

Subsidiary Legislation made under s. 3 of the Financial Services (Listing of Securities) Act 2006 .

**OFFICIAL LISTING RULES 2007**

**Repealed by Act.2019-26 as from 15.1.2020**

**(LN. 2007/014)**

*Commencement*      **15.2.2007**      (*LN. 2007/028*)

Amending enactments	Relevant current provisions	Commencement date
LN. 2011/028	rr. 2(1) & (8), 4(3) & (4), 23 to 32, 35 to 41, 29, 43, 44 to 65	17.3.2011
2015/212	rr. 44, 53(1), (2), 58	26.11.2015

**EU Legislation/International Agreements involved:**

Directive 2001/34/EC

Directive 2003/71/EC

Directive 2004/109/EC

Directive 2007/14/EC

Directive 2008/22/EC

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*In exercise of the powers conferred on him by section 3 of the Financial Services (Listing of Securities) Act 2006 and all other enabling powers and in order to give effect to the provisions relating to listing and the obligations of issuers of listed securities contained in Directive 2001/34/EC of the European Parliament and of the Council of 28 May 2001 on the admission of securities to official stock exchange listing and on information to be published on those securities, as amended by Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003, the Minister has made the following Rules>*

### PART I

#### INTRODUCTORY

##### **Title and commencement.**

1.(1) These Rules may be cited as the Official Listing Rules 2007.

(2) These Rules shall come into operation on the day appointed by the Minister by notice in the Gazette and different days may be so appointed for different purposes.

##### **Interpretation.**

2.(1) In these Rules, except where the context otherwise requires–

“admission” in relation to securities, means admission to official listing on a stock exchange situated or operating in Gibraltar;

“application” means an application for admission and “the applicant” means the issuer of the securities concerned;

“collective investment undertakings other than the closed-end type” means unit trusts and investment companies–

- (a) the object of which is the collective investment of capital provided by the public and which operate on the principle of risk spreading; and
- (b) the units of which are, at the holders’ request, repurchased or redeemed, directly or indirectly, out of the assets of those undertakings;

and, for this purpose, action taken by any such undertaking to ensure that the stock exchange value of its units does not significantly vary from their net asset value shall be regarded as equivalent to repurchase or redemption;

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“competent authority” in relation to a member State, means the authority in that member State which is appointed for the purposes of the Listing Directive;

“credit institution” means an undertaking whose business is to receive deposits or other repayable funds from the public and to grant credits on its own account;

“issuer” in relation to securities which are the subject of an application or which are already listed, means the company or other legal person or undertaking whose securities they are;

“listed” means listed in the Official List and “admission to Official listing” shall be construed accordingly;

“the Listing Authority” means the body designated as such by the Minister under the Act;

“the Listing Directive” means Directive 2001/34/EC of the European Parliament and of the Council of 28 May 2001 on the admission of securities to official stock exchange listing and on information to be published on those securities;

“national law” in relation to an undertaking, means the law under which it is constituted or established;

“the Official List” means the list of securities which is maintained by the Listing Authority and which lists the securities for the time being listed in accordance with these Rules;

“participating interest” in relation to an undertaking (“the participating undertaking”), means rights in the capital issues of other undertakings, whether or not represented by certificates, which, by creating a durable link with those undertakings, are intended to contribute to the activities of the participating undertaking which owns those rights;

“securities” shall be construed in accordance with Rule 3;

“units of a collective investment undertaking” means securities issued by a collective investment undertaking as representing the rights of participants in the assets of the undertaking.

(2) Any expression to which a meaning is not assigned by this Rule but which is used in the Directive and in these Rules has the same meaning in these Rules as in the Directive.

(3) Any reference in these Rules to a territory which is not a member State does not include a reference to a territory which forms part only of a member State or which is situated within the European Union and is otherwise associated with a member State.

### **Securities to which these Rules apply.**

3.(1) Subject to subrule (2), these Rules apply to securities which are the subject of an application or which are listed.

(2) Nothing in these Rules applies to—

- (a) units issued by collective investment undertakings other than the closed-end type; or
- (b) securities issued by, or by the regional or local authorities of, a member State;

and any reference in the following provisions of these Rules to “securities” shall be construed accordingly.

### **Application of Rules, adaptations and derogations.**

4.(1) Admissions of securities consisting of shares are subject to the conditions in Chapters I and II of Part II.

(2) Admissions of debt securities are subject to the conditions in Chapter I and either Chapter III or Chapter IV of Part II.

(3) *Revoked*

(4) *Revoked*

(5) Certificates representing shares may be admitted to Official listing—

- (a) subject to the issuer of the shares and the market capitalisation of the shares being in compliance with the conditions in Rule 13; and
- (b) subject to the certificates being in compliance with the conditions in Rules 14 to 16; and
- (c) subject to compliance by the issuer of the shares concerned with the obligations in Chapter I of Part III.

