We are often approached by sponsor firms seeking our views on innovative structures and schemes. Issuers have sought comfort, through sponsor firms, that these structures and schemes do not affect their compliance with the Listing Rules. We consider sponsors to be experts on the Listing Rules and expect a sponsor firm to approach us only once it has satisfied itself that such a scheme or structure is appropriate and does not breach the Listing Rules or other relevant legislation.

We draw your attention to LR 8.3.3R, which sets out the principle that ‘a sponsor must in relation to a sponsor service act with due care and skill’.

We recognise that there will be instances where the proper application of the Listing Rules is not clear. However, we would stress that a sponsor should only contact us if it has satisfied itself that the scheme or structure is not simply designed to avoid a particular rule and that it serves a bona fide purpose.