

DAVY

LISTING ON EURONEXT DUBLIN

ASSET BACKED SECURITIES,
DEBT SECURITIES &
DERIVATIVE SECURITIES

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In publishing this brochure, Davy aims to provide clients with a summary of the relevant Exchange listing requirements. The information contained herein does not purport to be comprehensive or all inclusive and is strictly for informational purposes only. No party should treat any of the contents herein as regulatory advice or rely on it to meet regulatory obligations. It is the responsibility of each issuer to be aware of its regulatory requirements and comply fully. While Davy has taken reasonable care to ensure that the information provided herein is accurate and up-to-date at the time of writing, the information is not promised or guaranteed to be correct or complete. Davy expressly disclaims all liability in respect to actions taken or not taken based on any or all the contents of this document.

J&E Davy, trading as Davy, is regulated by the Central Bank. Davy is a member of Euronext Dublin and the London Stock Exchange. In the UK, Davy is authorised by the Central Bank and authorised and subject to limited regulation by the Financial Conduct Authority. Details about the extent of our authorisation and regulation by the Financial Conduct Authority are available from us on request.

SECTION

01

INTRODUCTION



The Irish Stock Exchange trading as Euronext Dublin (the “Exchange”) has two markets for listing and trading debt securities.



MAIN SECURITIES MARKET

The Main Securities Market (‘MSM’) is a regulated market on which issuers must comply with the requirements of the relevant EU Directives, including the Prospectus Directive¹, Market Abuse Directive² and the Transparency Directive³. The Central Bank of Ireland (the ‘Central Bank’) is the competent authority for the approval of prospectuses in Ireland under the Prospectus Directive. The Exchange is the authority for the approval of the securities for admission to listing on the MSM.



GLOBAL EXCHANGE MARKET

The Exchange’s second debt securities market is the exchange-regulated Global Exchange Market (‘GEM’). GEM meets the criteria of a Multilateral Trading Facility (‘MTF’). Whilst the listing conditions and the document content / disclosure requirements of GEM are similar to those of the regulated market, the Exchange can offer more flexibility than would be available for a regulated market listing. The provisions of the Prospectus and Transparency Directives are not applicable to securities listed on GEM.

This brochure summarises the listing requirements and ongoing obligations for Asset Back Securities, Debt Securities and Derivative Securities (together referred to herein as ‘securities’) seeking a listing on either the MSM or GEM.

¹ Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended)

² Market Abuse Regulations (EU 596/2014)

³ Transparency (Directive 2004/109/EC) Regulations 2007 (as amended)



THE IRISH STOCK EXCHANGE TRADING AS EURONEXT DUBLIN

In March 2018, Euronext completed its 100% acquisition of the Irish Stock Exchange. It joined Euronext's federal model and operates under the name Euronext Dublin, with Ireland becoming one of the six core countries of Euronext. The transaction creates a leading global player in debt and fund listings, combining the listing expertise of the Irish Stock Exchange with the traded market experience of Euronext.

As at 31st December 2017, there were over 3,500 debt products listed¹ and the growth in the numbers seeking to list continues unabated.

The Exchange operates an extremely successful listing regime for asset backed, debt and derivative securities with a separate rule book governing each product category. A streamlined listing procedure, together with a predetermined, aggressively commercial approach to timing and a competitive fee structure, have earned the Exchange an excellent reputation.

As an EU recognised exchange, listing on the Exchange offers a useful marketing tool to issuers, assisting with distribution capability, by facilitating access to a wider investor base. For instance, institutional investors are often prohibited, whether for internal or external reasons, from investing in unlisted securities. Quoted Eurobonds listed on MSM or GEM may also benefit from an exemption from withholding tax on interest payments.



ABOUT J&E DAVY

Established in 1926, J&E Davy ('Davy') is Ireland's leading provider of wealth management, asset management, capital markets and financial advisory services. Employing over 700 people, we offer a broad range of services to private clients, small businesses, corporations and institutional investors. Our activities are organised around five interrelated business areas: Asset Management, Capital Markets, Corporate Finance, Private Clients and Research.

As at March 2018, the Davy Group has in excess of €14 billion² of assets under management. J&E Davy, trading as Davy, is regulated by the Central Bank.

Davy is an approved listing agent of the Exchange. Our listing team comprises a group of professionals who are experts in the listing requirements of the Exchange and their application to a wide variety of structures. We offer impeccable execution to our clients and aim to ensure a smooth and efficient listing process.

