

Listing hearings and appeals handbook

May 2000

Contents

Introduction

Diagram of the appeals process

Part A

Quotations committee: disciplinary cases
Quotations appeals committee

Part B

Listing division review group
Quotations committee: non-disciplinary appeals

Introduction

This handbook is intended to assist issuers, directors or sponsors who are subject to disciplinary action under the Listing Rules, and to assist any issuer, director or sponsor who wishes to challenge any decision taken by the UK Listing Authority under the Listing Rules. It sets out the procedures for hearings and appeals under the Listing Rules, under paragraphs 1.11, 2.26 and 2.31.

Part A sets out the procedures which apply to disciplinary cases, and Part B those which apply to non-disciplinary cases. The distinct procedures are illustrated in the diagram on page 5.

Part A

The procedures set out at Part A apply to cases where the UK Listing Authority is taking disciplinary action following a suspected contravention of the Listing Rules. The UK Listing Authority may refer the matter to the Quotations Committee. The procedures to be followed by the Committee are set out in section 1. The Committee is given the power under the Listing Rules to decide whether a sanction is appropriate, and if so, which sanction.

Where the UK Listing Authority considers a private censure to be the appropriate sanction and the relevant party agrees, then the sanction may be imposed without the need for referral.

At the hearing before the Quotations Committee legal representation is permitted and the Committee will have an independent legal assessor sitting with them.

An appeal from the Committee's decision would then lie to the Quotations Appeals Committee, which is chaired by a legally qualified person. The procedures to be followed by that Committee are set out in section 2. At that appeal no new evidence is generally permitted. The Quotations Appeals Committee may uphold or reverse the decision of the Quotations Committee.

Part B

Where an issuer wishes to challenge a decision of the UK Listing Authority relating to the Listing Rules of a non-disciplinary nature, the procedures set out at Part B apply. They also apply where an applicant to become a sponsor wishes to challenge the UK Listing Authority's refusal to enter the applicant on to its list of sponsors.

A party may appeal a decision taken by a member of the UK Listing Authority, to the Listing Division Review Group. That body will invite both parties to attend its meeting to present their arguments. The procedures to be followed by the Group are set out in section 3.

If the party concerned wishes to appeal further, it may take the matter to the Quotations Committee. That body may uphold or reverse the decision of the Listing Division Review Group. There is no further right of appeal. The procedures to be followed by the Quotations Committee in such cases are set out in section 4.

Committee membership

Members of the Quotations Committee and the Quotations Appeals Committee are drawn from a panel selected by the Board of the Financial Services Authority and are not staff of the UK Listing Authority.

The Listing Division Review Group is an internal executive group chaired by the Head of the UK Listing Authority or his alternate and normally consists of up to four further members of the UK Listing Authority.

Interpretation

In this handbook, words denoting the masculine gender shall include the feminine gender.

Communications

Communications for the Quotations Committee and Quotations Appeals Committee should be sent to Ian Bowden, Registrar of the Quotations Committee and Quotations Appeals Committee, at the following address:

Ian Bowden
Financial Services Authority
25 The North Colonnade
Canary Wharf
London
E14 5HS

