

UKLA Technical Note

Close periods

Ref: UKLA / TN / 505.1

LR 9 Annex 1

The term 'close period' applies to the period before any regular results announcement when, under the terms of the Model Code, the directors of an issuer and persons discharging managerial responsibilities are not permitted to deal in its shares. Many issuers make it an in-house rule that they will not communicate with the market during these periods. This is not a regulatory requirement. Even if issuers do not wish to be pro-active in their investor communications during close periods, the LRs and DTRs still apply and issuers are still required to announce inside information where necessary as soon as possible.

The close period requirement does not extend to the period before publication of the Interim Management Statements (IMS). Issuers will be required to use their discretion as to any price sensitive information contained within the IMS when making their trading decisions.