

Please note: this note is no longer correct in relation to the review/approval of prospectuses and listing particulars. A revised version of this Procedural Note is being consulted on [here](#) to reflect amendments made to the prospectus review and approval process by Commission Delegated Regulation (EU) 2016/301, which came into force on 24 March 2016. If you have any queries regarding the prospectus or listing particular review/approval process, please contact the UKLA directly.

## UKLA Procedural Note

### Review and approval of documents

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Ref: UKLA / PN / 903.2

LR 3.1; LR 4.3,  
LR 13.2

Both the Prospectus Rules (PR) and the Listing Rules (LR) contain provisions requiring issuers to obtain formal approval before publishing certain investor documents. These are prospectuses, listing particulars and also certain shareholder circulars published by issuers. The aim of our review and approval process is to ensure, before publication, that the document includes all the information our rules require. We grant approval after we have reviewed the document and our comments have been addressed.

This procedural note is intended to give issuers (and their advisers) with guidance on the review and approval of these documents, explaining how the process works and what can be done to make it go smoothly.

#### Scope of this note

This note covers all documents required to be approved by us under PR3.1, LR4.3, or LR13.2.

Most of the documents we approve are submitted in connection with an application to list securities referred to in the relevant document. However, issuers should note that the listing application process is a separate process not covered in this note. Further information regarding an application for listing securities can be found in LR3.

Similarly, where an applicant applies for listing for the first time, we will perform an eligibility review to check that the applicant is eligible for listing. This is also a separate process and we have published a separate procedural note (*UKLA/PN/901-Eligibility review*) covering this process.

Following approval of a prospectus, issuers may wish to 'passport' a prospectus into another EEA jurisdiction. Again, this is a separate process covered in another procedural note (*UKLA/PN/905-Passporting*).

Finally, this note applies to 'equivalent documents' under the Prospectus Directive (PD). PR1.2.2R(2) provides an exemption from the requirement to produce a prospectus where a document we regard as equivalent to a prospectus is published. Where we are asked to determine whether a document is equivalent to a prospectus, we review drafts of that document using the same principles that apply to reviewing a prospectus set out in this note. However, we do not approve the document at the end of the process. Instead we inform the issuer (or its advisers) that we are satisfied the document is equivalent.

## How to submit documents for review

You can submit a draft document for review either in electronic form via the Electronic Submission System (ELS) on [our website](#) or in hard copy by posting/couriering it to the address below:

The Allocations Manager  
UKLA Department  
Financial Conduct Authority  
25 The North Colonnade  
London E14 5HS

For security reasons, we do not accept email submissions.

## What to include with your initial submission

When submitting a draft document for review you should include the following items with your submission:

- the draft document itself (Two copies in the case of hard copy submission by post or courier)
- contact details of the person submitting the document
- Form A (not required for listing particulars or circulars)
- Issuer Contact Details Form (not required for circulars)
- Document Publication Form (not required for circulars)
- variation request letter (if applicable)
- copies of any information incorporated by reference into the document
- relevant checklists
- vetting fee (see fees set out in FEES 3 Annex 5R) or electronic payment form
- other information that we may require or that might be helpful (for example a covering letter, particularly if our attention needs to be drawn to previous correspondence on the case), and
- for equity issuers only, either our Information sheet for listed issuers or our Information sheet on public offers of equity securities (if applicable).

Where the issuer is premium listed and the transaction requires a sponsor (see LR8.2.1R), the following additional documents may be required:

- a draft Sponsor's Declaration on Application for Listing (where applicable: see LR8.4.3R), or
- a draft Sponsor's Declaration on the Production of a Circular (applicable circulars only: see LR8.4.13R)

All [forms](#) and [checklists](#) are available on our website.

## Condition of the draft submitted for review

The draft document submitted for review and approval should be annotated in the margin to indicate where the document satisfies the applicable requirements in LR or PR.

The document must be substantially complete. We would not normally consider a document to be substantially complete if any of the following information has been omitted:

- the summary of a prospectus
- financial information or expert's report required under LR or PR
- working capital disclosure
- the terms and conditions of the transaction
- disclosure required by the litigation, material contracts and significant change statements
- a complete Chairman's letter setting out full terms of a transaction for which shareholder approval is required under LR, and
- any other information which is key to understanding the transaction contemplated by the document.