¹ Euronext Dublin

² The relevant Davy Group entities being referred to in these numbers are J&E Davy and Davy Asset Management Limited.

SECTION

02

CONDITIONS FOR
LISTING - MSM



Asset Backed Securities or 'ABS' means securities which (1) represent an interest in assets, including any rights intended to assure servicing, or the receipt or timeliness of receipts by holders of assets of amounts payable there under; or (2) are secured by assets and the terms of which provide for payments which relate to payments or reasonable projections of payments calculated by reference to identified or identifiable assets.

Debt Securities means debentures, debenture stock, loan stock, bonds, certificates of deposit or any other instrument creating or acknowledging indebtedness.

Derivatives refers to (1) securities that entitle the holder to: (a) require or make delivery of; or (b) receive or make payment in cash in respect of; securities (Of an issuer which is not the issuer of the securities to be listed), assets, indices or other specified variables. (2) debt securities where the issuer has an obligation arising on issue to pay less than 100% of the nominal value on the scheduled maturity date in addition to which there may be an interest payment.

Annex 5 of the Central Bank's Prospectus Handbook details the relevant disclosure requirement checklists.

The key conditions for listing are set out below.



ISSUER

Constitution

The issuer must be duly incorporated or otherwise validly established according to the relevant laws of its place of incorporation and establishment, and be operating in conformity with its constitutive documents.

The issuer of ABS must normally be a special purpose vehicle (SPV) incorporated or established for the purpose of issuing asset backed securities.

In the case of Debt and Derivative Securities, if the issuer is a company incorporated in Ireland it may be a public or private company and if it is an overseas company it must be in compliance with any overseas exchange on which it has securities listed and with any competent authority or equivalent regulatory body that regulates it.

In the case of Derivative Securities an issuer seeking the admission of Derivative Securities to listing must satisfy one of the following conditions:

- (i) it must be a Credit Institution; or
- (ii) if it is an overseas company, it must: (a) in the conduct of its derivatives business, be regulated by an overseas regulatory authority in a state which is a member of the OECD, responsible for the regulation of securities firms or futures firms; and (b) be carrying on its activities relating to derivatives within the approved scope of its business; or
- (iii) for an issuer which is a special purpose vehicle, the arranger or lead manager must satisfy (i) or (ii) above; or
- (iv) the obligations created by the issuer in relation to the Derivative Securities being issued must be unconditionally and irrevocably guaranteed by, or benefit from an equivalent arrangement provided by, an entity which satisfies (i) or (ii) above.

An issuer of Derivative Securities that is unable to satisfy any of the conditions in the previous paragraph must consult with the Exchange and obtain specific approval. The issuer or guarantor must have:

- (i) net assets of at least €75 million; or
- (ii) an investment grade rating of its equity or unsecured debt by an appropriate agency.



FINANCIAL INFORMATION - DEBT AND DERIVATIVES

An issuer of Debt Securities must (1) be carrying on as its main activity either by itself or through one or more of its subsidiary undertakings, an independent business which is supported by its historic earning record. (2) The issuer must have published or filed independently audited accounts that cover at least two years. the latest accounts must be in respect of a period ending not more than 18 months before the date of the prospectus. Under specific circumstances the Exchange may accept an issuer whose business does not meet (1) and one whose accounts relate to a shorter period than two years. Issuers of Derivative Securities must also comply with (2).



SECURITY HOLDERS

The issuer must ensure that all holders of all Securities ranking pari passu are given equal treatment in respect of all the rights attaching to those Securities.

The issuer must, at least in each EU Member State in which its securities are listed, publish notices or distribute circulars giving details of the holding of meetings at which holders are entitled to attend, the payment of interest in respect of such Securities, the exercise of any conversion, exchange, subscription or renunciation rights and repayment of its Securities; and otherwise ensure that all necessary facilities and information are available to enable holders of those Securities to exercise their rights, in particular, the rights to vote where applicable.



SECURITIES

Constitution

The securities to be listed must conform with the relevant laws of the issuer's place of incorporation; be duly authorised according to the requirements of the issuer's constitutive documents; and have any necessary statutory or other consents.

Freely Transferable

The Securities to be listed must be freely transferable. In circumstances approved by the Exchange, an issuer can take power to disapprove the transfer of the securities provided that the exercise of such power would not disturb the market in those securities.

