

MARKET CONSULTATION FEEDBACK

AMENDMENTS TO THE NEX EXCHANGE FAST TRACK RULES

July 2018

Feedback on NEX Exchange Market Consultation on Proposed Amendments to the Rules for Fast Track applications

Introduction

On 15 June 2018 NEX Exchange launched a market consultation in relation to proposed changes to the NEX Exchange Growth Market Rules for Issuers for Fast Track applicants.

We are grateful for the constructive feedback from those who responded.

Summary of feedback

The responses were supportive of the approach proposed in the consultation.

There was full agreement from the respondents that, to ensure a level playing field, the disclosure of information provided to investors at admission should be consistent whether issuers are applying via the Fast Track route or the formal admission process.

There was also agreement that, as far as possible, such information may reasonably be included in the application announcement of Fast Track applicants by reference to documentation already in the public domain in the issuer's home jurisdiction. Responses emphasised that the information should be easy to find and understand from the perspective of a retail investor.

Respondents requested clarification and further detail regarding:

1. Qualifying Markets

NEX Exchange was asked to set out the criteria that will be applied when deciding whether a new market may be added to the list of Qualifying Markets.

Response:

NEX Exchange will consider markets from reputable jurisdictions that have a regulatory framework and disclosure standards at least analogous to those of the NEX Exchange Growth Market.

2. Corporate Adviser declaration

Advisers queried the required format and content of the checklist that evidences that the information requirements of Appendix 1 have been satisfied. It was suggested that it may be helpful for the exchange to provide a template to ensure consistency of approach.

Response:

NEX Exchange agrees and will publish a template checklist for use by Corporate Advisers.

Revised Rules implementation

We have amended the NEX Exchange Growth Market Rules for Issuers, the Corporate Adviser Handbook and the Due Diligence Practice Note in line with the proposed changes. The amended Rules are now published, both in final and marked up format, and will take effect from midnight on 31 July 2018.

We are grateful to all those who responded to the consultation and very much welcome their support. The Exchange will monitor the implementation of the Rules and welcome feedback on them over time. We are always pleased to receive comments and thoughts from interested parties on our Rules whether as part of a formal consultation or not.