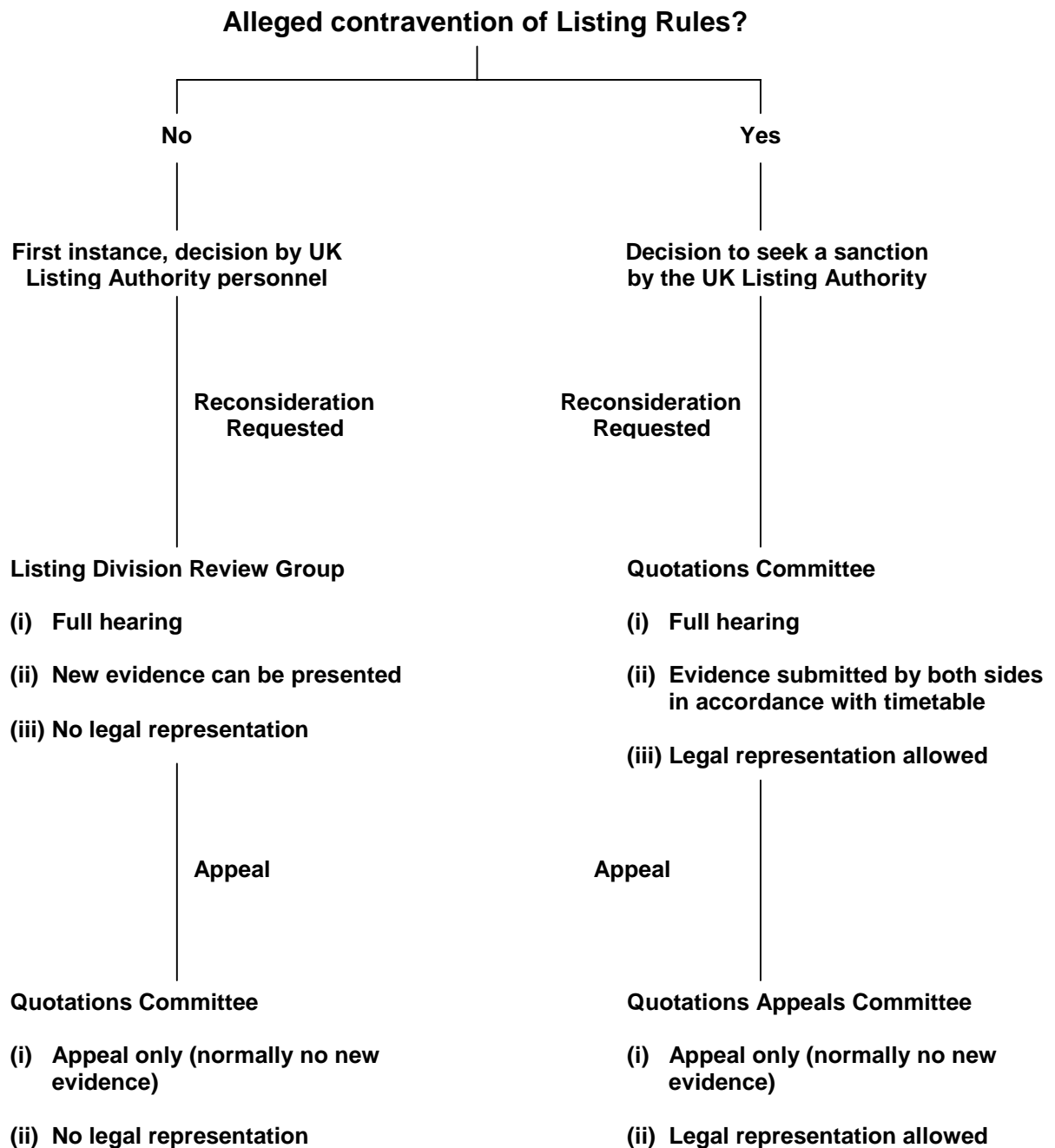
The Registrar acts as Secretary to the Quotations Committee and the Quotations Appeals Committee. The fax number is 020 7676 3191, and the telephone number is 020 7676 3190.

Communications for the Listing Division Review Group should be sent to the Secretary to the Listing Division Review Group, at the following address:

Secretary of the Listing Division Review Group
UK Listing Authority
A Division of the Financial Services Authority
Old Broad Street
London
EC2N 1LA

The fax number is 020 7943 0995 and the telephone number is 020 7943 0990.

Appeals process



Note: Where an applicant to become a sponsor wishes to challenge the UK Listing Authority's refusal to enter is on the list of sponsors, the appeal goes to the Quotations Committee, the decision of which is final.

Part A

1 Quotations Committee: disciplinary cases

General

1. These procedures apply to referrals by the UK Listing Authority to the Quotations Committee ('the Committee') pursuant to paragraph 1.8 or paragraph 2.24 of the Listing Rules.

Mode of referral

2. The UK Listing Authority shall refer such cases to the Committee by service of a written notice on the Registrar who will as soon as reasonably practicable serve a copy of the notice upon the issuer, director or sponsor concerned together with a copy of the Listing hearings and appeals handbook.

Membership

3. The Committee appointed pursuant to a referral shall have a quorum of three (including the chairman and deputy chairman). The maximum number of members of the Committee shall be seven. Any person whom the Committee co-opts will count as a member of the Committee.
4. Members of the Committee are drawn from a panel ('the panel') appointed by the Board of the Financial Services Authority.
5. The Committee may co-opt any one person whom it considers appropriate.
6. No-one who is at the relevant time a member of the UK Listing Authority's staff may be appointed or co-opted.
7. Members of the Committee will notify the chairman and/or deputy chairman of any possible conflict of interest at the earliest opportunity, who will take appropriate action.
8. The chairman shall appoint a legally qualified assessor who shall be independent of any party. Such legal assessor will not be counted as a member of the Committee for any purpose. The chairman may replace the legal assessor.
9. Where the Committee wishes to co-opt a person or to appoint a person to replace a member unable to act whether because of illness, conflict of interest or otherwise and/or the chairman wishes to replace the legal assessor and the hearing has commenced:
 - (a) the appointment shall only take effect with the consent of the parties; and
 - (b) if in the absence of such consent the Committee does not wish or is not able to continue with the hearing it will cease to deal with the referral and an entirely new Committee will be appointed from the panel, and a new legal assessor will be appointed by the new chairman in both cases in accordance with these procedures, and the hearing, but not any pre-hearing procedures, will start afresh in front of the new Committee.

