

IPsx Rules for Issuers

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Glossary

Acquisition Policy: the policy implemented by an **Investing Company** that describes how it will invest the funds that it has raised, as per the disclosure requirements in rule 1.31.

Admission: the admission of **financial instruments** to trading on **IPSEX Prime** or **IPSEX Wholesale**.

Admission Document: a document required for the **Admission** of **financial instruments** or for the issue of further **financial instruments** which is produced by **Issuers** where they are not required to prepare a **Prospectus**.

Admission Documentation: the documents and information a prospective **Issuer** must prepare before its **financial instruments** may be approved for admission to trading as set out in these **Rules**.

Admission Standards: as set out in Rule 1.1 to Rule 1.36 (inclusive) of these **Rules**.

Applicable Employee: a member of the administrative, management or supervisory body of an **Issuer**; or a senior executive of an **Issuer**, who has power to take managerial decisions affecting the future developments and business prospects of the **Issuer**.

Applicant: an entity applying (or proposing to apply) to **IPSEX** to become an **Issuer**.

Approved Valuer: a property company which is registered with the **RICS** and has been approved by **IPSEX** and whose name is included on the list of **Approved Valuers** maintained by **IPSEX**.

Asset: A **Single Commercial Property Asset** or a **Multiple Commercial Property Asset**

Associate: as defined in the **FCA Handbook**.

Broker-Driven Model: the model operated by **IPSEX Wholesale** where **financial instruments** are traded in the **Continuous Trading Period** without **Market Makers**.

Business Day: a day (other than a Saturday, Sunday or a Public Holiday in the UK) when **IPSEX** is open for business.

class tests: the tests set out in Schedule Five of these **Rules**, which are used to determine whether any transaction undertaken by the **Issuer** meets the definition of a **Significant Transaction, Related Party Transaction, or a Reverse Takeover**.

Connected Persons: as defined in the **FCA Handbook**.

confidential information: as defined in the Confidentiality sub-section of the Important Information section of the **IPSEX Rules for Issuers**.

Cornerstone Investor: a **substantial shareholder** in an **Issuer** whose **financial instruments** are admitted to **IPSEX Wholesale** who is a 'controller' as defined in the **FCA Handbook**.

Cornerstone Investor Representative: a **Trading Member** who has been appointed by an **Issuer** to represent a **Cornerstone Investor's** trading interests in its **financial instrument**.

designated professional body: as defined in the **FCA Handbook**.

Disclosure Guidance and Transparency Rules: the Disclosure Guidance and Transparency Rules sourcebook forming part of the **FCA Handbook**.

disclosure obligations: as defined in the **FCA Handbook**.

EEA: European Economic Area.

EEA Competent Authority: an authority exercising functions corresponding to the functions referred to in Part IV of **FSMA** under the laws of an **EEA** state other than the UK.

ESMA: European Securities and Markets Authority.

EU legislation: the applicable laws, rules and regulations that are (i) interpreted and transposed by the United Kingdom government, or (ii) directly applicable throughout the European Union.

Exchange: IPSX UK Limited.

Family: in relation to any person his or her spouse or civil partner and any child where such child is under the age of eighteen years.

FCA: the Financial Conduct Authority of the UK.

FCA Handbook: the handbook of rules and guidance published by the **FCA**, as in force from time to time.

financial instrument: the **financial instrument** of an **Applicant** or an **Issuer**, of a class admitted to trading on **IPSO Prime** or **IPSO Wholesale** or for which an **application** for **Admission** has been (or is proposed to be) made.

Founding Shareholder: a shareholder who founded or established an **Investing Company**.

Free float: As defined in the **FCA Handbook**. For example, **financial instruments** are not part of the **free float** if they are held directly or indirectly by:

- a director of the **Applicant** or of any of its subsidiary undertakings or **person** connected with such a director;
- any **person** who under any agreement has a right to nominate a **person** to the board of directors of the **Applicant**;
- any **person** or **persons** in the same group or **persons** acting in concert (as defined in the City Code on Takeovers and Mergers) who have an interest in 5% or more of the **financial instruments** of the relevant class; or
- subject to a lock-up period of more than 180 days.

FSMA: the Financial Services and Markets Act 2000, as amended from time to time.

Gross rental income: the rent provided for under the relevant lease documentation net of value added tax and excluding any item(s) in respect of cost reimbursement.

Institutional Investors: means the type of clients meeting the **FCA Handbook's** definition of an Eligible Counterparty, a Per se Professional Client or, with respect to COBS 3.5.3 (1) and (3), an Elective Professional Client.

Investible Funds: the cash and cash equivalents held by an **Investing Company** in order to acquire **Assets** under its **Acquisition Policy**.

Investing Company: an **Applicant** or **Issuer** that will implement a stated **Acquisition Policy** from **Admission**.

IPSO: IPSX UK Limited

IPsx Disciplinary and Appeals Procedures: the disciplinary and appeals procedures issued by **IPsx**, as amended from time to time.

