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Chapter 3

Implementation of the Transparency Directive

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Introduction

The Transparency Directive (Directive 2004/109/EC) ("TD") aims to promote transparency in EU capital markets by prescribing rules for securities traded on EU regulated markets and the issuers of such securities, covering:

- production of periodic financial reports;
- disclosure of material shareholdings;
- dissemination of regulated information; and
- the provision of mechanisms for the sharing of regulated information.

The TD is a "minimum harmonisation" directive, meaning that the Home Member State (as to which see below) may prescribe requirements which are more stringent and more far-reaching than those of the TD, both in respect of disclosure obligations of the issuer of listed securities and in respect of the notification obligations of shareholders. In contrast, a Host Member State (as to which see below) may not impose requirements more stringent than those of the TD.

Home/Host Member States

In the case of an issuer of shares, or debt securities with a denomination of less than 1,000 Euros (or the equivalent in other currencies on the issue date of the securities), the Home Member State is the Member State in which the issuer is incorporated or, if not incorporated in a Member State, the Member State in which it is required to file annual information pursuant to Article 10 of the Prospectus Directive (Directive 2003/71/EC).

All other issuers may choose their Home Member State from among:

- the Member State in which it is incorporated (if any); and
- any one of the Member States which have admitted the issuer's securities to trading on a regulated market in its territory. In the absence of a delisting of all its securities from regulated markets in the EU, an issuer's choice of Home Member State will apply for three years.

The Host Member State in respect of an issuer and its securities is any Member State (other than the Home Member State) in which the issuer's securities are admitted to trading on a regulated market.

This chapter deals with the implementation of the TD only in respect of issuers whose Home Member State is the United Kingdom. The TD has been implemented in the UK by the insertion of new rules and guidance into the FSA's Disclosure Rules - now renamed the "Disclosure and Transparency Rules" or "DTR" - and Listing Rules, and by changes to Part 6 of the Financial Services and Markets Act 2000 ("FSMA") made by Part 43 of the Companies Act 2006.

Many of the provisions in the DTR are very similar to existing provisions contained in the FSA's Listing Rules. Some of the overlapping provisions of the Listing Rules have been deleted by the FSA, but many have been retained.

DTR 4 deals with periodic financial reporting, DTR 5 deals with notification of major shareholdings and DTR 6 deals with dissemination of regulated information. The changes to the Disclosure Rules and Listing Rules took effect from 20 January 2007. From that date, issuers have been required to comply with the provisions of DTR 5 and DTR 6. DTR 4 took effect such that an issuer whose financial year begins on or after 20 January 2007 must comply as from such date, whereas an issuer whose financial year begins before 20 January will have to comply as from the beginning of its next financial year.

The UK has also taken advantage of the optional temporary exemption contained in Article 30.4 of the TD and prescribed that the requirements for half-yearly financial reports will not apply until 2015 in the case of issuers of debt securities which were admitted to trading before 1 January 2005.

Periodic Financial Reporting

Since 1 January 2005, all EU Companies have been required to prepare consolidated accounts in compliance with International Financial Reporting Standards ("IFRS") following the IFRS Regulation (1606/2002) and the aim of the TD is to improve the quality, content and timeliness of periodic financial reports. It makes provision concerning annual and semi-annual financial statements and introduces a requirement for interim management statements.

DTR 4 applies to all issuers of transferable securities which are admitted to trading on a regulated market in a Member State and whose Home Member State is the UK.

Subject to certain exceptions, DTR 4 requires all issuers to publish:

- an annual financial report no later than four months after the end of each financial year; and
- a semi-annual financial report no later than two months after the end of the first six months of each financial year.

These reports must remain available to the public for at least five years.

In addition, with certain exceptions, an issuer of shares admitted to trading on a regulated market must (if it does not already publish quarterly financial reports) publish interim management statements in each of its financial half-years. These must be published between 10 weeks after the beginning, and six weeks before the end, of the relevant financial half-year, and must cover the period from the beginning of the relevant half-year until the date of publication of the interim management statements.

