

The background is a blue-tinted image of a financial table with a pen resting on it. The table contains various numbers and text, including '0.6886', '109.73', '196.4', '95.7', '1.545', 'per e', and 'lex'. The pen is silver and is positioned diagonally across the table.

# A comparison of listing regimes for debt securities

October 2016

**C L I F F O R D**  
**C H A N C E**

# Abbreviations

<b>“CBI”</b>	Central Bank of Ireland
<b>“CSSF”</b>	Commission de Surveillance du Secteur Financier
<b>“FCA”</b>	Financial Conduct Authority
<b>“FSMA”</b>	Financial Services and Markets Act 2000
<b>“IAS Regulation”</b>	Regulation EC No. 1606/2002
<b>“MiFID”</b>	Markets in Financial Instruments Directive (2004/39/EC)
<b>“Prospectus Directive”</b>	Directive 2003/71/EC, as amended
<b>“Prospectus Regulation”</b>	Regulation EC/809/2004, as amended
<b>“Transparency Directive”</b>	Directive 2004/109/EC, as amended
<b>“UKLA”</b>	United Kingdom Listing Authority

# London

## London Stock Exchange (“LSE”)

	Main Market <sup>1</sup>	Professional Securities Market (“PSM”)
<b>Market Description</b>	EU regulated market for the purposes of MiFID	LSE's exchange regulated market
<b>Key Governing Regulation/ Legislation</b>	<p><i>EU level:</i> Prospectus Directive, Prospectus Regulation, Transparency Directive and Market Abuse Regulation</p> <p><i>UK level:</i> FSMA 2000, FCA's Prospectus Rules Listing Rules and Disclosure Guidance and Transparency Rules and the LSE's Admission and Disclosure Standards</p>	<p><i>EU level:</i> Market Abuse Regulation</p> <p><i>UK level:</i> FSMA 2000 and FCA's Listing Rules and Disclosure Guidance (in DTRs 1, 2 and 3) and the LSE's Admission and Disclosure Standards</p>
<b>Vetting Entities</b>	UKLA and LSE. The UKLA is the competent authority for Prospectus Directive purposes	UKLA and LSE
<b>Review Times</b>	<p><i>First submission:</i> 4 business days</p> <p><i>Further submissions:</i> 2 business days</p>	<p><i>First submission:</i> 4 business days</p> <p><i>Further submissions:</i> 2 business days</p>
<b>Passporting</b>	An approved prospectus can be passported to other EU member states	Not applicable
<b>General disclosure requirements</b>	<p>Specific requirements set out in the Prospectus Regulation depending if securities are:</p> <ul style="list-style-type: none"> <li>■ wholesale securities (minimum denominations of EUR100,000 or currency equivalent); or</li> <li>■ retail securities (minimum denominations of less than EUR100,000 or currency equivalent)</li> </ul>	<p>Disclosure requirements are the same as the wholesale disclosure regime under the Prospectus Regulation</p> <p>UKLA will require confirmation that securities are ‘specialist securities’ (i.e. sold to a limited number of knowledgeable investors)</p>
<b>Financial information disclosure requirements</b>	<p><b>EU Issuers</b></p> <p><u>Accounting standards</u></p> <p>Historical financial information must be prepared in accordance with:</p> <ul style="list-style-type: none"> <li>■ IFRS if the IAS regulation applies; or</li> <li>■ local GAAP if the IAS Regulation does not apply</li> </ul> <p>The IAS Regulation applies if the issuer:</p> <ul style="list-style-type: none"> <li>■ produces consolidated financial statements; and</li> <li>■ has any securities admitted to trading on a regulated market</li> </ul> <p><u>Other requirements</u></p> <p>Two years of historical financial information is required. If an issuer produces both consolidated accounts and non-consolidated accounts, it must include at least the consolidated accounts</p>	<p><b>EU Issuers</b></p> <p>As per the LSE Main Market</p>

<sup>1</sup> Please note that this section is drafted on the basis that the issuer is a corporate/financial institution that is seeking the listing of plain vanilla debt securities on the Main Market, except for the section on Convertible and Exchangeable securities disclosure requirements.

