

SCHEDULE 1

Regulation 8

Form and Content of Prospectus

Part 1

Interpretation

1. In this Schedule, except where the context otherwise requires—
 - “annual accounts” has the same meaning as in Part VII of the Companies Act 1985;
 - “control” means the ability, in practice, to determine the actions of the issuer; and “joint control” means control exercised by two or more persons who have an agreement or understanding (whether formal or informal) which may lead to their adopting a common policy in respect of the issuer;
 - “debentures” means securities falling within paragraph 2 of Schedule 1 to the Act;
 - “financial year” has the same meaning as in Part VII of the Companies Act 1985;
 - “group accounts” has the same meaning as in Part VII of the Companies Act 1985;
 - “the last three years”, in relation to an undertaking whose accounts are required to be dealt with in a prospectus, means three completed financial years which immediately precede the date on which the offer is first made and which cover a continuous period of at least 35 months, disregarding a financial year which ends less than three months before the date on which the offer is first made and for which accounts have not been prepared by that date;
 - “parent undertaking” and “subsidiary undertaking” have the same meaning as in Part VII of the Companies Act 1985;
 - “State of affairs” means the state of affairs of an undertaking, in relation to its balance sheet, at the end of a financial year;
 - “subsidiary” and “holding company” have the same meaning as in sections 736 and 736A of the Companies Act 1985; and
 - “undertaking” has the same meaning as in Part VII of the Companies Act 1985.

PART II

GENERAL REQUIREMENTS

2. The name of the issuer and the address of its registered office.
3. If different, the name and address of the person offering the securities.
4. The names and functions of the directors of the issuer.
5. The date of publication of the prospectus.
6. A statement that a copy of the prospectus has been delivered for registration to the registrar of companies in accordance with regulation 4(2), indicating to which registrar of companies it has been delivered.
7. A statement that the prospectus has been drawn up in accordance with these Regulations.
8. The following words, “If you are in any doubt about the contents of this document you should consult a person authorised under the Financial Services Act 1986 who specialises in advising on the acquisition of shares and other securities”, or words to the like effect.

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PART III

THE PERSONS RESPONSIBLE FOR THE PROSPECTUS AND ADVISERS

9. The names, addresses (home or business) and functions of those persons responsible (which in this Part of this Schedule has the same meaning as in regulation 13) for the prospectus or any part of the prospectus, specifying such part.

10.—(1) A declaration by the directors of the issuer (or, if the offeror is not the issuer, by the directors of the offeror) that to the best of their knowledge the information contained in the prospectus is in accordance with the facts and that the prospectus makes no omission likely to affect the import of such information.

(2) Without prejudice to paragraph 45 of this Schedule, a statement by any person who accepts responsibility for the prospectus, or any part of it, that he does so.

PART IV

THE SECURITIES TO WHICH THE PROSPECTUS RELATES AND THE OFFER

11. A description of the securities being offered, including the class to which they belong and a description of the rights attaching to them including (where applicable)—

- (a) if the securities are shares, rights as regards—
 - (i) voting;
 - (ii) dividends;
 - (iii) return of capital on the winding up of the issuer;
 - (iv) redemption;and a summary of the consents necessary for the variation of any of those rights;
- (b) if the securities are debentures, rights as regards—
 - (i) interest payable;
 - (ii) repayment of principal;
- (c) if the securities are convertible securities—
 - (i) the terms and dates on which the holder of the convertible securities is entitled to acquire the related underlying securities;
 - (ii) the procedures for exercising the entitlement to the underlying securities; and
 - (iii) such information relating to the underlying securities as would have been required under paragraphs (a) or (b) if the securities being offered had been the underlying securities.

12. The date(s) (if any) on which entitlement to dividends or interest arises.

13. Particulars of tax on income from the securities withheld at source, including tax credits.

14. The procedure for the exercise of any right of preemption attaching to the securities.

15. Any restrictions on the free transferability of the securities being offered.

16.—(1) A statement as to whether—

- (a) the securities being offered have been admitted to dealings on a recognised investment exchange; or