For the purposes of this paragraph, the hearing shall not be taken to have commenced merely because the procedure in paragraph 17 has been concluded.

Secretary

10. The Registrar will carry out any administrative functions and act as secretary to the Committee. Any notices, notifications and other documents required to be submitted to the Committee must be served upon the Registrar who will ensure that copies are provided to the other parties, the

members of the Committee and the legal assessor as appropriate. Where the Committee wishes to notify the parties of any matter it shall do so through the Registrar.

11. The chairman may appoint someone else to carry out such functions in place of the Registrar. The parties will be notified of the name of such person as soon as reasonably practicable. References in these rules to the Registrar include any such person.
12. Any notices or other documents required to be served shall be served by delivering by hand or posting by first class post or by sending by fax with a confirmatory copy by first class post:
 - (a) in the case of a company to its registered office;
 - (b) in the case of a director to the registered office address of the company for which the director concerned holds the relevant directorship;
 - (c) in the case of the UK Listing Authority to the head of Listing at the UK Listing Authority's address;
 - (d) in the case of any party to whom none of (a) to (c) apply, to a place agreed with the Registrar; and
 - (e) in the case of the Registrar to the registered office of the Financial Services Authority; save that the Registrar may agree with any of those referred to at (a) to (c) above a different place for service upon them.
13. Service shall be deemed effective on the date of delivery by hand or of sending the fax or where first class post is used on the second working day after posting.

Procedure following service of a notice of referral

14. Following service of a notice pursuant to paragraph 2 above and the appointment of the Committee:
 - (a) the UK Listing Authority will submit to the Committee a statement setting out the basis for the referral and all material facts taken into account and attach to it copies of all documents relevant to such referral;
 - (b) the issuer, director or sponsor may submit to the Committee a statement in response and shall submit to the Committee a statement of all material facts and attach to it copies of all documents relied upon; and
 - (c) each party will then notify the Committee of any directions to be sought at a pre-hearing review or their assessment that there is no need for a pre-hearing review.

The Committee may specify by notice in writing to the parties the time limits within which the steps at (a) to (c) are to be carried out.

Directions

15. Following the procedures set out in paragraph 14 above, the chairman or any member of the Committee whom he nominates may give any directions and take any other steps he considers appropriate for the clarification of the facts and issues and generally for their just, efficient and expeditious presentation and the determination of the matters in issue. The chairman or any member of the Committee whom he nominates may hold one or more pre-hearing reviews for those purposes and the determination of the matters in issue. By way of example, these directions may include:
 - (a) fixing a time and place for any pre-hearing review and hearing;
 - (b) by written consent of all parties directing that the hearing or any part of the hearing shall proceed by written representations;

- (c) recording any admissions made by any party and any request to any party to make admissions;
- (d) directing any party to indicate whether it admits any particular fact(s) or document(s);
- (e) directing any party to disclose and serve copies of any documents;
- (f) setting time limits for any purpose of the proceedings;
- (g) extending or abridging time limits;
- (h) adjourning the pre-hearing review, with such orders as it thinks fit;
- (i) granting leave to amend (including adding documents to) any statement submitted pursuant to paragraph 14 above;
- (j) varying any previous directions; and
- (k) making any order for the payment of costs of or in connection with pre-hearing preparation or any pre-hearing review.

The hearing

- 16. Any party may submit evidence to the Committee at any time until two working days before the hearing.
- 17. At the hearing:
 - (a) the members of the Committee and the legal assessor will be introduced to the parties and the legal assessor by the chairman who will state that each of the members and the legal assessor believes himself to have no conflict of interest in hearing the appeal;
 - (b) the parties will be asked to confirm that there is no reasonable objection to any of the Committee members hearing the appeal or the legal assessor on the grounds of conflict of interest or otherwise; and
 - (c) if the Committee, which for these purposes shall exclude any member objected to and shall have a quorum of two, upholds an objection it may appoint someone from the panel to replace any relevant member and where the objection relates to the legal assessor the chairman may appoint someone to replace the legal assessor; in all cases the appointment shall be made in accordance with these procedures.
- 18. Unless otherwise ordered by the Committee, the order of proceedings at the hearing shall be as follows:
 - (a) the allegation(s) made by the UK Listing Authority will be read and the issuer or director will state whether the allegation(s) is admitted;
 - (b) each party (the UK Listing Authority followed by the other party(ies)) may present its evidence and/or call witnesses, who may be cross-examined and re-examined by the relevant parties and questioned by the Committee, and may make submissions to the Committee; and
 - (c) where the Committee is satisfied that any allegation has been proved it shall take into account any representations made by the parties on whether any and if so what sanction(s) should be imposed before deciding whether and if so what sanction(s) should be imposed.