Market Value

Except where securities of the same class are already listed, the expected aggregate market value of the Securities to be listed must be at least €200,000 (except that there is no minimum limit in the case of tap issues where the amount of the securities is not fixed). The Exchange may admit Debt Securities of a lower value if satisfied that there will be an adequate market for the Debt Securities involved.

Physical Form

The physical form of Securities, if they have a physical form, issued by an entity of a Member State must comply with the standards laid down by that Member State. Where securities are issued by an issuer of a non-Member State, the physical form of such Securities must afford sufficient safeguards for the protection of the investors.

Listing Application

An application for listing of Securities of any class must relate to all Securities of that class issued or to be issued and, after listing, to all further Securities of that class issued or proposed to be issued.

Derivative Securities

For a Derivative Security to be listed, the amount payable must be calculated by reference to the prices of a security which is traded on a regulated, regularly operating, recognised open market, or by reference to the prices, levels or performance of: (i) a currency; (ii) an index; (iii) an interest rate; (iv) a commodity; or (v) a combination of the above; or (vi) be credit linked. The Exchange, if consulted at an early stage, may modify or dispense with this condition for other Derivative Securities, including those defined by reference to internationally recognised industry definitions or standards.



DIRECTORS AND SERVICE PROVIDERS

Directors

The directors of the issuer which is a company must have, collectively, appropriate expertise and experience for the management of its business.

Paying Agent

Following the implementation of the Transparency Regulations, Regulation 25(6) eliminated the requirement to appoint an Irish paying agent for transactions listed on the Exchange. The appointed principal paying agent can fulfil the requirements of Regulation 25(6) and can be located anywhere in the world. However, under Regulation 25(4) the issuer needs to ensure that all the facilities and information necessary to enable debt securities holders to exercise their rights are publicly available in the home Member State and the integrity of the data is preserved.

Auditors

The auditors to the issuer must be independent of the issuer and comply with applicable guidelines on independence issued by their national accountancy bodies.

Trustee - ABS

There must be a trustee or other appropriate independent party representing the ABS holders' interests and with the right of access to appropriate and relevant information relating to the assets.



UNDERLYING ASSETS FOR DEBT SECURITIES

Characteristics

The securitised assets backing the issue must have characteristics that demonstrate capacity to produce funds to service any payments due and payable on the securities.

Equities

Except where the Exchange otherwise agrees, equity securities backing the issue of securities must (1) be listed on a stock exchange or traded on another regulated and regularly operating open market; or (2) represent minority interests and must not confer legal or management control of the issuing companies. Where warrants or options or other rights relating to equity securities are used to back an issue, this paragraph applies in respect of the equity securities to which those warrants or options or other rights relate.

Debt Securities – Convertible

Convertible Debt Securities may only be admitted to listing if the securities into which they are convertible are already, or will become at the same time: (1) listed securities; or (2) securities listed on a regulated, regularly operating, recognised open market. This rule may be dispensed with by the Exchange if it is satisfied that the holders of the convertible securities have at their disposal all information necessary to form an opinion about the value of the underlying securities.

Retail Derivatives

A retail derivative security must not be a contingent liability investment. If a retail derivative security gives its holder a right of exercise, its terms and conditions must provide that (i) for cash settled derivatives that are in the money at the exercise time on the expiration date, automatic exercise of the security will apply; or (ii) for physically settled derivatives that are in the money at the exercise time on the expiration date, if the holder fails to deliver an exercise notice by the time stipulated in the terms and conditions, the issuer will, irrespective of the failure to exercise, pay to the holder an amount of cash in lieu of the holder's failure to deliver the exercise notice, the amount and method of calculation of this amount to be determined by the issuer.

SECTION

03

CONDITIONS FOR
LISTING - GEM



The required disclosure under the GEM rules is largely based upon wholesale Prospectus Directive requirements. Therefore, the Conditions for Listing detailed for the MSM above, apply equally to a GEM listing. However, there are a small number of listing conditions that are specific to a GEM listing as follows:



INVESTORS

The securities that are listed on GEM, due to their nature, are normally bought and traded by a limited number of investors who are particularly knowledgeable in investment matters.



SECURITIES

Denomination

No distinction is made under the GEM rules between wholesale securities (over €100,000 or its equivalent) and retail securities (less than €100,000 or its equivalent).

