

## **FEEDBACK ON CONSULTATION ON PROPOSED AMENDMENTS TO THE NEX EXCHANGE GROWTH MARKET RULES FOR ISSUERS**

### **INTRODUCTION**

On 20 December 2018, NEX Exchange consulted on proposed changes to the Growth Market Rules for Issuers (the **Rules**) to reflect the new requirements to which the Growth Market will now be subject as a designated SME growth market.

### **SUMMARY OF FEEDBACK**

The feedback was appreciative of the need for certain changes to the Rules to reflect the requirements for SME growth markets.

#### **PDMR transactions**

One respondent suggested removing the requirement that issuers establish procedures for the maintenance of insider lists from the proposed amendments to rule 71 as the focus of this rule is on dealing policies and procedures.

NEX Exchange agrees with this feedback. The requirement to maintain insider lists has been removed from rule 71 and instead rule 72 has been amended to incorporate the requirement on issuers to maintain insider lists and provide a copy to NEX Exchange upon its request.

It was also suggested that the proposed amendment to the wording at part 2 of appendix 3 to the Rules should be amended to clarify that, in addition to the prescribed form, issuers can include their own narrative wording in announcements relating to PDMR holdings.

NEX Exchange agrees with this feedback and has taken the opportunity to amend the wording in part 2 to say the announcement needs to “include” the prescribed form.

#### **Regulatory information**

Multiple respondents suggested changes to the proposed new wording in rules 10 and 75 requiring issuers to keep regulatory information (i.e., admission documents and certain other information) available on their websites for five years from admission or publication. In response, NEX Exchange has elected to change this wording to require that the information is available for at least five years, without specifying when the five-year period commences. This reflects the wording of the underlying requirement in Article 78(2)(i) of the MiFID 2 Delegated Regulation. However, NEX Exchange intends to interpret this as requiring that information, including admission documents, remains available for five years from *publication*.

For the avoidance of doubt, where existing issuers have removed regulatory information from their websites in the last five years, NEX Exchange expects such information to be reinstated to



the website until five years have passed since it was first published. However, in those cases, NEX Exchange will allow issuers a reasonable grace period to comply with the new requirements.

One respondent also suggested the final catch-all item in rule 75, covering “information required by Article 17 of MAR”, was superfluous. NEX Exchange agrees with this feedback and has taken the opportunity to remove this item from the list in rule 75.

### **Other feedback**

One respondent suggested clarifying the meaning of “a partner considered to be equivalent to a spouse in accordance with national law” in the definition of “person closely associated”. NEX Exchange has decided to leave this wording unchanged because it reflects, and should be interpreted in the same way as, the wording of the Market Abuse Regulation.

NEX Exchange has also made certain minor administrative changes to the Rules which are shown in the mark-up. For the avoidance of doubt, these changes do not affect issuers’ or their advisers’ obligations in any material way.