19. At a hearing the Committee may:
 - (a) admit any evidence whether oral or written, whether direct or hearsay, without any requirement that it be on oath and whether or not the same would be admissible in a court of law;
 - (b) make any directions which may be given at a pre-hearing review, and vary any direction which has been made; and
 - (c) make all such directions with regard to the conduct of and procedure at the hearing as the Committee considers appropriate for securing a proper opportunity for the parties to present their cases and otherwise as may be just.
20. The parties will be given not less than one working day's notice of the time and place of a pre-hearing review and seven working days' notice of the time and place of the hearing by the Registrar. Any shorter notice period may apply if the parties agree.
21. The Committee will conduct hearings in private.
22. Any party may be legally represented at any pre-hearing review or hearing.
23. If any party fails to attend or be represented at a pre-hearing review or a hearing, the Committee may proceed in its absence.
24. A record of the pre-hearing review may be made at the request of any party or if the chairman so decides. A transcription or copy of the record will be made available to a party on payment of the cost of making such transcription or copy or a proportion thereof as the Registrar in his discretion shall determine.
25. A record of the hearing will be made. A transcription or copy of the record will be made available to a party on payment of the cost of making such transcription or copy or a proportion thereof as the Registrar in his discretion shall determine.

Burden of proof

26. The burden of proof shall be on the UK Listing Authority. The Committee shall not find an allegation proved unless it is satisfied on the balance of probabilities.

Committee deliberations and decisions

27. The Committee may deliberate at any time and make any decision in the absence of the parties. The Committee is entitled to reach decisions on a majority basis. Where a majority decision is reached, this fact will not be disclosed. The casting vote will be held by the chairman.
28. Following the conclusion of the proceedings, the Committee will deliver to the parties a written decision comprising:
 - (a) its decision(s), including whether it intends to make its decision(s) public;
 - (b) the reasons for its decision(s);
 - (c) any order for costs to be imposed; and
 - (d) a time limit for the lodging of any appeal against the written decision or any part thereof which will be not less than four working days from the date of service on the parties of the written decision save in exceptional circumstances where the Committee may order a shorter period.

The matters at (a) to (c) will not take effect until the expiry of the period for the lodging of any appeal. If an appeal is lodged in relation to any or all of (a) to (c) the relevant matters at (a) to (c)

will not take effect until the appeal is withdrawn or the Quotations Appeal Committee orders that they or any of them shall take effect.

29. The Committee may order an issuer or sponsor to pay such reasonable costs as it thinks fit, regardless of any finding or the outcome of the case. Such costs may include the remuneration and expenses of members of the Committee, the legal assessor, the Registrar and any costs incurred by the UK Listing Authority in the preparation and presentation of its case. Such order will be made only after the issuer or sponsor has been given the opportunity to make submissions on costs to the Committee.
30. Any costs ordered to be paid shall be paid within ten days of receipt of the written decision of the Committee and notification in writing of the amount payable.
31. The Committee may publish part or all of its written decision or a summary of it, and the reasons for the decision.

Confidentiality

32. All communications relating to the proceedings (save those which would be privileged from production in a court of law) between the parties and with the Committee shall be channelled through the Registrar.
33. If any Committee member is approached by any person to discuss any matter connected with the referral such member shall notify without delay the chairman who will take appropriate action.
34. Other than as set out in these procedures, and other than as between the parties and their advisers, all parties and their advisers shall keep confidential any matters relating to any referral save where disclosure is required by law.

Changes to the procedures

35. The Committee may vary any of these procedures to adapt to the circumstances of any particular case.

2. Quotations Appeals Committee

General

1. These procedures apply to the determination by the Quotations Appeals Committee ('the Committee') of appeals against decisions of the Quotations Committee made pursuant to referrals made under paragraph 1.8 or paragraph 2.24 of the Listing Rules.

Mode of appeal

2. Appeals must be made by service of a notice in writing setting out the name of the appellant, the decision appealed against, the grounds of appeal, the principal matters relied upon and attaching copies of any documents relied upon on the Registrar, who will as soon as reasonably practicable serve a copy on the other party. Where the appellant wishes to rely on evidence or documentation which was not before the Quotations Committee, this shall be stated in the notice together with details of such evidence and copies of such documentation shall be attached to the notice.

Membership

3. The Committee appointed following service of a notice pursuant to paragraph 2 above shall have a quorum of three (including the chairman who shall be legally qualified). The maximum number of members of the Committee shall be seven. Any person whom the Committee co-opts will count as a member of the Committee.

