

UKLA Technical Note

Approval of circulars

Ref: UKLA / TN / 206.1

LR 13

Issuers with a Premium Listing are reminded of the rule in LR 13.2.1R that a circular must not be circulated or published unless it has first been approved by the FCA, unless an exemption applies. Exemptions exist, amongst other things, for resolutions of the type referred to in LR 13.8 where neither resolution nor the matter to which it relates is unusual, under LR 13.2.2R.

Our view is that it is for the issuer and its advisers to ascertain whether something is unusual and, if they are unable to conclude that no unusual features are present, the circular should be submitted for vetting. It is not the case, however, that any matter presented as an ordinary resolution at an AGM should be considered to be not unusual. It should be the substance of the resolution that determines whether it is unusual under LR 13.2.2R(3), and not simply its designation as an ordinary or special resolution.

To illustrate, circulars relating to meetings requisitioned by shareholders should be considered as having unusual features whether the resolutions proposed are ordinary or special resolutions. Such circulars should be submitted to the UKLA for vetting and approval in advance of publication. Issuers are often required by law to send such circulars to shareholders within a short specified timeframe. Where this is the case we would encourage issuers or their advisers to contact us early on in the process and ensure that they allow sufficient time for the proposed circular to be vetted by the UKLA before it is published.