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(6) Where particular requirements of these Rules are unsuited to a company's activities or circumstances, the Listing Authority shall ensure that suitable adaptations are made to those requirements.

(7) Any derogations from the conditions for the admission of securities to official listing which may be authorised under Chapters II to IV of Part II must apply generally for all issuers where the circumstances justifying them are similar.

## PART II

### PROVISIONS CONCERNING THE LISTING OF SECURITIES

#### CHAPTER I

##### GENERAL CONDITIONS OF ADMISSION

###### **Application of Chapter I.**

5.(1) This Chapter applies to all securities which are the subject of an application.

(2) Securities will not be admitted to official listing except on condition that—

- (a) the provisions of these Rules are complied with; and
- (b) at the time of the application and so long as the securities are listed, the issuers comply with the obligations in these Rules.

(3) Where the issuer of securities to which an application relates is a national of a member State, the application will be considered whether or not the securities are already admitted to official listing in that member State.

###### **Functions of the Listing Authority.**

6.(1) The Listing Authority shall decide on the admission of securities to official listing on a stock exchange situated or operating in Gibraltar.

(2) Without prejudice to the generality of the Listing Authority's powers, the Authority may reject an application if, in its opinion, the situation of the issuer is such that admission would be detrimental to investors' interests.

(3) Solely in the interests of protecting investors, the Listing Authority may make the admission of a security to official listing subject to any



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special condition which the Authority considers appropriate and of which they have specifically informed the applicant.

(4) The Listing Authority may refuse an application where the issuer already has securities listed in another member State and has failed to comply with the obligations to which it is subject by virtue of the listing.

### **Contemporary EU Listing.**

7.(1) An application must state whether a similar application is being, has been or will be made in the near future in a member State and, if it is the case, that the securities to which the application relates are already listed in a member State.

(2) In any case where an application is made and—

- (a) simultaneously or within a very short interval of that application, another (or other) application in respect of the same securities is to be, or has been, made in a member State for official listing in that State, or
- (b) the securities to which the application relates are already listed in a member State,

the Listing Authority shall communicate with the competent authorities in that State and make such arrangements as may be necessary to expedite the procedure and simplify so far as possible the formalities and any additional conditions required for admission of the security to Official listing.

### **Applications with respect to certificates representing shares.**

8. Where an application relates to certificates representing shares, the Listing Authority will consider the application only if it is of the opinion that the issuer of the certificates is offering adequate safeguards for the protection of investors.

### **Information requested by the Listing Authority.**

9.(1) An issuer whose securities are admitted to official listing must provide the Listing Authority with all the information which the Authority considers appropriate in order to protect investors or ensure the smooth operation of the market.

(2) Where protection of investors or the smooth operation of the market so requires, the Listing Authority may require an issuer to publish such information, in such form and within such time limits, as the Authority considers appropriate.

(3) If an issuer fails to comply with a requirement of the Listing Authority under subrule (2), the Authority may itself publish the information concerned but, before deciding to do so, the Authority shall hear and take account of any representations made by or on behalf of the issuer.

**Publication of issuer's failure to comply with obligations.**

10. Without prejudice to any other action which the Listing Authority may contemplate in the event of a failure on the part of an issuer to comply with any obligations resulting from admission of its securities to Official listing, the Authority may make public, in such manner as it considers appropriate, the fact that the issuer is failing to comply with those obligations.

**Suspension and discontinuance of listing.**

11.(1) Where the smooth operation of the market is or may be temporarily jeopardised or where the protection of investors so requires, the Listing Authority may suspend the Official listing of a security.

(2) If the Listing Authority is satisfied that, owing to special circumstances, normal regular dealings in a security are no longer possible, the Authority may discontinue the Official listing of the security.

**Notification of decisions and appeals.**

12.(1) Subject to subrule (2), within six months of the date of its receipt of a properly completed application, the Listing Authority shall notify the applicant in writing of its decision on the application.

(2) If, at any time within six months of its receipt of a properly completed application, the Listing Authority gives notice in writing to the applicant requiring additional information, subrule (1) shall have effect as if a reference to the receipt of that information were substituted for the receipt of the application.

(3) If, within the period relevant to an application under subrule (1), the Listing Authority fails to notify the applicant of its decision on the application, it shall be regarded for the purposes of these Rules as having given notice in writing of its decision rejecting the application.

(4) An appeal shall lie to the Supreme Court against any decision of the Listing Authority rejecting an application or discontinuing the Official listing of a security.

**CHAPTER II**

**Conditions relating to issuers of shares.**

13.(1) The legal position of the issuer must be in conformity with the laws and regulations to which it is subject, both as regards its formation and its operation under its statutes.