4. Members of the Committee are drawn from a panel ('the panel') appointed by the Board of the Financial Services Authority.
5. The chairman will select the other members of the Committee from the panel on a case by case basis.
6. The Committee may co-opt any one person whom it considers appropriate.
7. No-one who is at the relevant time a member of the UK Listing Authority's staff may be appointed or co-opted.
8. Members of the Committee will notify the chairman and/or deputy chairman of any or any possible conflict of interest at the earliest opportunity, who will take appropriate action.
9. Where the Committee wishes to co-opt a person or to appoint a person to replace a member unable to act whether because of illness, conflict of interest or otherwise and the hearing has commenced:
 - (a) the appointment shall only take effect with the consent of the parties; or
 - (b) if in the absence of such consent the Committee does not wish or is not able to continue with the hearing it will cease to deal with the appeal and an entirely new Committee will be appointed in accordance with these procedures and the hearing, but not any pre-hearing procedures, will start afresh in front of the new Committee.

For the purposes of this paragraph, the hearing shall not be taken to have commenced merely because the procedure in paragraph 17 has been concluded.

Secretary

10. The Registrar will carry out any administrative functions and act as secretary to the Committee. Any notices, notifications and other documents required to be submitted to the Committee must be served upon the Registrar who will ensure that copies are provided to the other parties and members of the Committee as appropriate. Where the Committee wishes to notify the parties of any matter it shall do so through the Registrar.
11. The chairman may appoint someone else to carry out such functions in place of the Registrar. The parties will be notified of the name of such person as soon as reasonably practicable. References in these procedures to the Registrar include any such person.
12. Any notices or other documents required to be served shall be served by delivering by hand or posting by first class post or by sending by fax with a confirmatory copy by first class post:
 - (a) in the case of a company to its registered office;
 - (b) in the case of a director to the registered office of the company for which the director concerned holds the relevant directorship;
 - (c) in the case of the UK Listing Authority to the head of Listing at the UK Listing Authority's address;
 - (d) in the case of any party to whom none of (a) to (c) apply, to a place agreed with the Registrar; and
 - (e) in case of the Registrar to the registered office of the Financial Services Authority; save that the Registrar may agree with any of those referred to at (a) to (c) above a different place for service upon them.
13. Service shall be deemed effective on the date of delivery by hand or of sending the fax or where first class post is used on the second working day after posting.

Procedure following service of a notice of appeal

14. Following service of a notice pursuant to paragraph 2 above and the appointment of the Committee:
 - (a) the appellant may submit to the Committee a statement amending or expanding upon the notice served pursuant to paragraph 2 above; and
 - (b) any other party may submit to the Committee a statement in support of its case and any such party wishing to rely on evidence or documents not already before the Committee must submit a statement containing details thereof and attach to it copies of any such documents.

Directions

15. The Committee shall make any directions including any that may be made by the Quotations Committee and take any other steps it considers appropriate including holding pre-hearing reviews for the clarification of the facts and issues and generally for their just, efficient and expeditious presentation and the proper determination of the appeal.

The hearing

16. The parties will be given not less than ten working days' notice of the time and place of the hearing by the Registrar. The notice period may be shortened with the consent of the parties.
17. At the hearing:
 - (a) the members of the Committee will be introduced to the parties by the chairman who will state that each of the members believes himself to have no conflict of interest in hearing the appeal;
 - (b) the parties will be asked to confirm that there is no reasonable objection to any of the Committee members hearing the appeal on the grounds of conflict of interest or otherwise; and
 - (c) if the Committee, which for these purposes shall exclude the person objected to and shall have a quorum of two, upholds an objection the chairman or if unavailable the deputy chairman, may appoint a replacement in accordance with these procedures.
18. The order of proceedings shall be at the discretion of the Committee.
19. No party may rely on any statement or document not served on the Committee more than two working days before the hearing save with the leave of the Committee.
20. Save in exceptional circumstances and with the leave of the Committee, no party may present evidence (including calling new witnesses) that was not available to the Quotations Committee, although additional submissions may be made. Whether such new evidence should be permitted and, where it is permitted, the procedure for its presentation shall be decided on a case by case basis by the Committee.
21. The Committee will conduct all hearings in private.
22. Any party may be legally represented at any hearing.
23. If a party fails to attend or be represented at any hearing or pre-hearing review, the Committee may proceed in its absence.
24. A record of any hearing will be made. A transcription or copy of the record will be available to any party, on payment of the cost of making such transcription or copy or a proportion thereof as the Registrar in his discretion shall determine.