Exemptions from DTR 4

None of the requirements on periodic financial reporting apply to:

- an entity which has issued exclusively debt securities with a denomination of at least 50,000 Euros or its equivalent at the date of the issue (although where such entity is subject to the UK Listing Rules it must still produce an annual financial report within six months);
- a State, regional or local authority of a State, a public international body of which at least one Member State is a member, the European Central Bank (ECB) or Member States' national central banks; or
- an issuer whose registered office is in a non-EEA State and whose relevant laws are considered equivalent by the FSA.

As to the equivalence of laws of non-EEA Issuers, the Commission of European Securities Regulators ("CESR") advised the European Commission in 2005 that the Generally Accepted Accounting Principles ("GAAP") of Canada, Japan and the US, taken as a whole, are equivalent to IFRS, subject to certain adjustments, such as additional disclosures and supplementary financial statements. Each of Canada, Japan and the US has announced measures to work towards converging their respective GAAP with IFRS. Accordingly, the European Commission in December 2006 adopted a Decision to allow a transitional period during which the convergence efforts can progress. The Decision states that prior to financial years starting on or after 1 January 2009, third country issuers can prepare their annual and semi-annual consolidated financial statements in accordance with their national GAAP, if one of the following conditions is met:

- the notes to the financial statements contain an explicit and unreserved statement that the accounts comply with IFRS in accordance with Presentation of Financial Statements (IAS 1);
- the financial statements are prepared in accordance with Canadian, Japanese or US GAAP; or
- the financial statements are prepared in accordance with the GAAP of a third country (other than Canada, Japan and the US) where (i) such country has made a public commitment to converge with IFRS; (ii) such country has established a work programme which demonstrates the intention to progress towards convergence before 31 Dec 2008; and (iii) the issuer provides evidence that satisfies the competent authority that (i) and (ii) are met.

Under the Decision, the Commission must report back to the European Securities Committee and the European Parliament on the progress of convergence before 1 April 2008, and ensure that there is a definition of equivalence and a mechanism for determining the equivalence of a third country's GAAP by 30 June 2008.

Annual Financial Reports

Each annual financial report must include:

■ Audited financial statements - these must comprise accounts prepared in accordance with the national law of the EEA State in which the issuer is incorporated and, if the issuer is required to prepare consolidated accounts according to the Seventh Council Directive (83/349/EEC), consolidated accounts prepared in accordance with IFRS. Such accounts must be audited in accordance with Article 37 of the Seventh Council Directive, unless the issuer is not required to prepare consolidated accounts, in which case the accounts must be audited in accordance with Articles 51 and 51a of the Fourth Council Directive (78/660/EEC). The audit report must be disclosed in full with the annual financial report.

■ A management report - this must contain a fair review of the issuer's business and a description of the principal risks and uncertainties facing the issuer. The review must:

1. be a balanced and comprehensive analysis of:

   (a) the development and performance of the issuer's business during the financial year; and

   (b) the position of the issuer's business at the end of that year,

   consistent with the size and complexity of the business;

2. include, to the extent necessary for an understanding of the development, performance or position of the issuer's business:

   (a) analysis using financial key performance indicators; and

   (b) where appropriate, analysis using other key performance indicators including information relating to environmental matters and employee matters; and

3. include references to, and additional explanations of, amounts included in the issuer's annual financial statements, where appropriate.

It must also give an indication of:

4. any important events that have occurred since the end of the financial year;
5. the issuer's likely future developments;
6. activities in the field of research and development;
7. the information concerning acquisitions of own shares prescribed by Article 22(2) of Directive 77/91/EEC;
8. the existence of branches of the issuer; and
9. in relation to the issuer's use of financial instruments and where material for the assessment of its assets, liabilities, financial position and profit or loss:

   (a) the issuer's financial risk management objectives and policies, including its policy for hedging each major type of forecasted transaction for which hedge accounting is used; and

   (b) the issuer's exposure to price risk, credit risk, liquidity risk and cash flow risk.