# London (continued)

## London Stock Exchange (“LSE”)

	Main Market <sup>1</sup>	Professional Securities Market (“PSM”)
<b>Financial information disclosure requirements (continued)</b>	<p><u>Other requirements (continued)</u></p> <p>The issuer's most recent year's historical financial information must be presented and prepared in a form consistent with that which will be adopted in the issuer's next published annual financial statements</p> <p><i>N.B. a first time issuer may, by virtue of the notes being admitted to trading on a regulated market, fall within the scope of the IAS Regulation for the purposes of preparing its next year's financial statements and consequently may need to restate its most recent annual financial statements included in the prospectus in accordance with IFRS</i></p> <p><b>Non EU Issuers</b></p> <p><u>Accounting standards</u></p> <p>Historical financial statements must be prepared in accordance with IFRS or an equivalent third country GAAP (currently Japanese GAAP, US GAAP, Chinese GAAP, Canadian GAAP and South Korean GAAP</p> <p>If the issuer does not prepare accounts in accordance with IFRS or an equivalent GAAP it may under the wholesale regime <b>only</b> include, together with its local GAAP accounts, a summary of differences of the local GAAP accounting policies as compared to IFRS. Under the retail regime any such local GAAP accounts must be restated in accordance with IFRS</p> <p><u>Other requirements</u></p> <p>As per EU issuers</p>	<p><b>Non EU Issuers</b></p> <p><u>Accounting standards</u></p> <p>An issuer can use its local GAAP. No requirement for financial statements to be prepared in accordance with IFRS or for a summary of differences between local GAAP and IFRS</p> <p><u>Other requirements</u></p> <p>As per the LSE Main Market</p>
<b>Convertible and Exchangeable securities disclosure requirements</b>	<p>Equity type disclosure on the issuer (e.g. working capital statement) is required where debt securities are convertible or exchangeable into shares issued by the issuer and those underlying shares are not already admitted to trading on a regulated market. This means the underlying shares themselves must already be admitted to trading and not simply be of the same class of shares which are already admitted to trading.</p> <p>This interpretation of the Prospectus Directive is confirmed in ESMA's Q&amp;A</p>	As per the LSE Main Market

<sup>1</sup> Please note that this section is drafted on the basis that the issuer is a corporate/financial institution that is seeking the listing of plain vanilla debt securities on the Main Market, except for the section on Convertible and Exchangeable securities disclosure requirements.

# London (continued)

## London Stock Exchange (“LSE”)

	Main Market <sup>1</sup>	Professional Securities Market (“PSM”)
<b>Vetting/ Listing fees</b>	UKLA vetting fee: £2,000 (for approval of a prospectus relating to debt securities) More information is available <a href="#">here</a> LSE Fee: Depends on face value of the notes, but could be up to £4,200 (Eurobond) or £3,650 (MTN drawdown) More information is available <a href="#">here</a>	As per the Main Market
<b>Links to helpful information</b>	FCA – <a href="#">How to submit a prospectus</a> LSE – <a href="#">Listing debt</a>	LSE – <a href="#">Listing debt</a>

<sup>1</sup> Please note that this section is drafted on the basis that the issuer is a corporate/financial institution that is seeking the listing of plain vanilla debt securities on the Main Market, except for the section on Convertible and Exchangeable securities disclosure requirements.