(2) Subject to subrules (2) and (3), the market capitalisation of the shares for which admission to official listing is sought or, if it cannot be assessed, the company's capital and reserves, including profit or loss from the last financial year, must, subject to subrules (7) and (8), be an amount in sterling equivalent to at least one million euros.

(3) If the condition in subrule (2) is not fulfilled, the Listing Authority may nevertheless provide for admission if the Authority is satisfied that there will be an adequate market for the shares concerned.

(4) The condition in subrule (2) is not applicable to the admission of a further block of shares of the same class as those already admitted.

(5) Subject to subrule (6), the issuer must have published or filed its annual accounts in accordance with its national law for the last three financial years ending before the date of the application.

(6) The Listing Authority may derogate from the condition in subrule (5) if it is satisfied—

- (a) that the derogation is desirable in the interests of the company or of investors; and
- (b) that investors have the necessary information available to be able to arrive at an informed judgment on the company and the shares for which admission is sought.

(7) Subject to subrule (8), the reference in subrule (1) to an amount expressed in sterling equivalent to one million euros shall be the equivalent in sterling of one million European units of account as applicable on 5 March 1979.

(8) If, as a result of adjustment of the equivalent of the euro in sterling, the market capitalisation referred to in subrule (1) expressed in sterling remains for a period of one year at least 10% more or less than the value of one million euros, the equivalent shall, within the twelve months following the expiry of that period, be recalculated in accordance with such notice as may be published by the Government in the Gazette for the purpose of

compliance with Article 43.6 of the Listing Directive; and subrule (1) shall be treated as amended accordingly.

**Conditions relating to the shares.**

14.(1) The legal position of the shares must be in conformity with the laws and regulations to which they are subject.

(2) Subject to subrules (3) and (4), the shares must be freely negotiable.

(3) The Listing Authority may treat shares which are not fully paid up as freely negotiable if arrangements have been made to ensure that the negotiability of the shares is not restricted and that dealing is made open and proper by providing the public with all appropriate information.

(4) In the case of an application in respect of shares which may be acquired only subject to approval, the Listing Authority may derogate from subrule (2) solely if it considers that the use of the approval clause does not disturb the market.

(5) Where the public issue of the shares precedes admission, the first listing may be made only after the end of the period during which subscription applications may be submitted.

**Conditions relating to number of shares.**

15.(1) Subject to the following provisions of this Rule, a sufficient number of shares must be distributed to the public in one or more member States not later than the time of admission.

(2) Subrule (1) shall not apply where shares are to be distributed to the public through the stock exchange and, in such a case, admission may be granted only if the Listing Authority is satisfied that a sufficient number of shares will be distributed through the stock exchange within a short period.

(3) Where admission is sought for a further block of shares of the same class, the Listing Authority may assess whether a sufficient number of shares has been distributed to the public in relation to all the shares issued and not only in relation to the further block.

(4) If the shares are admitted to official listing in one or more countries which are not member States, the Listing Authority may derogate from subrule (1) if a sufficient number of shares is distributed to the public in that country or those countries.

(5) For the purposes of these Rules, a sufficient number of shares shall be treated as having been distributed either—

- (a) when the shares in respect of which application to admission has been made are in the hands of the public to the extent of at least 25% of the subscribed capital represented by the class of shares concerned; or
- (b) when, in view of the large number of shares of the same class and the extent of their distribution to the public, the market will operate properly with a lower percentage.

(6) Subject to subrules (7) and (8), an application must cover all the shares of the same class already issued.

(7) Subject to subrule (8), the Listing Authority may dispense with the condition in subrule (6) in the case of an application which does not cover all the shares of the same class because it excludes—

- (a) shares belonging to blocks serving to maintain control of the company; or
- (b) shares which are not negotiable for a certain time under agreements.

(8) The Listing Authority shall not exercise its power under subrule (7) unless the public is informed of the situation and there is no danger of the situation prejudicing the interests of holders of the shares for which admission is sought.

### **Shares issued by companies outside Gibraltar.**

16.(1) In the case of shares which are issued by companies which are nationals of another member State and which have a physical form, it is a condition of admission that their physical form complies with the standards laid down in that other member State.

(2) Where the physical form of such shares as are referred to in subrule (1) does not comply with the standards in force in Gibraltar, the Listing Authority shall make that fact known to the public.

(3) It is a condition of admission of shares issued by companies which are nationals of a country which is not a member State, that the physical form of the shares affords sufficient safeguard for the protection of investors.

(4) Subject to subrule (5), shares issued by a company which is not a national of a member State may not be admitted to official listing unless the shares are listed either in the country of origin or in the country in which the major proportion of the shares is held.

(5) The Listing Authority may dispense with the condition in subrule (4) if it is satisfied that the absence of listing in one or other of the countries referred to in that paragraph is not due to the need to protect investors.