- (b) an application for such admission has been made.
- (2) Where no such application for dealings has been made, or such an application has been made and refused, a statement as to whether or not there are, or are intended to be, any other arrangements for there to be dealings in the securities and, if there are, a brief description of such arrangements.
- 17. The purpose for which the securities are being issued.
- 18. The number of securities being issued.
- 19. The number of securities being offered.
- 20. 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.
- 21. Where the prospectus relates to shares which are offered for subscription, particulars as to—
 - (a) the minimum amount which, in the opinion of the directors of the issuer, must be raised by the issue of those shares in order to provide the sums (or, if any part of them is to be defrayed in any other manner, the balance of the sums) required to be provided in respect of each of the following—
 - (i) the purchase price of any property purchased, or to be purchased, which is to be defrayed in whole or in part out of the proceeds of the issue;
 - (ii) any preliminary expenses payable by the issuer and any commission so payable to any person in consideration of his agreeing to subscribe for, or of his procuring or agreeing to procure subscriptions for, any shares in the issuer;
 - (iii) the repayment of any money borrowed by the issuer in respect of any of the foregoing matters;
 - (iv) working capital; and
 - (b) the amounts to be provided in respect of the matters mentioned otherwise than out of the proceeds of the issue and the sources out of which those amounts are to be provided.
- 22. The names of any persons underwriting or guaranteeing the offer.
- 23. The amount or the estimated amount of the expenses of the offer and by whom they are payable, including (except in so far as information is required to be included in the prospectus by section 97(3) of the Companies Act 1985) a statement as to any commission payable by the issuer to any person in consideration of his agreeing to subscribe for securities to which the prospectus relates or of his procuring or agreeing to procure subscriptions for such securities.
- 24. The names and addresses of the paying agents (if any).
- 25. The period during which the offer of the securities is open.
- 26. The price at which the securities are offered or, if appropriate, the procedure, method and timetable for fixing the price.
- 27. The arrangements for payment for the securities being offered and the arrangements and timetable for their delivery.
- 28. The arrangements during the period prior to the delivery of the securities being offered relating to the moneys received from applicants including the arrangements for the return of moneys to applicants where their applications are not accepted in whole or in part and the timetable for the return of such moneys.

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PART V

GENERAL INFORMATION ABOUT THE ISSUER AND ITS CAPITAL

29. The date and place of incorporation of the issuer. In the case of an issuer not incorporated in the United Kingdom, the address of its principal place of business in the United Kingdom (if any).
30. The place of registration of the issuer and the number with which it is registered.
31. The legal form of the issuer, the legislation under which it was formed and (if different) the legislation now applicable to it.
32. A summary of the provisions in the issuer's memorandum of association determining its objects.
33. If the liability of the members of the issuer is limited, a statement of that fact.
34. The amount of the issuer's authorised share capital and any limit on the duration of the authorisation to issue such share capital.
35. The amount of the issuer's issued share capital.
36. The number and particulars of and listed any unlisted securities issued by the issuer not representing share capital.
37. The number of shares of each class making up each of the authorised and issued share capital, the nominal value of such shares and, in the case of the issued share capital, the amount paid up on the shares.
38. The amount of any outstanding listed and unlisted convertible securities issued by the issuer, the conditions and procedures for their conversion and the number of shares which would be issued as a result of their conversion.
39. If the issuer is a member of a group, a brief description of the group and of the issuer's position in it, stating, where the issuer is a subsidiary, the name of its holding company.
40. Insofar the offeror has the information, an indication of the persons, who, directly or indirectly, jointly or severally, exercise or could exercise control over the issuer and particulars of the proportion of the issuer's voting capital held by such persons.

PART VI

The Issuer's Principal Activities

41. A description of the issuer's principal activities and of any exceptional factors which have influenced its activities.
42. A statement of any dependence of the issuer on patents or other intellectual property rights, licences or particular contracts, where any of these are of fundamental importance to the issuer's business.
43. Information regarding investments in progress where they are significant.
44. Information on any legal or arbitration proceedings, active, pending or threatened against, or being brought by, the issuer or any member of its group which are having or may have a significant effect on the issuer's financial position.