# Ireland

## Irish Stock Exchange (“ISE”)

	Main Securities Market <sup>2</sup>	Global Exchange Market (“GEM”)
<b>Market Description</b>	EU regulated market for the purposes of MiFID	ISE’s exchange regulated market
<b>Governing Regulation/ Legislation</b>	<i>EU level:</i> Prospectus Directive, Prospectus Regulation, Transparency Directive and Market Abuse Regulation <i>Irish level:</i> Prospectus (Directive 2003/71/EC) Regulations 2005, the Prospectus Rules issued by the CBI, the EU (Market Abuse) Regulations 2016 and the Market Abuse Rules issued by the CBI	<i>EU Level:</i> Market Abuse Regulation <i>Irish level:</i> Listing and Admission to Trading – the Rules of the Global Exchange Market
<b>Vetting Entit(y)/(ies)</b>	CBI and ISE. The CBI is the competent authority for Prospectus Directive purposes	ISE only
<b>Review Times</b>	<i>First submission:</i> 3 business days <i>Further submissions:</i> 2 business days	<i>First submission:</i> 3 business days <i>Further submissions:</i> 2 business days
<b>Passporting</b>	An approved prospectus can be passported to other EU member states	Not applicable
<b>Disclosure requirements</b>	As per the LSE Main Market	No distinction between retail and wholesale securities but securities must be sold to professional investors. The disclosure rules are similar to the wholesale disclosure regime under the Prospectus Regulation
<b>Historical financial information</b>	As per the LSE Main Market	<b>EU Issuers</b> As per the LSE PSM <b>Non EU Issuers</b> <u>Accounting Standards</u> Historical financial statements must be prepared in accordance with IFRS or an equivalent third country GAAP. What is an equivalent third country GAAP is unclear in the GEM Rules. It is likely to include the countries listed in the paragraph below but may also include the countries that have been determined as having an equivalent GAAP to IFRS under the Prospectus Directive regime (to the extent not already listed below). It is advisable to check with the listing agent

<sup>2</sup> Please note that this section is drafted on the basis that the issuer is a corporate/financial institution that is seeking the listing of plain vanilla debt securities on the Main Securities Market, except for the section on Convertible and Exchangeable securities disclosure requirements.

# Ireland (continued)

## Irish Stock Exchange (“ISE”)

	Main Securities Market <sup>2</sup>	Global Exchange Market (“GEM”)
<b>Historical financial information (continued)</b>		<p><u>Accounting Standards (continued)</u></p> <p>If the issuer does not prepare accounts in accordance with IFRS or an equivalent third country GAAP it may include, together with its local GAAP accounts, a narrative of differences between the accounting principles of the local GAAP accounting policies and IFRS. The narrative of differences requirement does not apply if an issuer prepares financial information in accordance with one of the following GAAPs: United States, Canada, Japan, South Africa, Australia, New Zealand, Switzerland, Brazil, Hong Kong, China and South Korea</p> <p><u>Other requirements</u></p> <p>As per the LSE PSM</p>
<b>Convertible and Exchangeable securities disclosure requirements</b>	As per the LSE Main Market	Equity type disclosure on the issuer is not required <i>provided that</i> the issuer of the shares into which the debt securities are convertible or exchangeable already has securities admitted to trading on a regulated market
<b>Vetting/ Listing costs</b>	<p>CBI fees: €3,000 (Eurobond) and €3,800 (MTN base prospectus). More information is available <a href="#">here</a></p> <p>ISE charges document, annual, admission and notice fees. These vary depending on the type of security – more information is available <a href="#">here</a></p> <p>The Listing Agent will be able to provide precise details of the fees that will be payable</p>	<p>ISE charges document, annual, admission and notice fees. These vary depending on the type of security – more information is available <a href="#">here</a></p> <p>The Listing Agent will be able to provide precise details of the fees that will be payable</p>
<b>Links to helpful information</b>	<p>CBI – <a href="#">Prospectus regulation</a> <a href="#">Prospectus Handbook</a></p> <p>ISE – <a href="#">How to list on the Main Securities Market</a></p>	ISE – <a href="#">How to list on the Global Exchange Market</a>

<sup>2</sup> Please note that this section is drafted on the basis that the issuer is a corporate/financial institution that is seeking the listing of plain vanilla debt securities on the Main Securities Market, except for the section on Convertible and Exchangeable securities disclosure requirements.