■ Responsibility statements - these must be made by the persons "responsible" within the issuer, they must clearly state the name and function of the person making the statement, and must state that to the best of such person's knowledge:

1. the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer and the undertakings included in the consolidation taken as a whole; and
2. the management report includes a fair review of the development and performance of the business and position of the issuer and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

The FSA has expressed the opinion (in List! Issue No. 14, April 2007 ("List 14")) that the persons "responsible" in this context will usually be the directors. However the DTR make clear that this does not mean that the directors bear primary responsibility for compiling the annual reports - this expressly remains with the issuer alone.

Half-Yearly Financial Reports

Each half-yearly financial report must include:

■ A condensed set of financial statements - these must comprise accounts prepared in accordance with IAS 34, if the issuer is required to prepare consolidated accounts. If it is not required to prepare consolidated accounts, the statements must comprise at least a condensed balance sheet, a condensed profit and loss account and explanatory notes on these accounts (DTR 4.2.4R). DTR 4.2.5R prescribes details required in the condensed financial statements. If the half-yearly financial report has been audited or reviewed by auditors pursuant to the Auditing Practices Board guidance on Review of Interim Financial Information, the audit report or review report must be reproduced in full, but if it has not been so audited, the issuer must make a statement to this effect in the report.

■ Interim management report - this must contain at least an indication of the important events that have occurred during the first six months of the financial year, and their impact on the condensed financial statements, as well as a description of the principal risks and uncertainties for the remaining six months of the financial year. Where the issuer has listed shares, it must also disclose details of material related parties, transactions and changes in previously disclosed related party transactions. Where the issuer is not required to produce consolidated financial statements, such details must include the amount of the transaction, the nature of the related party relationship and, where the transaction is material and has not been concluded under normal market conditions, other information necessary to understand the issuer's financial position (DTR 4.2.7R and 4.2.8R). The definition of "related party" and the regulation of related party transactions in this context is contained in Chapter 11 of the Listing Rules.

■ Responsibility statements - these must be made by the persons "responsible" (usually the directors, in the FSA's opinion) within the issuer, they must clearly state the name and function of the person making the statement, and must state that, to the best of such person's knowledge:

1. the condensed set of financial statements, which has been prepared in accordance with the applicable set of accounting standards, gives a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer, or the undertakings included in the consolidation as a whole as required by DTR 4.2.4R;
2. the interim management report includes a fair review of the information required by DTR 4.2.7R; and
3. the interim management report includes a fair review of the information required by DTR 4.2.8R, in the case of an issuer of shares.

A person making a responsibility statement will satisfy the requirement in 1. above by including a statement that the condensed set of financial statements have been prepared in accordance with:

(a) IAS 34;

(b) for UK issuers not using IFRS, pronouncements on interim reporting issued by the Accounting Standards Board; or

(c) for all other issuers not using IFRS, a national accounting standard relating to interim reporting,

provided always that the person making such a statement has reasonable grounds to be satisfied that the condensed set of financial statements prepared in accordance with such a standard is not misleading.

<u>Exemptions from half-yearly filing obligations</u>

The requirements as to publication of half-yearly financial reports do not apply to:

- a credit institution whose shares are not admitted to trading and which has, in a continuous or repeated manner only issued debt securities, provided that the total nominal amount of all such debt securities is less than 100,000,000 Euros and it has not published a prospectus in accordance with the Prospectus Directive;
- an issuer already existing on 31 December 2003 which exclusively issues debt securities which are unconditionally and irrevocably guaranteed by the issuer's Home Member State or by a regional or local authority of that State, on a regulated market;
- an issuer of transferable convertible securities; or
- an issuer of depository receipts.

Interim Management Statements

The interim management statements must provide:

- an explanation of material events and transactions that have taken place during the relevant period and their impact on the financial position of the issuer and its controlled undertakings, and
- a general description of the financial position and performance of the issuer and its controlled undertakings during the relevant period (DTR 4.3.5R).

The FSA has stated in List 14 that it expects these disclosures to be less onerous than producing quarterly financial reports and that issuers may be able to use trading statements as an alternative. It also gave some guidance on the content of the interim management statements (although such guidance is expressed not to be mandatory, exhaustive or appropriate to all issuers in all circumstances) including:

- the FSA does not expect issuers to apply the conventions currently required for annual and interim reporting;
- an issuer may be able to meet the requirements based on the content of performance reports, trading statements or other similar reporting formats provided the interim management statements include the information required by DTR 4.3.5;
- interim management statements based on performance reports with key operating statistics may be sufficient provided there is information on the financial position of the issuer;
- information contained in trading statements may be enough to meet the requirements for interim management statements; and
- interim management statements may not require financial data in certain circumstances.