## What happens after a document is submitted?

Cases are allocated to members of our staff for vetting and approval on the day of receipt, provided the submission is received before 4pm. Submissions received after this time will be allocated on the following day.

Documents will only be allocated if they are in substantially complete form (as explained above) and are accompanied by all other necessary documents.

As part of the allocation process, our allocations manager will carry out a high-level review of the document. This review is to assess the level of complexity and risk relating to the transaction, to identify any omissions from the document that will need to be addressed before allocation, and to assign the appropriate staff to review the document.

Following allocation, we will inform the issuer (or its advisers) the names of the relevant member(s) of staff, including the Transaction Manager, as soon as practicable. We will also notify you when you can expect a response to your submission. Once notified of the review team allocated, all related queries should be directed in the first instance to those staff and not via any of our telephone lines.

The review team will review the first draft thoroughly and check that all supporting documents relevant to approval of the document have been received. For some transactions, typically those that are more complex, we will request a conference call with the advisory team to orientate ourselves quickly. We will then provide written comments on the draft by the date initially indicated by us. Our response times vary depending on the transaction type (see our website for further details).

## Submitting further drafts

Subsequent drafts of the document can be sent via our ELS system or by hard copy via post or courier. If you send hard copies, please mark the package for the attention of the review team allocated to the case, not the Allocations Manager. Further drafts of the document

under review should be supplied marked up to show changes made since the last version of the document we reviewed. We also need the applicant's advisers to provide a written response to each of our comments. Where the response to a comment results in a change to the document, the comment response should refer to the page where we will find the change. Page references should always be to the 'blacklined' (marked up) version of the document where 'clean' and 'blacklined' versions of the document are supplied. Subsequent drafts of documents submitted should also be accompanied by all the relevant checklists.

Once we receive a subsequent draft, we review the documents received, together with the responses to our comments. It may be necessary for us to provide further comments. Response times on subsequent drafts depend on the transaction type (more information is available on our website). However, except in exceptional circumstances, subsequent drafts are turned round more quickly than the first draft. Once we receive a draft that addresses all of our outstanding comments, we will indicate that we have no further comments and are in a position to approve the document.

## **How long does the document review process take?**

The process is iterative: we receive a submission of a document, we send comments on the draft, the issuer's advisers respond to the comments usually by amending the document, we then review the next draft, and so it continues until we have no further comments.

The number of drafts required before we can approve the document varies as it depends whether the response to our comments addresses our concerns. But the key to a more efficient process is to keep the number of drafts required to address our comments to as few as possible. The review process can be greatly speeded up by only submitting substantially complete drafts, turning drafts around quickly after our comments are received while at the same time addressing each comment fully, to keep the number of drafts to a minimum.

For the majority of documents we review, we would expect to review and comment on no more than three drafts of a document. However, for some highly complex transactions more drafts may be required.

If the document changes substantially, there is a change in the structure of the transaction, or other matters come to light during the course of the vetting process that would change the risk assessment profile of the document, we reserve the right to re-allocate the document to a different review team or to re-set the timetable. We advise issuers (or their advisers) to contact the relevant staff as soon as they are aware of any such issues.

Our website shows our response times for each draft we receive. These vary depending on transaction type and whether it is a first or subsequent draft. In each case, they show how quickly we will respond to initial drafts and how quickly we respond to subsequent drafts. We understand that our review invariably forms part of a corporate finance transaction and we are therefore committed to meeting our response times for returning comments on draft documents.

## **What happens during the approval process?**

Documents should be submitted to us for formal approval:

- in final printed form (as will be sent to shareholders) either via ELS or in hard copy (two copies)
- on a business day between 9am and 5.30pm (unless you make specific alternative arrangements with us in advance), and

- accompanied by, in final form and at the issuer's own expense, all the relevant documents, letters, declarations, statements, reports or other things that are required under LR or PR or that we may otherwise require.

We signal our approval by stamping the front cover of the document with our official stamp and then signing and dating it.

Once we have formally approved the document, we will call the issuer (or their advisers) to arrange to return a copy of the signed document. If requested, we will also fax a copy of the signed front cover.