



The City of London Law Society



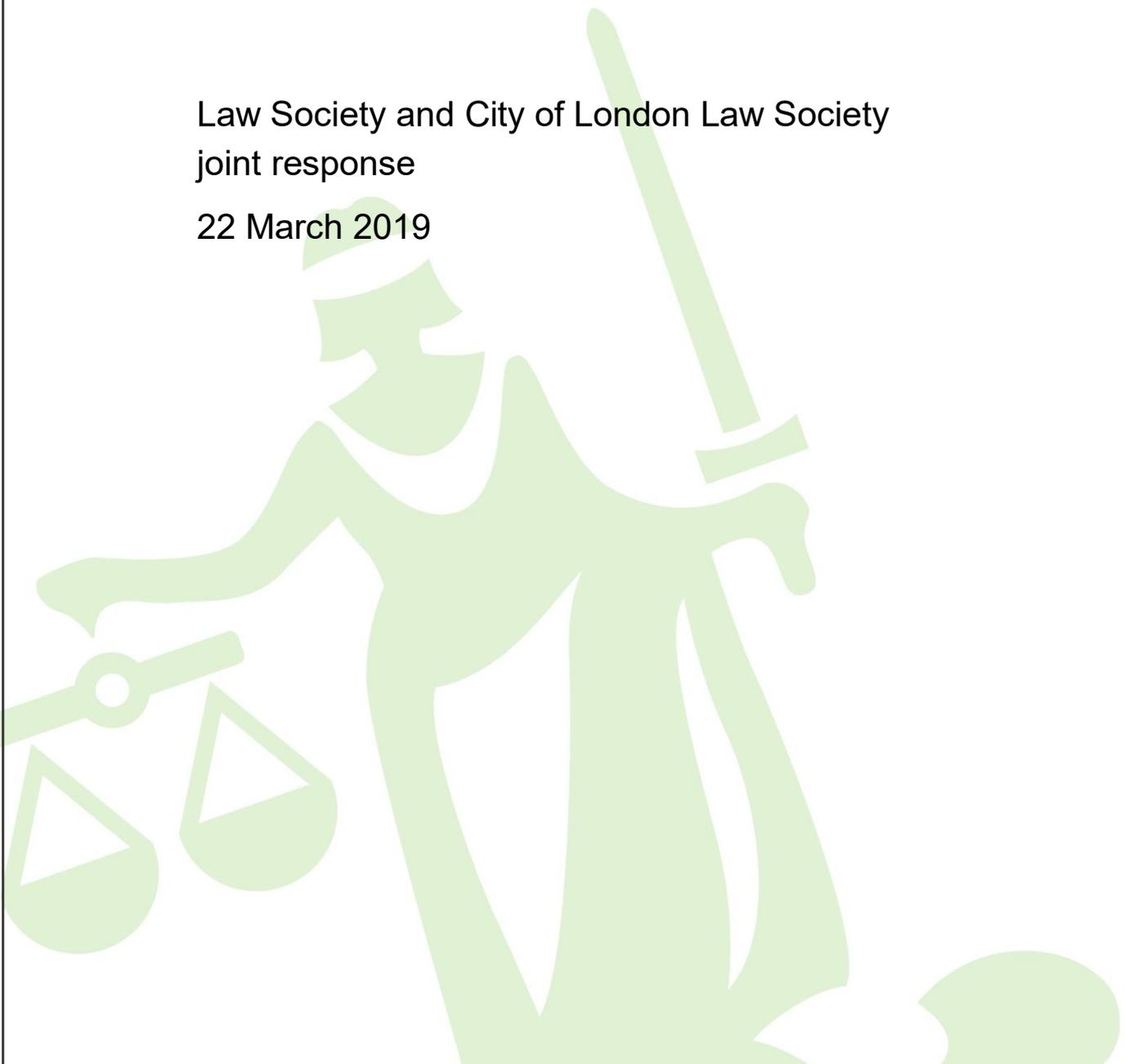
The Law Society

FCA Primary Market Bulletin No.20

Consultation on proposed changes to the Knowledge Base

Law Society and City of London Law Society
joint response

22 March 2019



Introduction

1. The views set out in this paper have been prepared by a Joint Working Party of the Company Law Committees of the City of London Law Society (**CLLS**) and the Law Society of England and Wales (the **Law Society**).
2. The CLLS represents approximately 17,000 City lawyers through individual and corporate membership, including some of the largest international law firms in the world. These law firms advise a variety of clients from multinational companies and financial institutions to Government departments, often in relation to complex, multijurisdictional legal issues. The CLLS responds to a variety of consultations on issues of importance to its members through its 19 specialist committees.
3. The Law Society is the professional body for solicitors in England and Wales, representing over 160,000 registered legal practitioners. It represents the profession to Parliament, Government and regulatory bodies in both the domestic and European arena and has a public interest in the reform of the law.
4. The Joint Working Party is made up of senior and specialist corporate lawyers from both the CLLS and the Law Society who have a particular focus on issues relating to capital markets.

Response

5. We refer to the FCA's Primary Market Bulletin No.20 (the "**PMB**") which proposes various changes to the Knowledge Base. We set out below our comments on the proposed changes and also refer you to our accompanying mark-up of certain of the notes which provide some minor drafting suggestions for your consideration.

Comments

FCA/TN/203.4 – Compliance with the Listing Principles and Premium Listing Principles (Amendment)

Other than the minor drafting suggestions in the accompanying mark-up, we have no comments to raise.

FCA/PN/908.2 – Primary Market Oversight and Listing Transactions – decision making and individual guidance process (Amendment)

Other than the minor drafting suggestions in the accompanying mark-up, we have no comments to raise.

FCA/PN/912.1 – Sponsor Service Enquiry Line (New)

We have no comments to raise.

FCA/PN/913.1 – Schemes of Arrangement (New)

6. We refer to the wording in the final paragraph of this procedural note regarding the letter that issuers should submit to the FCA which confirms that "*the scheme has been sanctioned by the court, all conditions have been satisfied or waived and the scheme is **irreversible***".
7. We query whether this wording, if strictly construed, would cause some confusion. In practice, confirmation is provided to the FCA which provides that there is no impediment to the scheme becoming effective and, therefore, becoming irreversible. Confirmation is not provided that the

scheme *is* irreversible as the scheme does not become irreversible until it has been made effective once the court order has been delivered to Companies House.

8. Consequently, we suggest that the drafting of this sentence in the final paragraph of the procedural note is amended as follows:

"Issuers should submit a letter confirming that the scheme has been sanctioned by the court, all conditions have been satisfied or waived and there is no impediment to the scheme becoming effective and therefore is irreversible."

9. Additionally, we have some minor drafting suggestions as set out in our accompanying mark-up of this procedural note.

FOR FURTHER INFORMATION PLEASE CONTACT:

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