

**C L I F F O R D**

**C H A N C E**

## **THE NEW UK PROSPECTUS REGIME – FILLING IN THE BLANKS**

AUGUST 2024

**Blackline reference tool: changes to be made by the draft PRM Rules in FCA Consultation CP24/12**

**ANNEX 7 - REGISTRATION DOCUMENT FOR WHOLESALE NON-EQUITY SECURITIES**

ANNEX 7

REGISTRATION DOCUMENT FOR WHOLESALE NON-EQUITY SECURITIES

SECTION 13	PERSONS RESPONSIBLE, THIRD PARTY INFORMATION, EXPERTS' REPORTS AND <del>COMPETENT AUTHORITY APPROVAL</del> <u>FCA</u>
Item 1.1	Identify all persons responsible for the information or any parts of it, given in the registration document with, in the latter case, an indication of such parts. In the case of natural persons, including members of the issuer's administrative, management or supervisory bodies, indicate the name and function of the person; <del>in.</del> <u>In</u> the case of legal persons indicate the name and registered office.
Item 1.2	<p>A declaration by those responsible for the registration document that to the best of their knowledge, the information contained in the registration document is in accordance with the facts and that the registration document makes no omission likely to affect its import.</p> <p>Where applicable, a declaration by those responsible for certain parts of the registration document that, to the best of their knowledge, the information contained in those parts of the registration document for which they are responsible is in accordance with the facts and that those parts of the registration document make no omission likely to affect their import.</p>
Item 1.3	<p>Where a statement or report attributed to a person as an expert is included in the registration document, provide the following information in relation to that person:</p> <p>(a) name;</p> <p>(b) business address;</p>

	<p>(c) qualifications;</p> <p>(d) material interest if any in the issuer.</p> <p>If the statement or report has been produced at the issuer's request, state that such statement or report has been included in the registration document with the consent of the person who has authorised the contents of that part of the registration document for the purpose of the prospectus.</p>
Item 1.4	Where information has been sourced from a third party, provide a confirmation that this information has been accurately reproduced and that as far as the issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. In addition, identify the source(s) of the information.
Item 1.5	<p>A statement that:</p> <p>(a) the [registration document/prospectus] has been approved by the <del>[name of competent authority], as competent authority under Regulation (EU) 2017/1129 FCA;</del></p> <p>(b) the <del>[name of competent authority] FCA</del> only approves this [registration document/prospectus] as meeting the standards of completeness, comprehensibility and consistency imposed by <del>Regulation (EU) 2017/1129</del> <u>the rules in PRM;</u></p> <p>(c) such approval should not be considered as an endorsement of the issuer that is the subject of this [registration document/prospectus].</p>
SECTION 2	STATUTORY AUDITORS
Item 2.1	Names and addresses of the issuer's auditors for the period covered by the historical financial information (together with their membership in a professional body).

Item 2.2	If auditors have resigned, been removed or have not been re-appointed during the period covered by the historical financial information, indicate details if material.
SECTION 3	RISK FACTORS
Item 3.1	<p>A description of the material risks that are specific to the issuer and that may affect the issuer’s ability to fulfil its obligations under the securities, in a limited number of categories, in a section headed ‘Risk Factors’.</p> <p>In each category the most material risks, in the assessment of the issuer, offeror or person asking for admission to trading on a regulated market, taking into account the negative impact on the issuer and the probability of their occurrence, <del>shall</del><u>must</u> be set out first. The risk factors <del>shall</del><u>must</u> be corroborated by the content of the registration document.</p>
SECTION 4	INFORMATION ABOUT THE ISSUER
Item 4.1	History and development of the <del>Issuer</del> <u>issuer</u> .
Item 4.1.1	The legal and commercial name of the issuer.
Item 4.1.2	The place of registration of the issuer, its registration number and legal entity identifier (‘LEI’).
Item 4.1.3	The date of incorporation and the length of life of the issuer, except where the period is indefinite.
Item 4.1.4	The domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, the address, telephone number of its registered office (or principal place of business if different from its registered office) and