Partly Paid

The Exchange may allow partly paid securities to be listed on GEM if it is satisfied that their transferability is not restricted and investors have been provided with appropriate information to enable dealings in the securities to take place on an open and proper basis. In the case of transferable securities, all such securities must be freely negotiable.

Efficient Trading & Settlement

Securities that are admitted to trading on GEM must be capable of being traded in a fair, orderly, efficient and transparent manner. To be admitted to trading, securities must be eligible for electronic settlement or some other equally efficient settlement protocol.



GEM DISCLOSURE REQUIREMENTS FOR SPECIFIC TRANSACTION TYPES

Subsidiary Guarantor Transactions

The Exchange is the listing destination of choice for subsidiary guarantor transactions. The vast majority of such high yield structures are listed on GEM including plain vanilla, upstream guarantee structures, LBO, M&A and balance sheet restructuring issues. The Exchange has been proactive in clearly defining and adopting disclosure requirements of particular relevance to high yield issues. The Exchange has devised specific information disclosure requirements for securities issued by a company within a group structure, where the securities are guaranteed by subsidiary guarantors. In particular, GEM permits the disclosure of EBITDA and net asset information compared with the more onerous MSM requirement for split financials to be provided in respect of the issuer, guarantor and non-guarantor subsidiaries.

The table below summarises the disclosure requirements for subsidiary guarantor transactions on both markets:

	MSM	GEM
Threshold for combined % representation of non-guarantor companies within consolidated accounts	20% (EBIDTA or net assets)	25% (EBIDTA or net assets)
Information required if threshold is breached	<ul style="list-style-type: none"> ■ Split presentation of financial information in respect of the issuer, the guarantor subsidiaries (combined) and the non-guarantor subsidiaries (combined), with an additional column reflecting eliminating adjustments ■ An additional risk factor 	<ul style="list-style-type: none"> ■ A statement in the Listing Particulars of the EBITDA and net assets figures and the % of EBITDA and net assets that each of the issuer, the guarantors and the non-guarantor companies represent in the latest audited consolidated financial information ■ An additional risk factor
Requirement for split presentation to be audited	Yes	No
Omission letter review in respect of single company accounts	Reviewed and approved by Central Bank. First draft turned around in 5 days	Reviewed and approved by the Exchange. First draft turned around in 3 days, with first comment sheet
Statement of derogation to be included in document	Yes. Details of the omission should be included on the cover page and in the Risk Factors section	No. Not required for inclusion within listing particulars
Additional information required for guarantor subsidiaries	Paragraph of additional information required for all guarantor subsidiaries	No, unless any individual guarantor subsidiary accounts for over 20% of EBITDA or net assets within consolidated accounts, when additional information will be required
Incorporation by reference contemporaneous and/or SEC Filings	Yes – pdf copies of all documents incorporated by reference must be filed and active hyperlinks included in the Prospectus	Yes – active hyperlinks not required
Auditor's report required where issuer voluntarily includes pro-forma financial information	Yes (ESMA Q&A 54)	No

Global Depository Notes

GEM facilitates the listing of sponsored and unsponsored Global Depository Notes ('GDNs') which are aimed at professional investors. Davy was pleased to act as listing agent to the first ever GDN to be listed on the Exchange.

Life Settlement Securitisations

Life Settlements is another asset class for which a GEM listing has proved popular. In light of recent developments in the life settlement market, the Exchange have also created additional specific disclosure items to ensure that GEM listing particulars contain all material information relevant to life settlement securitisations.

SECTION

04

CONTINUING OBLIGATIONS - MSM





REQUIREMENTS

An issuer must, if the securities are listed on the Exchange and on any other stock exchanges, ensure that equivalent information is made available at the same time to the market at the Exchange (by way of notification to the Companies Announcements office ('CAO') and at each such other stock exchange. In the case of issuers with securities listed on a stock exchange situated or operating in a non-Member State information need only be notified to the CAO if such information may be of importance for the evaluation of the securities listed on the Exchange.

