

SCHEDULES

SCHEDULE 15

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);
- “voteholder 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”.