

SCHEDULES

SCHEDULE 15

Section 1272

TRANSPARENCY OBLIGATIONS AND RELATED MATTERS: MINOR AND CONSEQUENTIAL AMENDMENTS

PART 1

AMENDMENTS OF THE FINANCIAL SERVICES AND MARKETS ACT 2000

- 1 Part 6 of the Financial Services and Markets Act 2000 (listing and other matters) is amended as follows.
- 2 In section 73 (general duty of competent authority), after subsection (1) insert—
 - “(1A) To the extent that those general functions are functions under or relating to transparency rules, subsection (1)(c) and (f) have effect as if the references to a regulated market were references to a market.”
- 3 In section 73A (Part 6 Rules), after subsection (5) insert—
 - “(6) Transparency rules and corporate governance rules are not listing rules, disclosure rules or prospectus rules, but are Part 6 rules.”
- 4 For the cross-heading before section 90 substitute “*Compensation for false or misleading statements etc*”.
- 5 For the heading to section 90 substitute “**Compensation for statements in listing particulars or prospectus**”.
- 6 (1) Section 91 (penalties for breach of Part 6 rules) is amended as follows.
 - (2) For subsection (1) substitute—
 - “(1) If the competent authority considers that—
 - (a) an issuer of listed securities, or
 - (b) an applicant for listing,has contravened any provision of listing rules, it may impose on him a penalty of such amount as it considers appropriate.
 - (1ZA) If the competent authority considers that—
 - (a) an issuer who has requested or approved the admission of a financial instrument to trading on a regulated market,
 - (b) a person discharging managerial responsibilities within such an issuer, or
 - (c) a person connected with such a person discharging managerial responsibilities,has contravened any provision of disclosure rules, it may impose on him a penalty of such amount as it considers appropriate.”

- (3) After subsection (1A) insert—
- “(1B) If the competent authority considers—
- (a) that a person has contravened—
- (i) a provision of transparency rules or a provision otherwise made in accordance with the transparency obligations directive, or
- (ii) a provision of corporate governance rules, or
- (b) that a person on whom a requirement has been imposed under section 89L (power to suspend or prohibit trading of securities in case of infringement of applicable transparency obligation), has contravened that requirement,
- it may impose on the person a penalty of such amount as it considers appropriate.”.
- (4) In subsection (2) for “(1)(a), (1)(b)(i) or (1A)” substitute “(1), (1ZA)(a), (1A) or (1B)”.
- 7 In section 96B (persons discharging managerial responsibilities and connected persons)—
- (a) for the heading substitute “**Disclosure rules: persons responsible for compliance**”;
- (b) in subsection (1) for “For the purposes of this Part” substitute “for the purposes of the provisions of this Part relating to disclosure rules”.
- 8 In section 97(1) (appointment by the competent authority of persons to carry out investigations), for paragraphs (a) and (b) substitute—
- “(a) there may have been a contravention of—
- (i) a provision of this Part or of Part 6 rules, or
- (ii) a provision otherwise made in accordance with the prospectus directive or the transparency obligations directive;
- (b) a person who was at the material time a director of a person mentioned in section 91(1), (1ZA)(a), (1A) or (1B) has been knowingly concerned in a contravention by that person of—
- (i) a provision of this Part or of Part 6 rules, or
- (ii) a provision otherwise made in accordance with the prospectus directive or the transparency obligations directive;”.
- 9 In section 99 (fees) after subsection (1B) insert—
- “(1C) Transparency rules may require the payment of fees to the competent authority in respect of the continued admission of financial instruments to trading on a regulated market.”.
- 10 (1) Section 102A (meaning of “securities” etc) is amended as follows.
- (2) After subsection (3) insert—
- “(3A) “Debt securities” has the meaning given in Article 2.1(b) of the transparency obligations directive.”.

- (3) In subsection (3) (meaning of “transferable securities”) for “the investment services directive” substitute “Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments”.
- (4) In subsection (6) (meaning of “issuer”), after paragraph (a) insert—
- “(aa) in relation to transparency rules, means a legal person whose securities are admitted to trading on a regulated market or whose voting shares are admitted to trading on a UK market other than a regulated market, and in the case of depository receipts representing securities, the issuer is the issuer of the securities represented;”.
- 11 (1) Section 103(1) (interpretation of Part 6) is amended as follows.
- (2) In the definition of “regulated market” for “Article 1.13 of the investment services directive” substitute “Article 4.1(14) of Directive 2004/39/EC of the European Parliament and of the Council on markets in financial instruments”.
- (3) At the appropriate place insert—
- ““transparency rules” has the meaning given by section 89A(5);
- “votesholder information” has the meaning given by section 89B(3);”.
- 12 In section 429(2) (Parliamentary control of statutory instruments: affirmative procedure) of the Financial Services and Markets Act 2000 (c. 8) after “section” insert “90B or”.

PART 2

AMENDMENTS OF THE COMPANIES (AUDIT, INVESTIGATIONS AND COMMUNITY ENTERPRISE) ACT 2004

- 13 Chapter 2 of Part 1 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 (accounts and reports) is amended as follows.
- 14 (1) Section 14 (supervision of periodic accounts and reports of issuers of listed securities) is amended as follows.
- (2) In subsection (2)(a)—
- (a) for “listed” substitute “transferable”;
- (b) for “listing” substitute “Part 6”.
- (3) In subsection (3)(a)—
- (a) for “listed” substitute “transferable”;
- (b) for “listing” substitute “Part 6”.
- (4) In subsection (7)(b) for “listed” substitute “transferable”.
- (5) In subsection (12)—
- (a) for ““listed securities” and “listing rules” have” substitute ““Part 6 rules” has”;
- (b) for the definition of “issuer” substitute—
- ““issuer” has the meaning given by section 102A(6) of that Act;”;
- (c) in the definition of “periodic” for “listing” substitute “Part 6”;

Status: This is the original version (as it was originally enacted).

(d) at the end add—

““transferable securities” has the meaning given by section 102A(3) of that Act.”.

15 (1) Section 15 (application of certain company law provisions to bodies appointed under section 14) is amended as follows.

(2) In subsection (5)(a)—

(a) for “listed” substitute “transferable”;

(b) for “listing” substitute “Part 6”.

(3) In subsection (5B)(a)—

(a) for “listed” substitute “transferable”;

(b) for “listing” substitute “Part 6”.

(4) In subsection (6)(b) for ““listing rules” and “security”” substitute ““Part 6 rules” and “transferable securities””.