### CHAPTER III

#### ADDITIONAL CONDITIONS FOR THE ADMISSION OF DEBT SECURITIES ISSUED BY AN UNDERTAKING

##### Conditions relating to the debt securities.

17.(1) This Chapter applies to debt securities which are issued by an undertaking and are the subject of an application; and any reference in the following provisions of this Chapter to “debt securities” shall be construed accordingly.

(2) The legal position of the debt securities must be in conformity with the laws and regulations to which they are subject.

(3) Subject to subrule (4), the debt securities must be freely negotiable.

(4) The Listing Authority may treat debt securities which are not fully paid up as freely negotiable if arrangements have been made to ensure that the negotiability of the debt securities is not restricted and that dealing is made open and proper by providing the public with all appropriate information.

(5) Subject to subrule (6), where public issue precedes admission, the first listing may be made only after the end of the period during which subscription applications may be submitted.

(6) Subrule (5) does not apply in the case of tap issues of debt securities where the closing date for subscription is not fixed.

(7) An application for the admission of debt securities must cover all debt securities ranking *pari passu*.

##### Condition relating to undertaking.

18. Where admission is sought for debt securities issued by an undertaking, the legal position of the undertaking must be in conformity with the laws and regulations to which it is subject.

##### Debt securities issued by undertakings outside Gibraltar.

19.(1) In the case of debt securities which are issued by undertakings which are nationals of a member State and which have a physical form, it is a

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condition of admission that their physical form complies with the standards laid down in that member State.

(2) Where the physical form of such debt securities as are referred to in subrule (1) does not comply with the standards in force in Gibraltar, the Listing Authority shall make that fact known to the public.

(3) The physical form of debt securities issued in a single member State must conform to the standards in force in that State.

(4) It is a condition of admission of debt securities issued by undertakings which are nationals of a country which is not a member State that the physical form of the securities affords sufficient safeguard for the protection of investors.

### **Other conditions.**

20.(1) Except in the case of tap issues where the amount of the loan is not fixed, debt securities will not be admitted unless—

- (a) the amount of the loan is, subject to subrules (3) and (4), an amount in sterling equivalent to at least two hundred thousand euros; or
- (b) subrule (2) applies.

(2) If the condition in subrule (1)(a) is not fulfilled, the Listing Authority may nevertheless provide for admission if the Authority is satisfied that there will be an adequate market for the shares concerned.

(3) Subject to subrule (4), the reference in subrule (1)(a) to an amount expressed in sterling equivalent to two hundred thousand euros shall be the equivalent in sterling of two hundred thousand European units of account as applicable on 5 March 1979.

(4) If, as a result of adjustment of the equivalent of the euro in sterling, the minimum amount of the loan referred to in subrule (1)(a) expressed in sterling remains, for a period of one year, at least 10% less than the value of two hundred thousand euros, the equivalent shall, within the twelve months following the expiry of that period, be recalculated in accordance with such notice as may be published by the Minister in the Gazette for the purpose of compliance with Article 48.4 of the Listing Directive; and subrule (1)(a) shall be treated as amended accordingly.

(5) Subject to subrule (6), convertible or exchangeable debentures and debentures with warrants may be admitted to official listing only if the related shares are already listed on the same stock exchange or on another

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regulated, regularly operating, recognised open market or are so admitted simultaneously.

(6) The Listing Authority may derogate from the condition in subrule (5) if it is satisfied that holders of the debentures concerned have at their disposal all the information necessary to form an opinion concerning the value of the shares to which the debentures relate.

#### CHAPTER IV

#### ADDITIONAL CONDITIONS FOR THE ADMISSION OF DEBT SECURITIES ISSUED BY CERTAIN PUBLIC BODIES

**Conditions relating to public debt securities.**

21.(1) This Chapter applies to the admission of debt securities issued by–

- (a) a State, other than a member State; or
- (b) a public international body;

and any reference in the following provisions of this Rule to “public debt securities” shall be construed accordingly.

(2) Public debt securities must be freely negotiable.

(3) Subject to subrule (4), where public issue precedes admission, the first listing of public debt securities may be made only after the end of the period during which subscription applications may be submitted.

(4) Subrule (3) does not apply where the closing date for subscription is not fixed.

(5) An application for the admission of public debt securities must cover all debt securities ranking *pari passu*.

(6) It is a condition of admission of public debt securities that the physical form of the securities affords sufficient safeguard for the protection of investors.

#### PART III

#### OBLIGATIONS WHERE SECURITIES ARE ADMITTED TO OFFICIAL LISTING

#### CHAPTER I



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**OFFICIAL LISTING RULES 2007**  
**GENERAL OBLIGATIONS OF COMPANIES WHOSE SHARES**  
**ARE ADMITTED TO OFFICIAL LISTING**

**Listing of newly issued shares of the same class.**

22.(1) Subject to subrule (2), in the case of a new public issue of shares of the same class as those already officially listed, the company shall apply for their admission to the same listing, within not more than a year after their issue or when they become freely negotiable.