IPsx Fee Schedule: the schedule of **IPsx** fees payable by **Members** and **Issuers**, on application and ongoing, as amended from time to time, and set out on the **IPsx** website.

IPsx Prime: a **Regulated Market** for the trading of **financial instruments** of an **Issuer**.

IPsx Rules: the **IPsx Rules for Members** and the **IPsx Rules for Issuers**.

IPsx Rules for Members: the rules for **Members** issued by **IPsx**, as amended from time to time.

IPsx Rules for Issuers: the rules for **Issuers** issued by **IPsx**, as amended from time to time.

IPsx web portal: the system used by an **Issuer**, and its appointed **Lead Adviser**, to upload **Issuer** information as required by the **IPsx Rules**.

IPsx Wholesale: a **multilateral trading facility** for the trading of **financial instruments** of an **Issuer**, which operates a **Market Maker Model** and a **Broker-Driven Model**. Only **Institutional Investors** may invest in, or trade in, **financial instruments** admitted to **IPsx Wholesale**.

IPsx Wholesale Market Model: either the **Market Maker Model** or the **Broker-Driven Model**.

Issuer: a company whose **financial instruments** have been admitted to trading on **IPsx**.

Lead Adviser: a firm which is authorised by **IPsx** and whose name is included on the list of **Lead Advisers** maintained by **IPsx**.

Lead Adviser Declaration: a declaration to be made by the **Lead Adviser** in accordance with Schedule Four of these **Rules**, which supports an **Issuer's** application to have its **financial instruments** admitted to trading on **IPsx**.

Lender: Any **person(s)** who is a holder of the **Applicant's Financial Instrument**, who may or may not be an **Original Asset Owner**.

Mandatory Quote Period: the period during each **Business Day** during which a **Market Maker** must provide two-way prices for each **financial instrument** in which it is registered as a **Market Maker**.

MAR: Market Abuse Regulation (Regulation 596/2014), as applied in the UK.

Market Maker: a **Trading Member** who is registered with **IPsx** to provide 2-way prices during the **Mandatory Quote Period** in an **Issuer's financial instruments** in accordance with these **Rules**.

Market Maker Model: the model operated by **IPsx Wholesale** where **financial instruments** are traded in the **Mandatory Quote Period** and each **financial instrument** has at least one registered **Market Maker**.

Market Notice: any notice issued by **IPsx** from time to time to **Members** or **Issuers**.

Market Regulation: the executive staff at **IPsx** responsible for **IPsx's** market surveillance, membership, admission and any other regulatory functions including monitoring the compliance of **Issuers** with their continuing obligations and enforcing the **IPsx Rules**.

Market Rent: as defined in the **Red Book**.

Market Value: as defined in the **Red Book** and in respect of the underlying **Asset(s)**.

*Guidance: where references are made to market value in respect of the **financial instruments**, the term has not been bolded in the text and does not refer to the above definition.*

Member: a **person** admitted to membership of **IPsx** as a **Lead Adviser** and/or an **Approved Valuer** and/or a **Trading Member**.

Multilateral Trading Facility or **MTF:** as defined in the **FCA Handbook**.

Multiple Asset Issuer: an **Issuer** that owns a **Multiple Commercial Property Asset** in its **Totality**.

Multiple Commercial Property Asset: underlying real estate or infrastructure assets which have a commercial purpose and which show a sufficient degree of commonality in order to be eligible for admission.

Guidance: Commonality of assets may be demonstrated by factors such as:

- i. type/sector
- ii. tenant(s);
- iii. geographic location;
- iv. common financial performance; or
- v. master lease

IPsx requires that the underlying real estate or infrastructure assets are of institutional grade (i.e. the assets will generally have a **Market Value** in excess of £50m). The **Exchange** may admit an **Applicant** where the underlying real estate or infrastructure assets have a lower **Market Value** if it is satisfied that the asset is suitable for admission to **IPsx**. In such cases, the **Applicant** should contact **Market Regulation**.

Official List: the list maintained by the **FCA** in accordance with Section 74(1) of the Financial Services and Markets Act 2000.

on-Exchange trade: A trade in a **financial instrument** which is executed under the **IPsx Rules for Members** that takes place under the **IPsx Rules** for Trading Members.

Original Asset Owner: Any **person** who is entitled to exercise the votes able to be cast on all or substantially all matters at general meetings of the **Applicant** immediately prior to **Admission** of the **Applicant's financial instruments** to **IPsx Prime**.

person: as defined in the **FCA Handbook**.

Prospectus: a document approved by the **FCA** pursuant to the provisions of Part VI of **FSMA**, or by another relevant **EEA Competent Authority** pursuant to the provisions of **EU Legislation** (including, where the context requires, any supplementary **Prospectus** or summary document).

Prospectus Rules: **Prospectus Rules** forming part of the **FCA Handbook**.

Public Shareholders: a shareholder who is not a **Founding Shareholder**, **Sponsor** or director

Qualifying Market: a **Regulated Market** or a Recognised Stock Exchange (recognised by Her Majesty's Revenue and Customs) on which an **Applicant** must be admitted to trading if they are to qualify for a Fast Track **Admission** on **IPsx Wholesale**.