- 1 The issuer must ensure equality of treatment for all holders of listed securities who are in the same position.
- 2 An issuer must notify the CAO without delay of:
 - any decision to pass any interest on listed securities;
 - any new issue of securities and any guarantee or security in respect thereof;
 - any change in the rights attaching to listed securities (including any change in loan terms or in the rate of interest);
 - any change of guarantor or security for the listed securities where this information is important for the purposes of assessing the securities;
 - a change of paying agent; and
 - any amendment to the constitutional documents, which would affect the rights of such holders (a draft copy of the proposed amendment must also be submitted to the Exchange).
- 3 Subject to point 4 below, an issuer must publish its annual report and accounts as soon as possible after they have been approved, and in any event within the time line required under the national law of the issuer. If the issuer is subject to the Transparency Directive, the accounts must be published in line with the requirements of that directive, which is four months.
- 4 If no other requirement for the publication of annual reports and accounts exists, the Exchange may waive the requirement in point 3 above to publish annual reports and accounts.

If a waiver is granted, the trust deed constituting an issue of ABS must include a requirement from the issuer to provide written confirmation to the trustee, on an annual basis, that no event of default or other matter, which is required to be brought to the trustee's attention, has occurred. Such waivers will be granted annually on the basis that the issuer confirms on each occasion that no event of default or other matter, which is required to be brought to the trustee's attention, has occurred.

- 5 Where the issuer intends to make a proposal to purchase any of its listed securities, which is to be open to all holders of the relevant class in respect of all or part of their holdings, the issuer must ensure that its decision is notified to the CAO and that no dealings in the relevant securities are carried out by or on behalf of the issuer until either the proposal has been notified to the CAO or abandoned. This requirement does not apply to transactions entered into in the ordinary course of business by securities dealing businesses or on behalf of third parties by the issuer. The Exchange may grant a waiver of these requirements in those cases where the issue is not widely held and it is possible to contact all holders directly.
- 6 In the case of guaranteed (other than state guaranteed) securities, where the guarantor is not listed on a stock exchange, the issuer must submit the guarantor's annual report and accounts to the Exchange.
- 7 An issuer that has securities admitted to trading on the MSM of the Exchange (or has requested such admission) must comply with its obligations under the Market Abuse Regulations.



ADDITIONAL REQUIREMENTS SPECIFIC TO EACH CATEGORY OF SECURITY

- 8 **ABS**
Issuers must ensure that adequate information is at all times available about the assets backing the issue.
- 9 **Debt Securities**
The waiver referred to at point 4 above may be granted (1), (i) if the issuer is a wholly owned subsidiary of a listed company; (ii) issues listed securities that are unconditionally and irrevocably guaranteed by the issuer's listed holding company or equivalent arrangements are in place; (iii) is included in the consolidated accounts of its listed holding company; and (iv) is not required to comply with any other requirement for the preparation of an annual report and accounts; and (2) non-publication of the issuer's accounts is unlikely to mislead the public with regard to facts and circumstances, knowledge of which is essential for the assessment of the Debt Securities in question.
- 10 The issuer must, at least in each Member State in which its securities are listed, publish notices or distribute circulars giving details of the holding of meeting which holders are entitled to attend, the payment of interest in respect of such securities, the exercise of any conversion, exchange, subscription or renunciation rights and repayment of its securities; and otherwise ensure that all necessary facilities and information are available to enable holders of those securities to exercise their rights, in particular, the right to vote, where applicable.

Copies of the notices must still be forwarded to the CAO without delay.

Derivatives

Points 8 – 10 above for Debt Securities also apply for Derivative Securities. In addition the following two requirements also apply.

- An issuer must notify the CAO of any adjustment or modification it makes to the listed security as a result of any change in or to any underlying (including methods of calculation of an index or other factor to which the amounts payable under the derivative securities are referenced), including details of the underlying event that necessitated the adjustment or modification.
- An issuer must inform the Exchange immediately if it becomes aware that an underlying that is listed or traded outside Ireland has been suspended.



ADDITIONAL REQUIREMENTS FOR SECURITIES WITH A DENOMINATION PER UNIT OF LESS THAN €100,000

Transparency Directive

- An issuer with securities admitted to trading on the MSM of the Exchange, with a denomination per unit of less than €100,000, must comply with its obligations under the Transparency Directive.

Annual financial reports

- The issuer must publish its annual financial report within four months of the end of each financial year.

Half-yearly financial reports

- The issuer must publish a half-yearly financial report covering the first six months of the financial year within three months of the end of the relevant period.

SECTION

05

CONTINUING
OBLIGATIONS - GEM



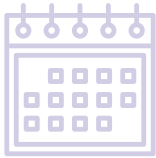
GEM does not fall within the scope of an EU regulated market as defined in MiFID and therefore the requirements of the Prospectus and Transparency Directives do not apply. However, since July 2016, the Market Abuse Regulations were extended to apply to securities listed on Multi-Lateral Trading Facilities such as GEM. Once the listing particulars have been approved and the securities listed on GEM, the issuer will be subject to the continuing obligations of GEM.