(2) This Rule does not apply where the new shares are automatically admitted.

23 to 32 *Revoked*.

**CHAPTER III**

**OBLIGATIONS OF UNDERTAKINGS WHOSE DEBT SECURITIES**  
**ARE ADMITTED TO OFFICIAL LISTING**

**Application of Chapter III.**

33. This Chapter applies where debt securities issued by an undertaking are listed and any reference in this Chapter to an undertaking shall be construed accordingly.

**Equal treatment of holders of securities.**

34.(1) An undertaking must ensure that all holders of debt securities ranking *pari passu* are given equal treatment in respect of all the rights attaching to the securities.

(2) So long as they are made in accordance with the national law of the undertaking, the condition in subrule (1) shall not prevent offers of early repayment of certain debt securities being made to holders of an undertaking in derogation from the conditions of issue and in particular in accordance with social priorities.

(3) The undertaking must ensure that in Gibraltar all the facilities and information necessary to enable holders to exercise their rights are available and, in particular, the undertaking must—

- (a) publish notices or distribute circulars concerning the holding of meetings of holders of debt securities, the payment of interest, the exercise of any conversion, exchange, subscription or renunciation rights and repayment; and

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- (b) designate as its agent a financial institution through which the holders of debt securities may exercise their financial rights, unless the undertaking itself provides financial services.

35 to 41 *Revoked*

#### PART IV

#### SUPPLEMENTARY

##### **Disclosure of information to the public.**

42.(1) Where, under any of rules 25, 26, 36 and 37, the issuer of a security admitted to official listing is required to make any information available to the public, the information—

- (a) shall be published in one or more Gibraltar newspapers and in the Gazette; or
- (b) shall be made available in writing in places indicated by announcements to be published in one or more Gibraltar newspapers and in the Gazette; or
- (c) shall be made available by other equivalent means approved by the Listing Authority with the consent of the Minister.

(2) For the purposes of subrule (1), a “Gibraltar newspaper” is one which is published daily (except Sundays) and is distributed throughout, or widely distributed in, Gibraltar.

(3) Where an issuer is required to make any information available in accordance with this Rule, he shall at the same time send the information to the Listing Authority.

43. *Revoked*

#### PART V

#### MATTERS INCIDENTAL TO THE OPERATION OF THE ACT

44. *Revoked.*

##### **Minimum content of half-yearly non-consolidated financial statements.**

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45.(1) This rule makes further provision for the purposes of section 11(3)(b).

(2) The minimum content of the condensed set of half-yearly financial statements, where that set is not prepared in accordance with international accounting standards adopted pursuant to the procedure provided for under Article 6 of Regulation (EC) No 1606/2002, shall be in accordance with sub-rules (3) and (4).

(3) The condensed balance sheet and the condensed profit and loss account shall show each of the headings and subtotals included in the most recent annual financial statements of the issuer. Additional line items shall be included if, as a result of their omission, the half-yearly financial statements would give a misleading view of the assets, liabilities, financial position and profit or loss of the issuer. In addition, the following comparative information shall be included—

- (a) balance sheet as at the end of the first six months of the current financial year and comparative balance sheet as at the end of the immediate preceding financial year;
- (b) profit and loss account for the first six months of the current financial year with, from two years after the date of entry into force of this rule, comparative information for the comparable period for the preceding financial year.

(4) The explanatory notes shall include the following—

- (a) sufficient information to ensure the comparability of the condensed half-yearly financial statements with the annual financial statements;
- (b) sufficient information and explanations to ensure a user's proper understanding of any material changes in amounts and of any developments in the half-year period concerned, which are reflected in the balance sheet and the profit and loss account.

### **Major related parties' transactions.**

46.(1) This rule makes further provision for the purposes of section 11(4).

(2) In the interim management reports, issuers of shares shall disclose as major related parties' transactions, as a minimum, the following—

- (a) related parties' transactions that have taken place in the first six months of the current financial year and that have materially

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affected the financial position or the performance of the undertaking during that period;

- (b) any changes in the related parties' transactions described in the last annual report that could have a material effect on the financial position or performance of the undertaking in the first six months of the current financial year.

(3) Where the issuer of shares is not required to prepare consolidated accounts, it shall disclose, as a minimum, the related parties' transactions referred to in Schedules 7 and 11 of the Companies (Accounts) Act 1999.

#### **Maximum length of the usual "short settlement cycle".**

47.(1) This rule makes further provision for the purposes of section 15(4).

(2) The maximum length of the usual "short settlement cycle" shall be three trading days following the transaction.

#### **Control mechanisms by the regulatory as regards market makers.**

48.(1) This rule makes further provision for the purposes of section 15(5).