	website of the issuer, if any, with a disclaimer that the information on the website does not form part of the prospectus unless that information is incorporated by reference into the prospectus.
Item 4.1.5	Any recent events particular to the issuer and which are to a material extent relevant to an evaluation of the issuer's solvency.
Item 4.1.6	Credit ratings assigned to the issuer at the request or with the cooperation of the issuer in the rating process.
SECTION 5	BUSINESS OVERVIEW
Item 5.1	Principal activities
Item 5.1.1	A brief description of the issuer's principal activities stating the main categories of products sold and/or services performed.
Item 5.1.2	The basis for any statements made by the issuer regarding its competitive position.
SECTION 6	ORGANISATIONAL STRUCTURE
Item 6.1	If the issuer is part of a group, a brief description of the group and the issuer's position within the group. This may be in the form of, or accompanied by, a diagram of the organisational structure if this helps to clarify the structure.
Item 6.2	If the issuer is dependent upon other entities within the group, this must be clearly stated together with an explanation of this dependence.

SECTION 7	TREND INFORMATION
Item 7.1	<p>A description of:</p> <p>(a) any material adverse change in the prospects of the issuer since the date of its last published audited financial statements; and</p> <p><del>(b) any significant change in the financial performance of the group since the end of the last financial period for which financial information has been published to the date of the registration document.</del></p> <p><del>If neither of the above are applicable then the issuer should include (an) appropriate negative statement(s).</del></p>
SECTION 8	PROFIT FORECASTS OR ESTIMATES
Item 8.1	<p>Where an issuer includes on a voluntary basis a profit forecast or a profit estimate, that profit forecast or estimate <del>shall</del><u>must</u> be clear and unambiguous and contain a statement setting out the principal assumptions upon which the issuer has based its forecast or estimate.</p> <p>The forecast or estimate <del>shall</del><u>must</u> comply with the following principles:</p> <p>(a) there must be a clear distinction between assumptions about factors which the members of the administrative, management or supervisory bodies can influence and assumptions about factors which are exclusively outside the influence of the members of the administrative, management or supervisory bodies;</p> <p>(b) the assumptions must be reasonable, readily understandable by investors, specific and precise and not relate to the general accuracy of the estimates underlying the forecast.</p> <p>(c) in the case of a forecast, the assumptions <del>shall</del><u>must</u> draw the investor's attention to those uncertain factors which could materially change the outcome of the forecast.</p>

Item 8.2	<p>The prospectus <del>shall</del><u>must</u> include a statement that the profit forecast or estimate has been compiled and prepared on a basis which is both:</p> <p>(a) comparable with the historical financial information;</p> <p>(b) consistent with the issuer’s accounting policies.</p>
SECTION 9	ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES
Item 9.1	<p>Names, business addresses and functions within the issuer of the following persons and an indication of the principal activities performed by them outside of that issuer where these are significant with respect to that issuer:</p> <p>(a) members of the administrative, management or supervisory bodies;</p> <p>(b) partners with unlimited liability, in the case of a limited partnership with a share capital.</p>
Item 9.2	<p>Administrative, management, and supervisory bodies conflicts of interests</p> <p>Potential conflicts of interests <del>between any duties to the issuer,</del> of the persons referred to in item 9.1; <u>between any duties to the issuer persons</u> and their private interests and <del>/</del>or other duties must be clearly stated. In the event that there are no such conflicts, a statement to that effect must be made.</p>
SECTION 10	MAJOR SHAREHOLDERS
Item 10.1	<p>To the extent known to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control and <del>describe</del> the measures in place to ensure that such control is not abused.</p>

Item 10.2	A description of any arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer.
SECTION 11	FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES
Item 11.1	Historical financial information
Item 11.1.1	Historical financial information covering the latest <del>two</del> <sup>2</sup> financial years (at least 24 months) or such shorter period as the issuer has been in operation and the audit report in respect of each year.
Item 11.1.2	Change of accounting reference date  If the issuer has changed its accounting reference date during the period for which historical financial information is required, the audited historical financial information <del>shall</del> <sup>must</sup> cover at least 24 months, or the entire period for which the issuer has been in operation, whichever is shorter.
Item 11.1.3	Accounting standards  The financial information must be prepared in accordance with <del>Article 23a(1)</del> <sup>the rules in PRM 4.4.11R to PRM 4.4.116R.</sup> <del>(5).</del>  <del>Otherwise the following information must be included in the registration document:</del>  <del>(a) — a prominent statement that the financial information included in the registration document has not been prepared in accordance with UK adopted international accounting standards and that there may be material differences in the financial information had UK adopted international accounting standards been applied to the historical financial information;</del>