REQUIREMENTS

- 1 An issuer must disclose to the public without delay any changes in the rights of holders of the securities, including changes in the terms and conditions of the securities which could indirectly affect those rights, resulting in particular from a change in loan terms or in interest rates.
- 2 An issuer must disclose to the public without delay (i) any new loan issues and in particular any guarantee or security in respect of such issues; (ii) any change of transfer or paying agent; (iii) the redemption or cancellation of debt securities in particular before the due date; (iv) any change to the scheduled maturity date of any existing listed security; (v) any change to the name of the issuer; and (vi) any payment default and in a more general manner, any decision relating to any bankruptcy, insolvency, or cessation of payments.
- 3 An issuer must ensure that all holders of securities ranking pari passu are given equal treatment in respect of all the rights attaching to those securities.
- 4 An issuer must ensure that all the facilities and information necessary to enable holders of securities to exercise their rights are publicly available and that the integrity of data is preserved.
- 5 An issuer must publish notices or distribute circulars concerning: (1) the place, time and agenda of meetings of holders of securities; (2) the payment of interest; (3) the exercise of any conversion, exchange, subscription or cancellation rights and repayment; and (4) the rights of holders to exercise their rights in relation to paragraphs (1) to (3).
- 6 An issuer must designate, as its agent, a financial institution through which holders of securities may exercise their financial rights.
- 7 An issuer that proposes to amend its instrument of incorporation must communicate the draft amendment to the Regulation Department of the Exchange. Such communication must be made without delay, but at the latest on the date of calling the general meeting which is to vote on, or be informed of, the amendment.

- 8 In the case of guaranteed (other than state guaranteed) securities, where the guarantor is not listed on a stock exchange, the issuer must submit the guarantor’s annual report and accounts to the Exchange.



ANNUAL FINANCIAL REPORTS

- 9 An issuer must publish its annual report and accounts as soon as possible after they have been approved, and in any event no later than the timeframe permitted under its national legislation.
- 10 An issuer incorporated or established in a non-EEA Member State which is not required to draw up its accounts so as to give a true and fair view but is required to draw them up to an equivalent standard, may draw up its accounts to this equivalent standard.



ADDITIONAL REQUIREMENTS SPECIFIC TO EACH CATEGORY OF SECURITY

- 11 **Debt and Derivative Securities**
As detailed in point 9 of the MSM Continuing Obligations – Debt Securities above, the Exchange may waive the requirement to publish annual reports and accounts if no other requirement for the publication of annual reports and accounts exists.
- 12 **Asset Backed Securities**
An issuer must ensure that adequate information is at all times available about the assets backing the issue.
- 13 As detailed in point 4 of the MSM Continuing obligations above, the Exchange may waive the requirement to publish annual reports and accounts if no other requirement for the publication of annual reports and accounts exists.

14**Derivatives**

An issuer must notify the CAO of any adjustment or modification it makes to the listed security as a result of any change in or to any underlying (including methods of calculation of an index or other factor to which the amounts payable under the derivative securities are referenced), including details of the underlying event that necessitated the adjustment or modification.

15

An issuer must inform the Exchange immediately if it becomes aware that an underlying that is listed or traded outside Ireland has been suspended.

Chapter 5 of the GEM rules details the relevant Exchange continuing obligations in full. Davy can advise on any specific queries in relation to these requirements. It is the responsibility of the Directors of an issuer to ensure that an issuer complies with the continuing obligations of the Exchange.

SECTION

06

MARKET ABUSE
REGULATION

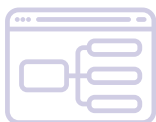


An update to the existing Market Abuse regime was implemented on 3 July 2016. As a result, issuers with securities listed on either the MSM or GEM are obliged to comply with the requirements of the Market Abuse Regulation (EU 596/2014) (“MAR”). MAR also applies to issuers who have made an application to have their securities traded on MSM or GEM.

The updated market abuse regime seeks to expand and strengthen the previous regime by extending its scope to additional markets and trading strategies and introducing new requirements and standards. The Central Bank is the single administrative competent authority for the purposes of Irish market abuse law, as provided for under the 2016 legislation. The Central Bank has issued revised Market Abuse Rules and Guidance on Market Abuse Regulatory Framework, updated to align with MAR and the implementation of the new Market Abuse Regime. This is available on their website at the link below.