Committee deliberations and decisions

25. The Committee may deliberate at any time and make any decision in the absence of the parties. The Committee is entitled to reach decisions on a majority basis. Where a majority decision is reached this will not be disclosed. The casting vote will be held by the chairman.
26. The Committee may uphold or quash any decision by the Quotations Committee.
27. The Committee will only quash a decision of the Quotations Committee if it is satisfied, on the balance of probabilities, that the decision is a misinterpretation of or an erroneous application of the Listing Rules, or is not justified by the evidence on which it is based.
28. Following the conclusion of the proceedings, the Committee will deliver to the parties a written decision comprising:
 - (a) its decision(s), including whether it intends to make its decision(s) public;
 - (b) the reasons for its decision; and
 - (c) any order for costs to be imposed.
29. The Committee may order an issuer or sponsor to pay such reasonable costs as it thinks fit regardless of any finding or the outcome of the case. Such costs may include the remuneration and expenses of members of the Committee, the Registrar and any costs incurred by the UK Listing Authority in the preparation and presentation of its case. Such order will be made only after the issuer or sponsor has been given the opportunity to make submissions on costs to the Committee.
30. Any costs ordered to be paid shall be paid within ten days of receipt of the written decision of the Committee and notification in writing of the amount payable.
31. The Committee may publish part or all of its written decision or a summary of it, and the reasons for the decision.

Confidentiality

32. All communications relating to the proceedings (save those which would be privileged from production in a court of law) between the parties and with the Committee shall be channelled through the Registrar.
33. If any Committee member is approached by any person to discuss any matter connected with the hearing the member shall notify without delay the chairman who will take appropriate action.
34. Other than as set out in these procedures, and other than as between the parties and their advisers, all parties and their advisers shall keep confidential any matters related to the appeal save where disclosure is required by law.

Changes to the procedures

35. The Committee may vary any of these procedures to adapt to the circumstances of any particular case.

Part B

3. Listing Division Review Group

General

1. The Listing Division Review Group ('the LDRG') shall act as the final decision making body of the UK Listing Authority in respect of any matters relating to the Listing Rules apart from referrals under paragraph 1.8 or paragraph 2.24 of the Listing Rules. These procedures apply to the determination of such matters by the LDRG.

Referral to the Listing Division Review Group

2. An applicant may request that a decision of a member of the UK Listing Authority is reconsidered by the LDRG by application in writing setting out the relevant decision, the name of the person who made it, the grounds of the application and the principal matters relied upon and attaching copies of any documents relied upon served on the Secretary, LDRG, who will as soon as reasonably practicable serve a copy on the Head of the UK Listing Authority or his alternate and provide a copy of the Listing hearings and appeals handbook to the applicant.

Membership

3. The LDRG appointed following the service of a notice pursuant to paragraph 2 above shall consist of the Head of the UK Listing Authority or his alternate as chairman and up to four others selected from the staff of the UK Listing Authority by the chairman.
4. The quorum of the LDRG shall be three including the chairman.
5. The LDRG may co-opt any person from the Financial Services Authority's staff whom it considers appropriate to participate in the determination of any application. Co-opted persons will be members of the LDRG for the purposes of paragraph 4 above. The LDRG may also take guidance from appropriately qualified professionals.
6. No member of the UK Listing Authority whose decision is being considered shall be appointed or co-opted.

Secretary

7. The Secretary will carry out any administrative functions and act as secretary to the LDRG. Any notices, notifications and other documents required to be submitted to the LDRG must be served on the Secretary who will ensure that copies are provided to the other parties and the members of the LDRG as appropriate. Where the LDRG wishes to notify the parties of any matters it shall do so through the Secretary.
8. The chairman may appoint someone else to carry out such functions in place of the Secretary. The parties will be notified of the name of such person as soon as reasonably practicable. References in these rules to the Secretary include any such person.
9. Any notices or other documents required to be served shall be served by delivering by hand or posting by first class post or by sending by fax with a confirmatory copy by first class post:
 - (a) in the case of a company to its registered office;
 - (b) in the case of a director to the registered office of the company for which the director concerned holds the relevant directorship;
 - (c) in the case of the UK Listing Authority to the head of Listing at the UK Listing Authority's address;

- (d) in the case of any party to whom none of (a) to (c) apply, to a place agreed with the Secretary; and
 - (e) in the case of the Secretary to the LDRG, to the UK Listing Authority's address; save that the Secretary may agree with any of those referred to at (a) to (c) above a different place for service upon them.
10. Service shall be deemed effective on the date of delivery by hand or of sending the fax or where first class post is used on the second working day after posting.

Procedure following service of an application

11. Following service of an application pursuant to paragraph 2 above and the appointment of the LDRG, the secretary will inform the applicant and the member of the UK Listing Authority whose decision is the subject of the application ('the parties') of the appointment of the LDRG.

Directions

12. The LDRG may give any directions and take any other steps it considers appropriate for the clarification of the facts and issues and generally for their just, efficient and expeditious presentation and the determination of the application.

The hearing

13. The LDRG will give not less than one working day's notice of the time and place of the hearing to the parties and any written submissions and documents which any party wishes to rely on shall be delivered to the LDRG in advance of such hearing in accordance with the time limit set in the notice of the time and place of the hearing. In either case the period may be shortened with the agreement of the parties.
14. At the hearing:
- (a) The right to cross-examine shall only be available through the chairman; and
 - (b) The order of proceedings shall be at the discretion of the LDRG.
15. The LDRG will conduct hearings in private.
16. No party may be legally represented at any hearing.
17. If a party fails to attend a hearing the LDRG may proceed in its absence.
18. A record of any hearing may be made at the discretion of the chairman. Where it is made any party will be entitled to a copy of the record on request to the Secretary.