# Luxembourg

## Luxembourg Stock Exchange (“LuxSE”)

	Bourse de Luxembourg <sup>3</sup>	Euro MTF
<b>Market Description</b>	EU regulated market for the purposes of MiFID	LuxSE's exchange regulated market
<b>Governing Regulation/ Legislation</b>	<i>EU level:</i> Prospectus Directive, Prospectus Regulation, Transparency Directive and Market Abuse Regulation <i>Luxembourg level:</i> Luxembourg Law of 10 July 2005 on prospectuses for securities (as amended)	<i>EU Level:</i> Market Abuse Regulation <i>Luxembourg Level:</i> Part IV of Luxembourg Law of 10 July 2005 on prospectuses for securities (as amended) provides the framework and the Rules and Regulations of the Luxembourg Stock Exchange provide the detailed rules
<b>Vetting Entit(y)/(ies)</b>	CSSF and LuxSE. The CSSF is the competent authority for Prospectus Directive purposes	LuxSE only
<b>Review Times</b>	<i>First submission:</i> 10 business days (20 business days for a debut Issuer). This is the official review time, but often it is less than 10/20 business days <i>Further submissions:</i> There is no official figure but it is often 2-5 business days	The decision on the application for admission will take place within a maximum period of one month following receipt of the Issuer's application. Please note, however, that there is scope for this review time to be discussed and shortened as between the LuxSE and the Issuer
<b>Passporting</b>	An approved prospectus can be passported to other EU member states	Not applicable
<b>Disclosure requirements</b>	As per the LSE Main Market	Appendix III Schedule B of the Rules and Regulations of the Luxembourg Stock Exchange contains the relevant disclosure items for Prospectuses to be admitted to the Euro MTF. These items are similar to the disclosure regime for a wholesale prospectus contained in the Prospectus Directive
<b>Historical financial information</b>	As per the LSE Main Market	<b>EU Issuers</b> <u>Accounting standards</u> No requirement for historical financial information to be prepared in accordance with IFRS <u>Other requirements</u> The issuer must include in the prospectus its last two balance sheets and profit and loss accounts plus the notes to the annual accounts for its last financial year <b>Non EU Issuers</b> As per EU Issuers on the Euro MTF

<sup>3</sup> Please note that this section is drafted on the basis that the issuer is a corporate/financial institution that is seeking the listing of plain vanilla debt securities on the Bourse de Luxembourg, except for the section of Convertible and Exchange securities disclosure requirements.



# Luxembourg (continued)

## Luxembourg Stock Exchange (“LuxSE”)

	Bourse de Luxembourg <sup>3</sup>	Euro MTF
<b>Convertible and Exchangeable securities disclosure requirements</b>	As per the LSE Main Market	Informal guidance suggests that the Euro MTF will adopt a similar position to the GEM
<b>Vetting/ Listing costs</b>	<p>CSSF fees: €5,000 (Eurobond) and €8,000 (MTN base prospectus). More information is available <a href="#">here</a> in Part M</p> <p>LuxSE charges visa, admission and maintenance fees. These vary depending on the type of security – more information is available <a href="#">here</a></p> <p>The Listing Agent will be able to provide precise details of the fees that will be payable</p>	<p>LuxSE charges visa, admission and maintenance fees. These vary depending on the type of security – more information is available <a href="#">here</a></p> <p>The Listing Agent will be able to provide precise details of the fees that will be payable</p>
<b>Links to helpful information</b>	<p>CSSF – <a href="#">Prospectuses</a></p> <p>LuxSE – <a href="#">About listing Listing requirements</a></p>	<p>LuxSE – <a href="#">Euro MTF Market brochure Listing requirements</a></p>

<sup>3</sup> Please note that this section is drafted on the basis that the issuer is a corporate/financial institution that is seeking the listing of plain vanilla debt securities on the Bourse de Luxembourg, except for the section of Convertible and Exchange securities disclosure requirements.



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