<u>Exemptions from obligations to publish Interim Management Statements</u>

The requirements for an issuer of shares admitted to trading on a regulated market to publish interim management statements does not apply to:

- an issuer of transferable convertible securities;
- an issuer of preference shares; or
- an issuer of depository receipts.

In addition, an issuer which publishes quarterly financial reports:

- in accordance with national legislation; or
- in accordance with the rules of the regulated market; or
- of its own initiative,

is treated as having satisfied the requirement to publish interim management statements.

Following the FSA's amendment of the Model Code in the Listing Rules to reflect the new periodic financial reporting requirements, it was unclear whether there was a formal close period before an issuer published interim management statements. The FSA Handbook Administration (No. 5) Instrument 2007 has clarified that there is no such close period before an interim management statement is published. For companies which report quarterly, there is a 30-day close period before the quarterly report is issued or, if shorter, from the end of the relevant period.

<u>The Effect on the Listing Rules</u>

Notable provisions of the Listing Rules that will cease to apply to listed companies once they become subject to DTR 4:

- issuers will no longer have to send half-yearly reports to the holders of their securities, or publish them in a national newspaper; and

- issuers will no longer be obliged to produce preliminary statements of annual results, although the FSA has stressed that issuers are still likely to have to produce these pursuant to the Disclosure Rules, since such information will be inside information. If such an issuer does produce such a preliminary statement, it must comply with LR 9.7A.

Certain provisions of the Listing Rules will be retained, such as:

- the requirement for listed issuers only of debt above 50,000 Euros denomination, and for issuers on the Professional Securities Market to publish annual accounts within six months after year-end;
- the requirement for companies to notify investors as soon as possible after the board has made a decision on dividends;
- the obligation for issuers falling outside the scope of IAS 34 (as mentioned above) to reflect in their half-yearly reports any accounting policy changes that will apply to the following annual report; and
- the content requirements prescribed by the Listing Rules for annual reports,

and issuers admitted to the Official List will need to comply with the above requirements, as well as the DTR.

New Liability Regime

Pursuant to the Companies Act 2006, the new section 90A of FSMA creates a statutory liability regime in respect of the periodic financial reports required by DTR 4. An issuer is liable to pay compensation to a person who has acquired securities and suffered loss as a result of any untrue or misleading statement in, or omission from:

- an annual report;
- a half-yearly report;
- an interim management statement; or
- any preliminary statement published in advance of the annual report.

An issuer will be liable if a person discharging managerial responsibilities for the publication (who will usually be a director) knew that the statement was wrong or misleading, was reckless as to whether it was, or knew any omission was a dishonest concealment of a material fact. The issuer will only be liable to third parties, although the directors concerned may be liable to the issuer.

Disclosure of Major Shareholdings

The TD provisions on disclosure of major shareholdings were implemented in the UK by DTR 5 and sections 89A to 89L of FSMA (inserted by the Companies Act 2006). These provisions replace the provisions of the Companies Act 1985 on major shareholding notifications. DTR 5 is relevant to issuers whose Home Member State is the UK and who have shares admitted to trading on a regulated market, as well as to UK issuers whose shares are traded on a prescribed market, such as AIM or PLUS.

DTR 5 requires shareholders (or those with rights to acquire shares) of such an issuer to simultaneously inform the issuer and the FSA of changes to major holdings in that issuer's shares following which the issuer must then publish this information to the market. All information filed with the FSA must be by electronic means.

When the holding of a shareholder crosses the relevant threshold (as to which see below) the shareholder must notify the issuer and the FSA within four trading days (or two trading days where the issuer is incorporated in the UK). A UK issuer must notify the market by the end of the trading day after it receives such notification, where its shares are traded on a regulated market, or within three trading days after such receipt where its shares are traded on a prescribed market. In addition the issuer must announce the total number of its shares in issue, and the total number of treasury shares, at the end of every month in which there has been a change in shareholdings.

