

THE CITY OF LONDON LAW SOCIETY

COMPANY LAW COMMITTEE

Response to Chapter 10 (Minor changes to UK Listing Rules) of FCA Quarterly Consultation Paper CP26/8

This response has been prepared by the Company Law Committee of the City of London Law Society ("CLLS").

The CLLS represents approximately 21,000 City lawyers through individual and corporate membership, including some of the largest international law firms in the world. These law firms advise a variety of clients, from multinational companies and financial institutions to Government departments, often in relation to complex, multi-jurisdictional legal issues. The CLLS responds to a variety of consultations on issues of importance to its members through its 22 specialist committees.

The CLLS Company Law Committee is made up of senior and specialist corporate lawyers. The members of the CLLS Company Law Committee can be found at the CLLS website: <https://clls.org/committees.html>.

Question 10: Do you agree with our proposal to remove UKLR 6.4.4R(4), UKLR 6.4.5R and corresponding rules in other UKLR chapters. If you disagree, please provide your reasons.

We agree with the proposal to remove these UKLRs following the removal of the 'block listing' process. Alternatively, we suggest the FCA could retain UKLR 6.4.4(4) but carve out issues of shares pursuant to a share plan (whether or not the new shares are covered by a block admission). (A similar amendment would be made to the corresponding rule in other chapters.) This would mean that companies would continue to be required by the UKLR to announce the results of an equity fundraising, which seems desirable and in line with existing market practice, but that they would not be required to announce an issue of shares pursuant to a share plan.

However, we would be grateful for clarification in relation to three issues.

(1) *The exact periods for notifying share issues, as the countdown in PRM 1.6.4 is expressed as starting on admission*

Once UKLR 6.4.4(4), UKLR 6.4.5R and the corresponding rules are removed, there will be just a requirement to issue an announcement (under [PRM 1.6.4R](#)) within 60 days of the shares being *admitted to trading*. Under [PRM 1.6.2R](#) shares must be admitted to trading within 60 days of *being allotted*.

However, when operating share plans, companies find it convenient to request a block admission from the LSE, so that the shares are admitted to trading in advance of their allotment (so that on allotment they are also admitted to trading, with no further action required). This facilitates the smooth operation of share plans, as shares may need to be issued on a regular basis to satisfy option exercises or vesting of awards and/or often shares need to be sold or transferred immediately following issue and allotment.

In these circumstances, it is not clear when the 60-day period for making an announcement referred to in PRM 1.6 would start. There are two possibilities, both of which do not reflect the practical reality. Companies can:

- treat the shares as admitted to trading only once they are allotted, and make the announcement within 60 days of allotment; or
- make the announcement within 60 days of the block admission, even though the shares may have not yet been allotted.

We would be grateful for your views on how these announcement provisions are to be met in this situation.

(2) Possibility of satisfying the requirements of PRM 1.6.4 in the DTR 5.6.1R (Total Voting Rights) RIS notification, next following the further share issuance

Upon a further issuance of shares, as well as making an announcement within 60 days to comply with PRM 1.6.4R, a company must reflect the issuance in its next monthly TVR announcement under DTR 5.6.1R. The latter requires monthly (or immediate material change) announcements of total voting rights.

As each of PRM 1.6.4R and DTR 5.6.1R requires similar disclosures, we understand some companies would prefer to make their PRM 1.6.4R disclosures via the DTR 5.6.1R announcement next following the share issuance, to provide clarity for investors who otherwise have to interpret the issuance disclosure by reference to the TVR announcement preceding it (owing to different deadlines applying to PRM 1.6.4R and DTR 5.6.1R). Please would the FCA provide the market with guidance to confirm that a combined announcement, which aligns the timing and content requirements, is permissible (as we believe is the case), as an alternative to two phased announcements?

If the FCA agrees that a combined announcement could satisfy both rules, please would the FCA clarify what headline NSM codes and categories it would expect companies to use when submitting such an announcement to the NSM, noting that its [Policy Statement 24/19](#) envisages that these codes and categories have to be included when regulated information (such as this type of announcement) is being filed with the FCA? Perhaps the outcome might be communicated in an update of the [FCA's NSM Guide](#) or other NSM materials?

(3) Possibility of relying on any RIS notification made on an application for admission to trading, to satisfy PRM 1.6.4R

We note that, in contrast to the position under the FCA rules (which have provided for automatic admission in relation to listing, since 19 January 2026), the London Stock Exchange's Admission and Disclosure Standards ("**Standards**"), do not provide for an automatic admission to trading for further issuances of the same class of shares. To minimise the administrative burden on issuers, please would the FCA consider permitting an announcement required under the Standards in connection with an application for admission to trading to be used also to satisfy the PRM 1.6.4R obligation, rather than requiring an additional announcement?

Should you need any further information, please do not hesitate to contact me at david.pudge@cliffordchance.com or Kevin Hart (kevin.hart@cls.org) at the CLLS.

Yours sincerely

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