LDRG deliberations and decisions

19. The LDRG may deliberate at any time and make any decision in the absence of the parties. The LDRG is entitled to reach decisions on a majority basis. Where a majority decision is reached this will not be disclosed. The casting vote will be held by the chairman.
20. Following the conclusion of the proceedings the LDRG will deliver to the parties a written decision comprising:
- (a) its decision(s); and
 - (b) the material reasons for its decision(s) and if it considers it relevant, its findings on any material facts.

Confidentiality

21. Other than as set out in these procedures, and other than as between the parties and their advisers, all parties and their advisers shall keep confidential any matters relating to any referral save where disclosure is required by law.

Changes to the procedures

22. The LDRG may at its discretion vary any of these procedures to adapt to the circumstances of any particular case.

4. Quotations Committee: non-disciplinary appeals

General

1. These procedures apply to the determination by the Quotations Committee ('the Committee') of appeals by issuers against decisions made by the Listing Division Review Group ('the LDRG') in relation to decisions of the UK Listing Authority made pursuant to the Listing Rules apart from matters referred under paragraph 1.8 or paragraph 2.24 of the Listing Rules. They also apply to the determination by the Quotations Committee of appeals by applicants to become a sponsor appealing against the UK Listing Authority's decision under paragraph 2.31 of the Listing Rules.

Mode of appeal

2. Appeals must be made by service of a written notice setting out the name of the applicant, the decision appealed against, the grounds of appeal, the principal matters relied upon and attaching copies of any documents relied upon, on the Registrar.

Membership

3. The Committee appointed following the service of a notice pursuant to paragraph 2 above shall have a quorum of three (including the chairman). The maximum number of members of the Committee shall be seven. Any person whom the Committee co-opts will count as a member of the Committee.
4. Members of the Committee are drawn from a panel ('the panel') appointed by the Board of the Financial Services Authority.
5. The Committee may co-opt any one person whom it considers appropriate.
6. No-one who is at the relevant time a member of the UK Listing Authority's staff may be appointed or co-opted.
7. Members of the Committee will notify the chairman or deputy chairman of any or any possible conflicts of interest at the earliest opportunity who will take appropriate action.
8. The chairman may appoint a legally qualified assessor who shall be independent of any party. Such legal assessor will not be counted as a member of the Committee for any purpose. The chairman may replace the legal assessor.
9. Where the Committee wishes to co-opt a person or to appoint a person to replace a member unable to act whether because of illness, conflict of interest or otherwise and/or the chairman wishes to replace the legal assessor and the hearing has commenced:
 - (a) the appointment shall only take effect with the consent of the parties; or
 - (b) if in the absence of such consent the Committee does not wish or is not able to continue with the hearing it will cease to deal with the appeal and an entirely new Committee will be appointed from the panel and the chairman of the new Committee shall consider whether to appoint a legal assessor and if he considers it appropriate will appoint a legal

assessor who shall not be the one previously objected to, thereafter the hearing, but not any pre-hearing procedures, will start afresh in front of the new Committee.

For the purposes of this paragraph, the hearing shall not be taken to have commenced merely because the procedure in paragraph 17 has been concluded.

Secretary

10. The Registrar will carry out any administrative functions and act as secretary to the Committee. Any notices, notifications and other documents required to be submitted to the Committee must be served upon the Registrar who will ensure that copies are provided to the other parties, the members of the Committee and the legal assessor (if any) as appropriate. Where the Committee wishes to notify the parties of any matter it shall do so through the Registrar.
11. The chairman may appoint someone else to carry out such functions in place of the Registrar. The parties will be notified of the name of such person as soon as reasonably practicable. References in these rules to the Registrar include any such person.
12. Any notices or other documents required to be served shall be served by delivering by hand or posting by first class post or by sending by fax with a confirmatory copy by first class post:
 - (a) in the case of a company to its registered office;
 - (b) in the case of a director to the registered office of the company for which the director concerned holds the relevant directorship;
 - (c) in the case of the UK Listing Authority to the head of Listing at the UK Listing Authority's address;
 - (d) in the case of any party to whom none of (a) to (c) apply, to a place agreed with the Registrar; and
 - (e) in the case of the Registrar to the registered office of the Financial Services Authority save that the Registrar may agree with any of those referred to at (a) to (c) above a different place for service upon them.
13. Service shall be deemed effective on the date of delivery by hand or of sending the fax or where first class post is used on the second working day after posting.