However DTR 5 does not apply to non-EEA issuers and their shareholders where they are considered to be subject to equivalent requirements under their national laws. The FSA maintains a list of countries whose share notification regimes are deemed equivalent and, to date, the list consists of USA, Japan, Israel and Switzerland. The disclosure obligation is tied to shareholdings and voting rights, as opposed to the concept of "interests" in shares under the UK Companies Act 1985.

Notification Obligations and Thresholds

Where a person holds shares, he must notify the issuer if the percentage of voting rights which he holds as shareholder, or through his direct or indirect holding of financial instruments falling within DTR 5.3.1R (or a combination of such holdings) reaches, exceeds or falls below the following:

- in the case of a UK issuer, 3%, 4%, 5%, 6%, 7%, 8%, 9%, 10% and each 1% threshold thereafter up to 100%; or
- in the case of a non-UK issuer, 5%, 10%, 15%, 20%, 25%, 30%, 50% and 75% (except that in the case of an issuer not incorporated in an EEA state, the notification is to be made on the basis of equivalent events and disclosed information).

Such notification must include:

- the resulting situation in terms of voting rights;
- the chain of controlled undertakings (if any) through which voting rights are effectively held;
- the date on which the threshold was reached or passed; and
- the identity of the shareholder, and of the person entitled to exercise voting rights on behalf of that shareholder.

DTR 5.3.1R specifies that the notification obligations extend to the holder, directly or indirectly, of financial instruments which result in an entitlement to acquire, on such holder's initiative alone, under a formal agreement, issued shares of the issuer to which voting rights are attached.

A person is an indirect holder to the extent that he is entitled to acquire, or dispose of, or to exercise, voting rights in any of the following cases, or a combination of them:

a) voting rights held by a third party with whom that person has concluded an agreement, which obliges them to adopt, by concerted exercise of the voting rights they hold, a lasting common policy towards the management of the issuer in question;

b) voting rights held by a third party under an agreement concluded with that person providing for the temporary transfer for consideration of the voting rights in question;

c) voting rights attaching to shares which are lodged as collateral with that person provided that person controls the voting rights and declares its intention of exercising them;

d) voting rights attaching to shares in which that person has the life interest;

e) voting rights which are held, or may be exercised within the meaning of points (a) to (d) or, in cases (f) and (h) by a firm undertaking investment management, or by a management company, by an undertaking controlled by that person;

f) voting rights attaching to shares deposited with that person which the person can exercise at its discretion in the absence of specific instructions from the shareholders;

g) voting rights held by a third party in his own name on behalf of that person; and

h) voting rights which that person may exercise as a proxy where that person can exercise the voting rights at his discretion in the absence of specific instructions from the shareholders.

Exempted Shareholdings

Voting rights attached to the following shares are to be disregarded for the purpose of the percentage thresholds above.

- shares acquired for the sole purpose of clearing and settlement within a settlement cycle not exceeding the period of three trading days following the day of the execution of the transaction;
- shares held by a custodian (or nominee) in that capacity provided such a person can only exercise the voting rights attached to such shares under instructions given in writing or by electronic means;
- shares held by a market maker acting in that capacity subject to the percentage of such shares being 10% or less and subject to the market maker being authorised by its Home Member State under MiFID, not intervening in the management of the issuer and not exerting any influence on the issuer to buy such shares or back the price;
- shares held by a credit institution or investment firm provided that:

  1. the shares are held within the trading book of the credit institution or investment firm;

  2. the voting rights attached to such shares do not exceed 5%; and

  3. the credit institution, or as the case may be investment firm, ensures that the voting rights attached to shares in the trading book are not exercised or otherwise used to intervene in the management of the issuer;
- shares held by a collateral taker under a collateral transaction which involves the outright transfer of securities provided the collateral taker does not declare any intention of exercising (and does not exercise) the voting rights attaching to such shares; and
- shares acquired by a borrower under a stock lending agreement provided:

  1. such shares (or equivalent stock) are on-lent or otherwise disposed of by the borrower by not later than close of business on the next trading day; and

  2. the borrower does not declare any intention of exercising (and does not exercise) the voting rights attached to the shares.