PART VII

The Issuer's Assets and Liabilities; Financial Position and Profits and Losses

45.—(1) If the issuer is a company to which Part VII of the Companies Act 1985 applies otherwise than by virtue of section 700 of that Act

- (a) the issuer's annual accounts for the last three years together with—
 - (i) a statement by the directors of the issuer that the accounts have been prepared in accordance with the law, and that they accept responsibility for them, or a statement why they are unable to make such a statement;
 - (ii) the names and addresses of the auditors of the accounts;
 - (iii) a copy of the auditors' reports on the accounts, within the meaning of section 235 of the Companies Act 1985; and
 - (iv) a statement by the auditors that they consent to the inclusion of their reports in the prospectus and accept responsibility for them, and have not become aware, since the date of any report, of any matter affecting the validity of that report at that date; or a statement why they are unable to make such a statement; or
- (b) a report by a person qualified to act as an auditor with respect to the state of affairs and profit or loss shown by the issuer's annual accounts for the last three years together with—
 - (i) the name and address of the person responsible for the report;
 - (ii) if different, the name and address of the person who audited the accounts on which the report is based; and
 - (iii) a statement by the person responsible for the report that in his opinion the report gives a true and fair view of the state of affairs and profit or loss of the issuer and its subsidiary undertakings, and that he consents to the inclusion of his report in the prospectus and accepts responsibility for it; or a statement why he is unable to make such a statement.

(2) If the issuer is not a company to which Part VII of the Companies Act 1985 applies (or is a company to which that Part of that Act applies by virtue of section 700 of that Act)

- (a) the issuer's accounts (and, if it is a parent undertaking, its subsidiary undertakings' accounts) for the last three years, prepared in accordance with the applicable law, together with—
 - (i) the name and address of the person responsible for the accounts;
 - (ii) a statement by the person responsible for the accounts that they have been properly prepared in accordance with the applicable law, and that he accepts responsibility for them, or a statement why he is unable to make such a statement;
 - (iii) the names and addresses of the auditors of the accounts and their reports; and
 - (iv) a statement by the auditors that they consent to the inclusion of their reports in the prospectus and accept responsibility for them, and have not become aware, since the date of any report, of any matter affecting the validity of that report at that date; or a statement why they are unable to make such a statement; or
- (b) a report by a person qualified to act as an auditor with respect to the state of affairs and profit or loss shown by the issuer's accounts (and, if the issuer is a parent undertaking, by its subsidiary undertakings' accounts) for the last three years, such report to be drawn up in accordance with the applicable law, or as if the provisions of the Companies Act 1985 relating to annual accounts applied to the issuer, together with
 - (i) the name and address of the person responsible for the report;

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- (ii) if different, the name and address of the person who audited the accounts on which the report is based; and
- (iii) a statement by the person responsible for the report that in his opinion the report gives a true and fair view of the state of affairs and profit or loss of the issuer and its subsidiary undertakings and that he consents to the inclusion of his report in the prospectus and accepts responsibility for it; or a statement why he is unable to make such a statement.

(3) If, in accordance with the law applicable to it, the accounts of an issuer falling within sub-paragraph (2) consist only of consolidated accounts with respect to itself and its subsidiary undertakings, the prospectus is not required by virtue of sub-paragraph (2) to include separate accounts for each undertaking, or to include a report which deals with the accounts of each undertaking separately.

(4) If, in the case of an issuer falling within sub-paragraph (1) or (2), the prospectus would, but for this sub-paragraph, include both separate accounts for the issuer and its subsidiary undertakings and consolidated accounts, either the separate accounts or the consolidated accounts may be omitted from the prospectus if their inclusion would not provide any significant additional information.

(5) If an issuer falling within sub-paragraph (2) is not required by the law applicable to it to have its accounts audited—

- (a) if the accounts have not been audited—
 - (i) the prospectus shall contain a statement to that effect; and
 - (ii) paragraph (a)(iii) and (iv) or, as the case may be, paragraph (b)(ii) of sub-paragraph (2) shall not apply to the issuer; and
- (b) if the accounts have nonetheless been audited, the prospectus shall contain a statement to that effect.

(6) Sub-paragraphs (7) and (8) shall apply in so far as the issuer has not been in existence for the whole of the last three years.

(7) Subject to sub-paragraph (8)—

- (a) the requirement in sub-paragraphs (1)(a) and (2)(a) that the prospectus contain accounts for the last three years shall be construed as a requirement that the prospectus contain the accounts which the undertaking concerned was required (by its constitution or by the law under which it is established) to prepare for financial years during its existence, disregarding a financial year which ends less than three months before the date on which the offer is first made and for which accounts have not been prepared by that date; and
- (b) the requirement in sub-paragraphs (1)(b) and (2)(b) that the prospectus contain a report with respect to the state of affairs and profit or loss for the last three years shall be construed as a requirement that the prospectus contain a report with respect to the accounts which the undertaking concerned was required (by its constitution or by the law under which it is established) to prepare for financial years during its existence, disregarding a financial year which ends less than three months before the date on which the offer is first made and for which accounts have not been prepared by that date.

