20 working days.
- (4) The competent authority may by notice in writing require a person who has applied for approval of a prospectus to provide—
 - (a) specified documents or documents of a specified description, or
 - (b) specified information or information of a specified description.
- (5) No notice under subsection (4) may be given after the end of the period, beginning with the first working day after the date on which the application is received, of—
 - (a) except in the case of a new issuer, 10 working days; or
 - (b) in that case, 20 working days.
- (6) Subsection (4) applies only to information and documents reasonably required in connection with the exercise by the competent authority of its functions in relation to the application.
- (7) The competent authority may require any information provided under this section to be provided in such form as it may reasonably require.
- (8) The competent authority may require—
 - (a) any information provided, whether in a document or otherwise, to be verified in such manner, or
 - (b) any document produced to be authenticated in such manner, as it may reasonably require.
- (9) The competent authority must notify the applicant of its decision on an application for approval of a supplementary prospectus before the end of the period of 7 working days beginning with the date on which the application is received; and subsections (4) and (6) to (8) apply to such an application as they apply to an application for approval of a prospectus.
- (10) The competent authority's failure to comply with subsection (1) or (9) does not constitute approval of the application in question.
- (11) “New issuer” means an issuer of transferable securities which—
 - (a) does not have transferable securities admitted to trading on any regulated market; and
 - (b) has not previously offered transferable securities to the public.

87D Procedure for decision on application for approval

- (1) If the competent authority approves a prospectus, it must give the applicant written notice.
- (2) If the competent authority proposes to refuse to approve a prospectus, it must give the applicant written notice.

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- (3) The notice must state the competent authority's reasons for the proposed refusal.
- (4) If the competent authority decides to refuse to approve a prospectus, it must give the applicant written notice.
- (5) The notice must—
 - (a) give the competent authority's reasons for refusing the application; and
 - (b) inform the applicant of his right to refer the matter to the Tribunal.
- (6) If the competent authority refuses to approve a prospectus, the applicant may refer the matter to the Tribunal.
- (7) In this section “prospectus” includes a supplementary prospectus.]

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