In addition voting rights attached to the following shares are to be disregarded, except for the thresholds of 5%, 10% and all thresholds above 10%:

- voting rights attaching to shares forming part of property belonging to another which that person lawfully manages under an agreement in, or evidenced in, writing;
- voting rights attaching to shares which may be exercisable by a person in his capacity as the operator of:

  1. an authorised unit trust scheme;

  2. a recognised scheme; or

  3. a UCITS scheme;
- voting rights attaching to shares which may be exercisable by an ICVC; and
- voting rights attaching to shares which may be exercised by a category of investment entity which for this purpose is prescribed by the FSA.

When considering the cases of non-EEA investment entities and investment managers, the DTR give the FSA power to determine that such persons should be subject to the same 5% and 10% notification obligations as EEA firms. The FSA has expressed the view that equal treatment of non-EEA persons in this context should be conditional on the persons being subject to appropriate regulation in their country and there being no other reasons for not prescribing e.g. lack of reciprocity in the treatment of equivalent EEA persons by that country. The FSA publishes a list of non-EEA investment entities and investment managers on its website that meet these criteria. The FSA has expressed the view that US investment advisers will generally be treated in the same way as EEA investment managers.

In addition to the obligation to publish, at the end of each month, the total number of voting rights and capital in respect of all its issued shares, an issuer must, within four trading days following the relevant acquisition or disposal, publish details of any acquisition or disposal of its own shares where the acquisition or disposal results in the issuer's holding of its shares reaching, exceeding or falling below 5% or 10% of the total voting rights.

In List 14, the FSA sets out, by way of guidance, examples of how to calculate shareholding percentages for the purpose of determining whether thresholds have been reached or crossed.

Specifically it has stated that in deciding whether parties who enter into derivative contracts on an issuer's shares have a notification obligation, only parties with a long position will have a notification obligation, but the holder of a long position will not be able to offset a short position against this in order to avoid a notification obligation.

However, the FSA has also undertaken to consider whether derivatives which give a party a purely economic interest in a share should be disclosed. This is not required under the TD but is felt in the market to need consideration. The FSA intends to publish its findings in the Summer of 2007.

Dissemination of Information

DTR 6 provides for the disclosure and delivery of "regulated information" (which includes all information required to be disclosed under DTR) and other rules aimed to ensure equality of information for all investors, such as:

- if an issuer proposes to amend its constitution, it must communicate the draft amendment to the FSA and the regulated market on which its securities are traded;
- an issuer must ensure equal treatment for all holders of shares and all holders of debt ranking pari passu;
- an issuer must ensure that all facilities and information necessary for a holder of securities to exercise their rights are available in the Home Member State;
- holders of securities must not be permitted from exercising their rights by proxy, subject to the laws of the country of incorporation of the issuer;
- an issuer must designate, as its agent, a financial institution through which holders of securities may exercise their rights;
- where an issuer chooses to use electronic means to communicate with holders of securities:

1. a decision to use electronic means to convey information to securities holders must be taken in a general meeting (the FSA has clarified its opinion that a pre-existing permission under the terms of the Companies Act 2006 to use electronic means can be valid for this purpose and does not necessarily need to be renewed);
2. the use of electronic means must not depend upon the location of the seat or residence of holder of securities, any person through whom voting rights are held or any proxy;
3. identification arrangements must be put in place so that the holders of securities or other persons entitled to exercise or to

direct the exercise of voting rights are effectively informed;

4. holders of securities and other persons entitled to exercise voting rights must be:

   (a) contacted in writing to request their consent for the use of electronic means for conveying information and if they do not object within a reasonable period of time, their consent can be considered to have been given; and

   (b) able to request at any time in the future that information be conveyed in writing; and

5. any apportionment of the costs entailed in the conveyance of information by electronic means must be determined by the issuer in compliance with the principle of equal treatment.

But paragraph (4) above does not apply in any case where schedule 5 to the Companies Act 2006 applies.

