

UKLA Technical Note

Sponsors who are part of an investment management group

Ref: UKLA / TN / 707.1

LR 8; LR 11;
LR 15

Agreements between an issuer listed under Chapter 15 of the Listing Rules and its sponsor firm will be treated as related party transactions under the Listing Rules if the issuer's sponsor forms part of its investment manager's statutory group. For example, a placing arrangement entered into between an issuer and its sponsor as part of a fundraising are deemed related party transactions if the sponsor belongs to the same group as the issuer's investment manager.

In this scenario, it is unlikely that any of the exemptions in Annex 1R in LR 11 can be used. Therefore such agreements may need to be covered by a letter to us under LR 11.1.10R, or a related party circular under LR 11.1.7R (as is appropriate considering the value of the agreement).