(8) If an undertaking has not been required (by its constitution or by the law under which it is established) to prepare any accounts for financial years, the requirement in sub-paragraphs (1) and (2) that the prospectus contain accounts for, or a report with respect to, the last three years shall be construed as a requirement that the prospectus contain a report by a person qualified to act as an auditor which includes

- (a) details of the profit or loss of the undertaking in respect of the period beginning with the date of its formation and ending on the latest practicable date before (but not in any event

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more than three months before) the date on which the offer is first made, and of its state of affairs at that latest practicable date; and

- (b) a statement by the person responsible for the report that in his opinion it gives a true and fair view of the state of affairs and profit or loss of the undertaking and that he consents to the inclusion of his report in the prospectus and accepts responsibility for it; or a statement why he is unable to make such a statement.

(9) If the issuer is a parent undertaking, the requirements of sub-paragraph (1) or, as the case may be, sub-paragraph (2), shall apply to each subsidiary undertaking in respect of any part of the last three years for which information is not otherwise required by those sub-paragraphs.

(10) Where more than nine months have elapsed at the date on which the offer is first made since the end of the last financial year in respect of which accounts or a report are required to be included in the prospectus by this paragraph, there shall also be included in the prospectus—

- (a) interim accounts of the undertaking concerned (which need not be audited but which must otherwise be prepared to the standard applicable to accounts required for each financial year) covering the period beginning at the end of the last financial year in respect of which accounts or a report are required to be included in the prospectus by this paragraph, and ending on the latest practicable date before (but not in any event more than three months before) the date on which the offer is first made, together with the name and address of the person responsible for the interim accounts and a statement by him that the interim accounts have been properly prepared in accordance with the law applicable to the undertaking, and that he consents the inclusion of the accounts and statement in the prospectus and accepts responsibility for them; or a statement why he is unable to make such a statement; or
- (b) a report by a person qualified to act as an auditor covering the same period with respect to the state of affairs and profit or loss of the undertaking concerned, prepared in accordance with the law applicable to the undertaking, together with the name and address of the person responsible for preparing the report, and a statement by him that he consents to the inclusion of the report in the prospectus and accepts responsibility for it; or a statement why he is unable to make such a statement.

(11) If any interim accounts of the issuer have been published since the end of the last financial year of the issuer in respect of which accounts or a report are required to be included in the prospectus by this paragraph, other than interim accounts included in a prospectus in accordance with sub-paragraph (10), they shall be included in the prospectus, together with

- (a) an explanation of the purpose for which the accounts were prepared;
- (b) a reference to the legislation in accordance with which they were prepared; and
- (c) the name and address of the person responsible for them, and a statement from him that he consents to the inclusion of the accounts in the prospectus and accepts responsibility for them.

PART VIII

The issuer's administration, management and supervision

46. A concise description of the directors' existing or proposed service contracts with the issuer or any subsidiary of the issuer, excluding contracts expiring, or determinable by the employing company without payment of compensation within one year, or an appropriate negative statement.

47.—(1) The aggregate remuneration paid and benefits in kind granted to the directors of the issuer during the last completed financial year of the issuer, together with an estimate of the aggregate

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amount payable and benefits in kind to be granted to the directors, and proposed directors, for the current financial year under the arrangements in force at the date on which the offer is first made.

(2) The interests of each director of the issuer in the share capital of the issuer, distinguishing between beneficial and non-beneficial interests, or an appropriate negative statement.

PART IX

Recent developments in the issuer's business and prospects

48. The significant recent trends concerning the development of the issuer's business since the end of the last completed financial year of the issuer.

49. Information on the issuer's prospects for at least the current financial year of the issuer.

PART X

Convertible securities and guaranteed debentures

50. Where the prospectuses relates to convertible securities, and the issuer of the related underlying securities is not the same as the issuer of the convertible securities, the information specified in this Schedule must be given in respect of the issuer of the convertible securities, and the information specified in paragraph 2 and Parts V, VI, VII, VIII and IX of this Schedule must be given in respect of the issuer of the underlying securities.

51. Where the prospectus relates to debentures which are guaranteed by one or more persons, the name and address and the information specified in Parts V, VI, VII, VIII and IX of this Schedule must also be given in respect of any guarantor who is not an individual.