

Bird & Bird & Capital Markets Group: PLC Update

April 2018

AIM given SME Growth Market Status Implications for AIM Companies

On 3 January 2018, AIM became designated as an SME Growth Market, a new designation of market under the Markets in Financial Instrument Directive (“**MiFID II**”). The London Stock Exchange applied for AIM to be given SME Growth Market status in order to raise the profile and visibility of SME Growth Markets across the EU, as well as distinguish them from multilateral trading facilities, which generally operate as trading facilities that do not have a primary market function.

In light of this designation, certain minor consequential amendments have been made to AIM Rule 26 to bring the company information disclosure requirements of the AIM Rules in line with MiFID II, which are summarised below:

Insider lists

AIM companies are now exempt from the requirement to draw-up and maintain insider lists provided that the following two conditions are satisfied:

The issuer takes all reasonable steps to ensure that any person with inside information acknowledges the legal and regulatory duties entailed and is aware of the sanctions applicable to insider dealing and unlawful disclosure of inside information; and

The issuer is able to provide The Financial Conduct Authority (“FCA”) with an insider list on request.

Where the FCA does request that an AIM company provides it with an insider list, this should be in the form specified by the FCA. The content of this form is reduced as an insider's full address and personal telephone number should only be included if this information is available to the issuer at the time of the FCA's request. This should ensure that a list can be prepared without the issuer tipping-off insiders about the FCA's request.

In light of the ability of the FCA to request an insider list, AIM companies are still advised to maintain such a list so that they are prepared to respond at short notice to any request so made.

Website information

One of the eligibility requirements for SME Growth Markets is that certain information must be made publicly available for a period of five years after it has been published and, consequently, AIM Rule 26 has been amended to reflect these requirements. Under AIM Rule 26, in addition to the information that needs to be published on an AIM company's website, the following documents must also be freely available on that website for a period of 5 years after they have been published:

- any prospectus published on or after 3 January 2018;
- annual accounts, half-yearly, quarterly or similar financial reports published on or after 3 January 2018; and
- any inside information required to be publicly disclosed by the Market Abuse Regulation published on or after 3 January 2018.

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