(2) The market maker seeking to benefit from the exemption provided for in section 15(5) shall notify to the regulatory authority of the home Member State of the issuer, at the latest within the time limit laid down in section 17(2), that it conducts or intends to conduct market making activities on a particular issuer. Where the market maker ceases to conduct market making activities on the issuer concerned, it shall notify that competent authority accordingly.

(3) Without prejudice to the application of section 28, where in case the market maker seeking to benefit from the exemption provided for in section 15(5) is requested by the competent authority of the issuer to identify the shares or financial instruments held for market making activity purposes, that market maker shall be allowed to make such identification by any verifiable means. Only if the market maker is not able to identify the shares or financial instruments concerned, he may be required to hold them in a separate account for the purposes of that identification.

(4) Where a market-making agreement between the market maker and the stock exchange or the issuer is required by the regulatory authority, the market maker shall upon request of the regulatory authority provide the agreement to such authority.

#### **Calendar of trading days.**

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49.(1) For the purposes of section 17(2) and (6) and section 18, the calendar of trading days in Gibraltar apply, where Gibraltar is the home Member State of the issuer.

(2) The regulatory authority shall publish in its website the calendar of trading days of the different regulated markets situated or operating in Gibraltar.

### **Shareholders and natural persons or legal entities referred to in section 16 required to make the notification of major holdings.**

50.(1) For the purposes of section 17(2), the notification obligation which arises as soon as the proportion of voting rights held reaches, exceeds or falls below the applicable thresholds following transactions of the type referred to in section 16 shall be an individual obligation incumbent upon each shareholder, or each natural person or legal entity as referred to in section 16, or both in case the proportion of voting rights held by each party reaches, exceeds or falls below the applicable threshold. In the circumstances referred to section 16(a), the notification obligation shall be a collective obligation shared by all parties to the agreement.

- (2) In the circumstances referred to in section 16(h)–
- (a) if a shareholder gives the proxy in relation to one shareholder meeting, notification may be made by means of a single notification at the moment of giving the proxy provided that it is made clear in the notification what the resulting situation in terms of voting rights will be when the proxy may no longer exercise the voting rights at its discretion;
  - (b) if the proxy holder receives one or several proxies in relation to one shareholder meeting, notification may be made by means of a single notification at the moment of receiving the proxies provided that it is made clear in the notification what the resulting situation in terms of voting rights will be when the proxy may no longer exercise the voting rights at its discretion.

(3) Where the duty to make a notification lies with more than one natural person or legal entity, notification may be made by means of a single common notification. However, use of a single common notification may not be deemed to release any of the natural persons or legal entities concerned from their responsibility in relation to notification.

### **Circumstances under which the notifying person should have learned of acquisition or disposal or of possibility to exercise voting rights.**

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51. For the purposes of section 17(2)(a) the shareholder, or the natural person or legal entity referred to in section 16, shall be deemed to have knowledge of the acquisition, disposal or possibility to exercise voting rights no later than two trading days following the transaction.

**Conditions of independence to be complied with by management companies and investment firms involved in individual portfolio management.**

52.(1) For the purposes of the exemption to the aggregation of holdings provided for in section 17(4)(a) and (5), a parent undertaking of a management company or of an investment firm shall comply with the following conditions–

- (a) it must not interfere by giving direct or indirect instructions or in any other way in the exercise of the voting rights held by that management company or investment firm;
- (b) that management company or investment firm must be free to exercise, independently of the parent undertaking, the voting rights attached to the assets it manages.

(2) A parent undertaking which wishes to make use of the exemption shall, without delay, notify the following to the regulatory authority where Gibraltar is the home Member State of an issuer whose voting rights are attached to holdings managed by the management companies or investment firms–

- (a) a list of the names of those management companies and investment firms, indicating the competent authorities that supervise them or that no competent authority supervises them, but with no reference to the issuer concerned;
- (b) a statement that, in the case of each such management company or investment firm, the parent undertaking complies with the conditions laid down in sub-rule (1),

and the parent undertaking shall update the list referred to in paragraph (a) on an ongoing basis.

(3) Where the parent undertaking intends to benefit from the exemptions only in relation to the financial instruments referred to in section 17(8), it shall, where Gibraltar is the home Member State of the issuer, only notify to the regulatory authority the list referred to in sub-rule (2)(a).

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(4) A parent undertaking of a management company or of an investment firm shall be able to demonstrate to the regulatory authority, where Gibraltar is the home Member State of the issuer, on request that—

- (a) the organisational structures of the parent undertaking and the management company or investment firm are such that the voting rights are exercised independently of the parent undertaking;
- (b) the persons who decide how the voting rights are to be exercised act independently;
- (c) if the parent undertaking is a client of its management company or investment firm or has holding in the assets managed by the management company or investment firm, there is a clear written mandate for an arms-length customer relationship between the parent undertaking and the management company or investment firm,

and the requirement in paragraph (a) shall imply as a minimum that the parent undertaking and the management company or investment firm must have established written policies and procedures reasonably designed to prevent the distribution of information between the parent undertaking and the management company or investment firm in relation to the exercise of voting rights.