- an issuer must disclose various information in respect of charges in the rights attached to its securities, and any new loan issues, including details of any guarantee or security in respect of such issues; and
- an issuer must provide information to securities holders on the place, time and agenda of meetings of securities holders and details of the rights exercisable by such holders.

Again there are provisions exempting a non-EEA issuer from compliance with all the above provisions of DTR 6 (except in relation to proposed changes to the issuer's constitution), so long as the FSA considers the relevant laws of such issuer's jurisdiction as being equivalent, and the FSA maintains a list of such non-EEA states.

In addition, the following entities do not have to comply with the above provisions (other than regarding proposed changes to the constitution, and information about changes in rights attaching to securities and new loan issues):

- an issuer of convertible securities;
- an issuer of preference shares; and
- an issuer of depository receipts.

Where an issuer discloses regulated information, it must at the same time file this with the FSA, and it may use a regulatory information service for this purpose.

Where an issuer is subject to DTR 6 (i.e. where its Home Member State is the UK), regulated information must be disclosed in either (i) a language accepted by the competent authority of the Host Member State or in a language customary in the sphere of international finance or (ii) where its securities are traded in more than one EEA State, including the UK, the English language, at the choice of the issuer.

Regulated information must be disseminated in a manner ensuring it is disclosed to as wide a public as possible, and as close as possible simultaneously in all EEA States. It must be communicated in unedited full text (except for information in an annual financial report (other than information of the type that would need to be disclosed in a half-yearly financial report)). Half-yearly reports and interim management statements need to be released in unedited full text. The announcements of publication of annual and half-yearly reports and interim management statements must indicate a website where the relevant documents are available.

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Jeremy Jennings-Mares is a partner in the firm's Capital Market practice. Jeremy's practice specialises in structured products and derivatives, including: structured securities, including equity-linked, credit-linked and fund-linked securities; credit, fund and equity derivatives; medium-term note programmes and other cross-border debt securities offerings; fund-linked and credit-linked CPPI note issues and other fund-linked repackagings; collateralised debt obligations, acting for arrangers and investment managers; and tax-based structured products.
He joined the firm as a partner in 2007, after serving as a partner with Freshfields Bruckhaus Deringer from 2001 to March 2007. Mr. Jennings-Mares served in Freshfields' offices in Bangkok, Thailand and Singapore for several years, focusing there on debt capital markets, structured finance, derivatives and banking and secured lending transactions and insolvency work.

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Peter Green is a partner in the Capital Markets practice and focuses primarily on structured products, derivatives and structured finance transactions. Mr. Green specialises in cross-border structured financings for global financial services companies, involving a variety of underlying assets.
Mr. Green's recent experience includes structured derivatives, including equity, credit, commodity and fund-linked securities; offerings from structured securities and Euro medium-term note programmes; collateralised debt obligations, acting for both lead managers and portfolio managers in cash, synthetic and hybrid transactions; asset-backed commercial paper programmes for European and U.S. issuers; CPPI transactions; general derivatives and repurchase/stock lending work, including credit and equity derivatives, foreign exchange, commodities and securitisation swaps; and advising trustees on securitisations, CDOs and other structured finance transactions.
Mr. Green began his career in 1989 with Freshfields Bruckhaus Deringer, in London, and was a partner at the firm from 2000 to 2007. He joined Morrison & Foerster LLP as a partner in April 2007.

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Morrison & Foerster LLP is among the largest law firms in the world, with more than 1,200 lawyers in eighteen offices throughout the United States, Europe and Asia. Our attorneys participate in structured finance transactions involving domestic, offshore, public and private entities, including asset-backed commercial paper, credit-card securitisations, automobile loan securitisations, cashflow, market value and synthetic CDOs, CBOs and CLOs, mezzanine investment fund CDOs, synthetic lease transactions, synthetic asset securitisation transactions, synthetic hedge fund transactions, principal protection products, CPPI products, repackaging programmes and credit-linked note programmes. Morrison & Foerster attorneys have extensive experience using several types of derivatives in structured finance transactions, including credit default swaps, total return swaps, interest rate swaps, currency swaps and options. Our securitisation and derivatives practice has been recognised in Legal 500 and a number of the partners practicing in the area have been recognised in the Chambers guides.