Procedure following service of a notice of appeal

14. Following service of a notice pursuant to paragraph 2 above and the appointment of the Committee:
 - (a) the appellant may submit to the Committee a statement amending or expanding upon the notice served pursuant to paragraph 2 above and where the appellant wishes to rely on evidence or documents not already before the Committee it shall submit to the Committee a statement containing details thereof and attach to it copies of any such documents; and
 - (b) the UK Listing Authority may submit to the Committee a statement in response to (a) above and/or setting out its case and where it wishes to rely on evidence or documents not already before the Committee it shall submit to the Committee a statement containing details thereof and attach to it copies of any such documentation.

Directions

15. The Committee may give any directions including setting time limits and take any other steps it considers appropriate for the clarification of the facts and issues and generally for their just, efficient and expeditious presentation and for the proper determination of the appeal.

The hearing

16. The parties will be given not less than one working day's notice of the time and place of the hearing by the Registrar. The notice period may be shortened with the consent of the parties.
17. At the hearing:
 - (a) the members of the Committee and the legal assessor (if there is one) will be introduced to the parties by the chairman who will state that each of the members and any legal assessor believes himself to have no conflict of interest in hearing the appeal;
 - (b) the parties will be asked to confirm that there is no reasonable objection to any of the Committee members hearing the appeal or the legal assessor on the grounds of conflict of interest or otherwise; and
 - (c) if the Committee, which for these purposes shall exclude any member objected to and shall have a quorum of two, upholds an objection it may appoint someone from the panel to replace any relevant member and where the objection relates to a legal assessor the chairman may appoint someone to replace any legal assessor; in all cases the appointment shall be made in accordance with these procedures.
18. The order of proceedings shall be at the discretion of the Committee.
19. Save in exceptional circumstances and with the leave of the Committee, no party may present evidence that was not before the LDRG, although additional submissions may be made.
20. The Committee may admit any evidence whether oral or written, whether direct or hearsay, without any requirement that it be on oath and whether or not the same would be admissible in a court of law.
21. The Committee will conduct all hearings in private.
22. No party may be legally represented at any hearing.
23. If a party fails to attend any hearing the Committee may proceed in its absence.
24. A record of the hearing may be made, electronically or otherwise at the discretion of the Committee. Where it is made, a transcription or copy of the record will be made available to a party on payment of the cost of making the transcription or copy or a proportion thereof as the Registrar in his discretion shall determine.

Committee deliberations and decisions

25. The Committee may deliberate at any time and make any decision in the absence of the parties. The Committee is entitled to reach decisions on a majority basis. Where a majority decision is reached, this fact will not be disclosed. The casting vote will be held by the chairman.
26. In determining an appeal the Committee may:
 - (a) uphold the decision;
 - (b) quash the decision; or
 - (c) remit a matter to the UK Listing Authority for further consideration.
27. The Committee will only quash a decision if it is satisfied, on the balance of probabilities, that the decision is a misinterpretation of or an erroneous application of the Listing Rules, or is not justified by the matters on which it is based.

28. When remitting a matter to the UK Listing Authority for further consideration the Committee may give a non-binding recommendation that the UK Listing Authority considers amending the Listing Rules.
29. Following the conclusion of the proceedings, the Committee will deliver to the parties a written decision comprising:
 - (a) its decision(s);
 - (b) the reasons for its decision(s); and
 - (c) any order for costs to be imposed.
30. The Committee may order an issuer or applicant to become a sponsor to pay such reasonable costs as it thinks fit, regardless of any finding or the outcome of the case. Such costs may include the remuneration and expenses of members of the Committee, any legal assessor and the Registrar and any costs incurred by the UK Listing Authority in the preparation and presentation of its case. Such an order will be made only after the issuer or applicant to become a sponsor has been given the opportunity to make submissions on costs to the Committee.
31. Any costs ordered to be paid shall be paid within ten days of receipt of the written decision of the Committee and notification in writing of the amount payable.
32. The Committee may only publish part, or all, or a summary of its written decision where the issuer or applicant to become a sponsor consents.
33. At the conclusion of the proceedings the UK Listing Authority, having sought and considered any representations of the issuer or applicant to become a sponsor, may make public by such means as it thinks fit part, or all, or a summary of the written decision of the Committee where it believes that to do so would be of assistance to the market without disclosing the identity of the issuer or applicant to become a sponsor, and where their identity is not discernible.

Confidentiality

34. All communications relating to the proceedings (save those which would be privileged from production in a court of law) between the parties and with the Committee shall be channelled through the Registrar.
35. If any Committee member is approached by any person to discuss any matter connected with the appeal the member shall notify without delay the chairman who will take appropriate action.
36. Other than as set out in these procedures, and other than as between the parties and their advisers, all parties and their advisers shall keep confidential any matters relating to the appeal save where disclosure is required by law.

Changes to the procedures

37. The Committee may vary any of these procedures to adapt to the circumstances of any particular case.