(5) For the purposes of sub-rule (1)(a)—

“direct instruction” means any instruction given by the parent undertaking, or another controlled undertaking of the parent undertaking, specifying how the voting rights are to be exercised by the management company or investment firm in particular cases;

“indirect instruction” means any general or particular instruction, regardless of the form, given by the parent undertaking, or another controlled undertaking of the parent undertaking, that limits the discretion of the management company or investment firm in relation to the exercise of the voting rights in order to serve specific business interests of the parent undertaking or another controlled undertaking of the parent undertaking.

**Types of financial instruments that result in an entitlement to acquire, on the holder’s own initiative alone, shares to which voting rights are attached**

53.(1) *Revoked.*

(2) *Revoked.*

(4) The notification period shall be the same as laid down in section 17(2) and the related implementing provisions.

(5) The notification shall be made to the issuer of the underlying share and to the regulatory authority, where Gibraltar is the home Member State of such issuer, and where a financial instrument relates to more than one underlying share, a separate notification shall be made to each issuer of the underlying shares.

**Minimum Standard.**

54.(1) The dissemination of regulated information for the purposes of section 25(1) shall be carried out in compliance with the minimum standards set out in sub-rules (2) to (5).

(2) Regulated information shall be made publicly available by electronic means.

(3) Regulated information shall be communicated to the media in unedited full text. However, in the case of the reports and statements referred to in sections 10,11 and 12 this requirement shall be deemed fulfilled if the announcement relating to the regulated information is communicated to the media and indicates on which website, in addition to the officially appointed mechanism for the central storage of regulated information referred to in section 25, the relevant documents are available.

(4) The following provisions apply–

- (a) regulated information shall be communicated to the media in a manner which ensures the security of the communication, minimises the risk of data corruption and unauthorised access, and provides certainty as to the source of the regulated information;
- (b) security of receipt shall be ensured by remedying as soon as possible any failure or disruption in the communication of regulated information;
- (c) the issuer or the person who has applied for admission to trading on a regulated market without the issuer's consent shall not be responsible for systemic errors or shortcomings in the media to which the regulated information has been communicated;



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- (d) regulated information shall be communicated to the media in a way which makes clear that the information is regulated information, identifies clearly the issuer concerned, the subject matter of the regulated information and the time and date of the communication of the information by the issuer or the person who has applied for admission to trading on a regulated market without the issuer's consent; and
- (e) upon request, the issuer or the person who has applied for admission to trading on a regulated market without the issuer's consent shall be able to communicate to the regulatory authority, in relation to any disclosure of regulated information, the following–
  - (i) the name of the person who communicated the information to the media;
  - (ii) the security validation details;
  - (iii) the time and date on which the information was communicated to the media;
  - (iv) the medium in which the information was communicated;
  - (v) if applicable, details of any embargo placed by the issuer on the regulated information.

**Requirements equivalent to section 10(2)(b).**

55. A non-European Union country shall be deemed to set requirements equivalent to those set out in section 10(2)(b) for the purposes of section 27(1) where, under the law of that country, the annual management report is required to include at least the following information–

- (a) a fair review of the development and performance of the issuer's business and of its position, together with a description of the principal risks and uncertainties that it faces, such that the review presents a balanced and comprehensive analysis of the development and performance of the issuer's business and of its position, consistent with the size and complexity of the business;
- (b) an indication of any important events that have occurred since the end of the financial year;
- (c) indications of the issuer's likely future development,

and the analysis referred to in paragraph (a) shall, to the extent necessary for an understanding of the issuer's development, performance or position, include both financial and, where appropriate, non-financial key performance indicators relevant to the particular business.

**Requirements equivalent to section 11(4).**

56. A non-European Union country shall be deemed to set requirements equivalent to those set out in section 11(4) for the purposes of section 27(1) where, under the law of that country, a condensed set of financial statements is required in addition to the interim management report, and the interim management report is required to include at least the following information—

- (a) review of the period covered;
- (b) indications of the issuer's likely future development for the remaining six months of the financial year;
- (c) for issuers of shares, and if already not disclosed on an ongoing basis, major related parties transactions.

**Requirements equivalent to sections 10(2)(c) and 11(2)(c).**

57. A non-European Union country shall be deemed to set requirements equivalent to those set out in sections 10(2)(c) and 11(2)(c) for the purposes of section 27(1) where, under the law of that country, a person or persons within the issuer are responsible for the annual and half-yearly financial information, and in particular for the following—

- (a) the compliance of the financial statements with the applicable reporting framework or set of accounting standards;
- (b) the fairness of the management review included in the management report.