Central Bank - Market Abuse Rules: www.centralbank.ie/regulation/industry-market-sectors/securities-markets/market-abuse-regulation

This guide is an overview of key MAR requirements relevant to an issuer with notes listed on the MSM or GEM but it does not profess to be a full summary of the legislation and its obligations.



PDMR FORM

Article 19 of MAR requires Persons Discharging Managerial Responsibilities (PDMR) within an issuer to notify the issuer and the Central Bank of certain transactions conducted on their own account promptly and no later than 3 business days after the date of the transaction. The definitions of ‘person discharging managerial responsibilities’ and ‘person closely associated’ are unchanged.

The information must be sent to the Central Bank through their Online Reporting System (ONR). The ONR is a secure electronic transmission system established by the Central Bank for the purpose of receiving confidential supervisory information and meets the requisite security characteristics for receiving the information required to be submitted under MAR.

A PDMR Notification Form and a Template are available on the Central Bank’s website at the link below:

www.centralbank.ie/regulation/industry-market-sectors/securities-markets/market-abuse-regulation/notification-of-managers-transactions



INSIDER LISTS

Insider lists are required to be prepared on a deal-specific/event-specific basis, and maintained in electronic format in accordance with a prescribed template. Furthermore, issuers are given the discretion to maintain a supplemental list of “permanent insiders” who, due to the nature of their function, have access at all times to inside information. The insider list must be provided to the relevant competent authority (for example, the Central Bank) as soon as possible upon its request. The insider list must be maintained for a period of at least 5 years after it has been drawn up or updated.

Inside Information

Issuers that fall within the scope of MAR must inform the public as soon as possible of inside information directly concerning that issuer. “Inside information” is defined in MAR under Article 7 and the definitions are broadly the same as they were under the previous market abuse regime. For information to be “inside information” it must:

- be precise,
- have not been made public,
- relate, directly or indirectly, to an issuer or its financial instruments; and
- if made public, be likely to have a significant effect on the price of those financial instruments or on the price of related derivative financial instruments.

The “reasonable investor test” in relation to what is deemed to constitute inside information remains under MAR, is “*information which a reasonable investor would be likely to use as part of the basis of his or her investment decisions*”.

The inside information must be announced without delay and in a manner which allows fast access and a complete, correct and timely assessment of the information by the public. The issuer must post and maintain on its website the information for a period of at least five years.

SECTION

07

PROCEDURE –
STEPS TO LISTING



STEPS TO LISTING...

MSM LISTING

GEM LISTING

The issuer must appoint a listing agent, such as Davy, who shall be responsible for ensuring that the issuer is guided and advised on their application and is responsible for all communications with the Central Bank and/or Exchange with regard to the relevant rules, listing process and all post listing obligations. If there is any doubt as to the suitability for listing of a particular issue, Davy, as listing agent, can approach the Exchange to request a decision in principle on any aspect of the transaction in advance of an application being made.

The approval of both the Central Bank, with respect to Prospectus Directive approval, and the Exchange, with respect to approval to list is required.

The Offering Memorandum ("OM") is subject only to the approval of the Exchange.

A draft OM is prepared by the legal advisers with the advice and assistance of Davy.

The OM will comprise a Prospectus for an MSM listing and must comply in full with the requirements of the Prospectus Directive and the Exchange's Listing Conditions.

The OM will comprise listing particulars for a GEM listing and must comply with the requirements of the GEM rules only.

The listing application is instigated by the submission to the Central Bank and/or the Exchange of the first draft of the OM and takes approximately two to four weeks to be completed. The Central Bank and/or Exchange take 3 clear business days to review the initial draft. The Central Bank and/or Exchange then send first round comments to Davy. Davy discusses these comments with the Issuer, the legal advisers, the Central Bank and/or the Exchange and advises on any necessary amendments to the OM. Generally at least three drafts of the OM are submitted to the Central Bank and/or Exchange for review and comment. The Central Bank and/or the Exchange take 2 clear business days to review each subsequent revised draft. The OM should be then comment free and all parties ready to sign off on the OM.