	<del>(b) immediately following the historical financial information a narrative description of the differences between UK-adopted international accounting standards and the accounting principles adopted by the issuer in preparing its annual financial statements</del>
Item 11.1.4	Where the audited financial information is prepared according to national accounting standards, the financial information must include at least the following: <ul style="list-style-type: none"> <li>(a) the balance sheet;</li> <li>(b) the income statement;</li> <li>(c) the accounting policies and explanatory notes.</li> </ul>
Item 11.1.5	Consolidated financial statements If the issuer prepares both stand-alone and consolidated financial statements, <u>the issuer must</u> include at least the consolidated financial statements in the registration document.
Item 11.1.6	Age of financial information The balance sheet date of the last year of audited financial information may not be older than 18 months from the date of the registration document
Item 11.2	Auditing of Historical financial information
Item 11.2.1	<del>†</del> The historical annual financial information must be independently audited. The audit report <u>shall</u> <del>must</del> be prepared in accordance with the UK law which implemented Directive 2006/43/EC and Regulation (EU) No 537/2014.

	<p>Where the UK law which implemented Directive 2006/43/EC and Regulation (EU) No 537/2014 does not apply, the historical financial information must be audited or reported on as to whether or not, for the purposes of the registration document, it gives a true and fair view in accordance with auditing standards applicable in the United Kingdom or an equivalent standard. Otherwise, the following information must be included in the registration document:</p> <p>(a) a prominent statement disclosing which auditing standards have been applied;</p> <p>(b) an explanation of any significant departures from International Standards on Auditing.</p>
Item 11.2.1a	<p>Where audit reports on the historical financial information have been refused by the statutory auditors or where they contain qualifications, modifications of opinion, disclaimers or an emphasis of matter, <u>material uncertainty relating to going concern, or any other matters reported on by exception</u>, the reason must be given, and such qualifications, modifications of opinion, disclaimers or emphasis of matter <u>paragraphs, material uncertainty relating to going concerns, or other matters reported on by exception</u> must be reproduced in full.</p>
Item 11.2.2	<p>Indication of other information in the registration document which has been audited by the auditors.</p>
Item 11.2.3	<p>Where financial information in the registration document is not extracted from the issuer's audited financial statements <u>the issuer must</u> state the source of the data and state that the data is not audited.</p>
Item 11.3	<p>Legal and arbitration proceedings</p>
Item 11.3.1	<p>Information on any governmental, legal or arbitration proceedings <del>(, including any such proceedings which are pending or threatened of which the issuer is aware),</del> during a period covering at least the previous 12 months which may have, or have had in the recent past significant effects on the issuer and/or group's financial position or profitability, or provide an appropriate negative statement.</p>

Item 11.4	Significant change in the issuer's financial position
Item 11.4.1	A description of any significant change in the financial position of the group which has occurred since the end of the last financial period for which either audited financial information or interim financial information have been published, or provide an appropriate negative statement.
SECTION 12	MATERIAL CONTRACTS
Item 12.1	A brief summary of all material contracts that are not entered into in the ordinary course of the issuer's business, which could result in any group member being under an obligation or entitlement that is material to the issuer's ability to meet its obligations to security holders in respect of the securities being issued.
SECTION 13	DOCUMENTS AVAILABLE
Item 13.1	<p>A statement that for the term of the registration document the following documents, where applicable, can be inspected:</p> <ul style="list-style-type: none"> <li>(a) the up-to-date memorandum and articles of association of the issuer;</li> <li>(b) all reports, letters, and other documents, valuations and statements prepared by any expert at the issuer's request any part of which is included or referred to in the registration document.</li> </ul> <p>An indication of the website on which the documents may be inspected.</p>

# CLIFFORD CHANCE

This publication does not necessarily deal with every important topic or cover every aspect of the topics with which it deals. It is not designed to provide legal or other advice.

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