58. *Revoked.*

**Requirements equivalent to section 10(3)(a).**

59. A non-European Union country shall be deemed to set requirements equivalent to those set out in section 10(3)(a) for the purposes of section 27(1) where, under the law of that country, the provision of individual accounts by the parent company is not required but the issuer whose registered office is in that country is required, in preparing consolidated accounts, to include the following information—

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- (a) for issuers of shares, dividends computation and ability to pay dividends;
- (b) for all issuers, where applicable, minimum capital and equity requirements and liquidity issues,

and for the purposes of equivalence, the issuer must also be able to provide the regulatory authority with additional audited disclosures giving information on the individual accounts of the issuer as a standalone, relevant to the elements of information referred to under paragraphs (a) and (b). Those disclosures may be prepared under the accounting standards of the non-European Union country.

### **Requirements equivalent to section 10(3)(b).**

60. The following provisions apply–

- (a) a non-European Union country shall be deemed to set requirements equivalent to those set out in section 10(3)(b) for the purposes of section 27(1) in relation to individual accounts where, under the law of a non-European Union country, an issuer whose registered office is in that country is not required to prepare consolidated accounts but is required to prepare its individual accounts in accordance with international accounting standards recognised pursuant to Article 3 of Regulation (EC) No 1606/2002 of the European Parliament and of the Council as applicable within the European Union or with national accounting standards in that country that are equivalent to those standards;
- (b) for the purposes of equivalence, if such financial information is not in line with those standards, it must be presented in the form of restated financial statements; and
- (c) in addition, the individual accounts must be audited independently.

### **Requirements equivalent to section 17(6).**

61. The following provisions apply–

- (a) a non-European Union country shall be deemed to set requirements equivalent to those set out in section 17(6) for the purposes of section 27(1) where, under the law of that country, the time period within which an issuer whose registered office is in that country must be notified of major holdings and within

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which it must disclose to the public those major holdings is in total equal to or shorter than seven trading days;

- (b) the time frames for the notification to the issuer and for the subsequent disclosure to the public by the issuer may be different from those set out in section 17(2) and (6).

#### **Requirements equivalent to section 18.**

62. A non-European Union country shall be deemed to set requirements equivalent to those set out in section 18 for the purposes of section 27(1) where, under the law of that country, an issuer whose registered office is in that country is required to comply with the following conditions—

- (a) in the case of an issuer allowed to hold up to a maximum of 5% of its own shares to which voting rights are attached, it must make a notification whenever that threshold is reached or crossed;
- (b) in the case of an issuer allowed to hold up to a maximum of between 5% and 10% of its own shares to which voting rights are attached, it must make a notification whenever a 5% threshold or that maximum threshold is reached or crossed;
- (c) in the case of an issuer allowed to hold more than 10% of its own shares to which voting rights are attached, it must make a notification whenever the 5% threshold or the 10% threshold is reached or crossed,

and for the purposes of equivalence, notification above the 10% threshold need not be required.

#### **Requirements equivalent to section 19.**

63. A non-European Union country shall be deemed to set requirements equivalent to those set out in section 19 for the purposes of section 27(1) where, under the law of that country, an issuer whose registered office is in that country is required to disclose to the public the total number of voting rights and capital within 30 calendar days after an increase or decrease of such total number has occurred.

#### **Requirements equivalent to sections 21(2)(a) and 22(2)(a)(i).**

64. A non-European Union country shall be deemed to set requirements equivalent to those set out in sections 21(2)(a) and 22(2)(a)(i) for the purposes of section 27(1), as far as the content of the information about meetings is concerned, where, under the law of that country, an issuer whose

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registered office is in that country is required to provide at least information on the place, time and agenda of meetings.

### **Equivalence in relation to the test of independence for parent undertakings of management companies and investment firms.**

65.(1) A non-European Union country shall be deemed to set conditions of independence equivalent to those set out in section 17(4) and (5) for the purposes of section 27(4) where, under the law of that country, a management company or investment firm as referred to in section 27(4) is required to meet the following conditions–

- (a) the management company or investment firm must be free in all situations to exercise, independently of its parent undertaking, the voting rights attached to the assets it manages;
- (b) the management company or investment firm must disregard the interests of the parent undertaking or of any other controlled undertaking of the parent undertaking whenever conflicts of interest arise.

(2) The parent undertaking shall comply with the notification requirements laid down in rule 52(2)(a) and (3), and, in addition, it shall make a statement that, in the case of each management company or investment firm concerned, the parent undertaking complies with the conditions laid down in sub-rule (1).

(3) Without prejudice to the application of section 28, the parent undertaking shall be able to demonstrate to the regulatory authority, where Gibraltar is the home Member State of the issuer, on request that the requirements laid down in rule 52(4) are met.