The related documentation (including Central Bank and/or Exchange forms, formal notice, blacklined page-pulls of final material changes, final OM and Central Bank and/or Exchange fees) must be submitted to the Central Bank and/or Exchange, before formal approval of the Prospectus will be given.

The Central Bank and Exchange deadline for receipt of approval submissions is 10am on the day the OM is dated.

The Exchange deadline for receipt of approval submissions is no later than 2pm on the day the OM is dated.

Following document approval by the Central Bank and Exchange, the listing agent receives confirmation of prospectus approval from the Central Bank and of listing from the Exchange by e-mail by close of business on the same business day. An Exchange admission notice, generated by the Exchange, will also follow in due course.

Following document approval by the Exchange, the listing agent receives confirmation of listing by e-mail by close of business on the same business day. An Exchange admission notice, generated by the Exchange, will follow in due course.

ASSESS
SUITABILITY

PREPARE
DRAFT LISTING
PARTICULARS

APPROVAL
PROCESS

APPROVAL
SUBMISSION

LISTED



SECTION

08

FEE
STRUCTURES



The MSM and GEM listing fees, as at May 2018, payable to the Exchange and/or Central Bank are outlined below. Davy can provide a competitive quote for our fees upon request.

TABLE 1: Fee Structure for Listing on MSM

Submission Type	Central Bank Fee	Exchange MSM Fee (PD)	Exchange MSM Fee (Non-PD)
New Programme	€3,800	€700	€4,500
Programme Update	€3,800	€700	€4,500
Standalone	€3,000	€500	€3,500
Series/Drawdown	€1,000	€1,000	€2,000
Registration Document	€2,000	€500	N/A
Securities Note	€1,000	€1,000	N/A
Supplement (Non-Financial)	€1,000	€1,000	€2,000
Supplement (Financial)	€1,000	N/A	€1,000
Security Listing & Admission to Trading ¹	N/A	€600	€600
CB document Fee	€250	N/A	N/A
Exchange Formal Notice Fee ²	N/A	€440	€440
Exchange Annual Fee	N/A	€2,000	€2,000

TABLE 2: Exchange Fee Structure for Listing on GEM

Submission Type	Exchange MSM Fee (Non-PD)
New Programme	€4,500
Programme Update	€4,500
Standalone	€3,500
Series/Drawdown	€2,000
Annual Fee	€2,000
Supplement (Non-Financial)	€2,000
Supplement (Financial)	€1,000
Security Listing & Admission to Trading ¹	€600
Formal notice Fee ²	€440

¹ Applies to all tranches, including subsequent tranches, issued by way of Final Terms, Pricing Supplement, Series/Drawdown, Securities Note and Standalone.

² EU issuers are charged Irish VAT on the Formal Notice Fee.

SECTION

09

PEOPLE &
CONTACTS



**IF YOU REQUIRE FURTHER INFORMATION,
PLEASE CONTACT:**

NIAMH DOWLING



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Niamh has been with Davy for over 14 years and has considerable experience in the listing of funds and debt securities. She has advised on a wide variety of transactions and has extensive knowledge in the area of regulatory compliance including the Prospectus Directive, Transparency Directive and Market Abuse Regulations. Niamh holds an honours BBS degree from Dublin City University. She is a Qualified Financial Adviser and member of the Institute of Banking and has completed the Professional Certificate in Stockbroking.

DAVID RYAN



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David has over seven years' experience in the finance industry. He has previously worked with a number of top tier Irish law firms advising on the listing of both funds and debt securities and the providing of advice on EU directives and regulations applicable to listed securities such as the Prospectus Directive, Transparency Directive and Market Abuse Regulations. David previously worked as an intraday proprietary trader and a consultant engineer. David holds a Master's in both Sustainable Energy Engineering and Corporate Finance. He is a member of the Institute of Banking and completed the Professional Certificate in Stockbroking from the Institute of Banking and is a Chartered Tax Advisor and an associate member of the Irish Taxation Institute.

PAUL BOLAND




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Paul has been active in the financial services industry since 1999. He has previously worked as vice president of fund accounting with Citco Fund Services (Ireland) Ltd managing a number of key client relationships, and more recently, worked in the area of regulatory compliance with consultancy firm KB Associates advising asset managers on fund structures, regulatory and operational issues. He has also worked as a freelance finance writer for a number of years. Paul holds a first class honours Master's in Financial Services from UCD, is a holder of the Chartered Banker designation, and is a licentiate of the Institute of Banking in Ireland.

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