Recognised Investment Exchange: as defined in the **FCA Handbook**.

Red Book: the current edition of **RICS Valuation – Professional Standards (UK Edition)**.

Red Book Valuation: a valuer's opinion of the value of a specified interest or interests in the **Asset(s)** using the basis of value as defined in the **Red Book**, as at the date of valuation, given in writing in accordance with the minimum standards set out in the **Red Book**.

Regulated Market: as defined in the **FCA Handbook**

Regulatory Information Service: as defined in the **FCA Handbook**.

related party:

- (i) a **person** who is (or was within the 12 months before the date of the transaction or arrangement) a substantial shareholder, being a **person** who is entitled to exercise, or to control the exercise of, 10% or more of the votes able to be cast on all or substantially all matters at general meetings of the **Issuer** (or of any company which is its subsidiary undertaking or parent undertaking or of a fellow subsidiary undertaking of its parent undertaking);
- (ii) a **person** who is (or was within the 12 months before the date of the transaction or arrangement) a director or shadow director of the **Issuer** or of any other company which is (and, if he has ceased to be such, was while he was a director or shadow director of such other company) its subsidiary undertaking or parent undertaking or a fellow subsidiary undertaking of its parent undertaking;
- (iii) a **person** exercising significant influence over the **Issuer**;
- (iv) an **associate** of a **related party** referred to in (i), (ii) or (iii) above; an **Approved Valuer** appointed by the **Issuer** at the relevant time or who has been appointed by the **Issuer** at any time in the preceding two years; or any property manager appointed by an **Issuer** at the relevant time.

Guidance: IPSX acknowledges that some complex corporate group arrangements may produce anomalous results when the tests in this definition are applied. If an Issuer considers this to be the case, it may make an application to IPSX, via its Lead Adviser, for the related party Rule to be disapplied in the specific circumstances described in its application. IPSX may grant or refuse such application at its discretion.

related party transaction: a transaction between an **Issuer** and a **related party** (other than a transaction in the normal course of business) where any percentage ratio is 5% or more in any of the **class tests**.

reverse takeover: a transaction effected by way of a direct acquisition by an **Issuer** of a business, a company or assets where any percentage ratio is 100% or more in any of the **class tests**; or which in substance results in a fundamental change in the business or in a change in board or voting control of the **Issuer**.

RICS: Royal Institution of Chartered Surveyors.

RICS Valuation – Professional Standards (UK Edition): the Professional Standards for UK Valuation comprising UK valuation standards, UK appendices and UK guidance notes as amended from time to time.

Rules: The **IPsx Rules for Issuers**

significant transaction: any transaction outside the ordinary course of an **Issuer's** business where any percentage ratio is 10% or more in any of the **class tests**.

Single Asset Issuer: an **Issuer** that owns a **Single Commercial Property Asset** in its **Totality**.

Single Commercial Property Asset: an underlying real estate or infrastructure asset having a commercial purpose and which:

- a) occupies a single geographic location or postal address; or
- b) comprises a group of co-located assets.

*Guidance: IPSX requires that an underlying **Single Commercial Property Asset** is of institutional grade (i.e. it will generally have a **Market Value** in excess of £50m). The **Exchange** may admit an **Applicant** where the **Single Commercial Property Asset** has a lower **Market Value** if it is satisfied that the asset is suitable for admission to **IPSX**. In such cases, the **Applicant** should contact **Market Regulation**.*

Special Assumption: as described in the **Red Book**.

Sponsor: a person who provides any of the following to an **Investing Company**:

- (a) capital or other finance to support the operating costs of the **Investing Company**;
- (b) financial, advisory, consultancy or legal services;
- (c) facilities or support services; or
- (d) any other material contribution to the establishment and ongoing operation of the **Investing Company**.

Stock Borrowing Arrangement: A written legally binding agreement between an **Issuer** on **IPSX Prime** and a **Lender** under which the **Lender** undertakes to the **Issuer** to make the **Issuer's financial instruments** available for borrowing in accordance with the requirements of Rules 1.18 and 1.19 and 3.19 and 3.20 of these **Rules**. Note that a **Stock Borrowing Arrangement** is distinct from any stock borrowing agreements entered into by the **Lender** and any party wishing to borrow the **Issuer's financial instruments**.

substantial shareholder/shareholdings: has the meaning given to it in the definition of **related party**.

Totality: the entirety of a registered title relating to the underlying asset; and in the case of a **Single Commercial Property Asset**, the physical whole of the relevant property.

Trading Member: an entity that has applied for and been granted **Trading Membership**.

Trading Membership: **IPSX Membership** allowing a **person** to participate as an **IPSX Trading Member** and enter into trades onto **IPSX Prime** or **IPSX Wholesale**.

Introduction

These **Rules** are part of a body of rules and procedures which set out the procedures and obligations for **Applicants** seeking **Admission** to **IPsx Prime** or **IPsx Wholesale**, and the responsibilities and continuing obligations of **Issuers**.

Terms in bold have the meanings set out in the Glossary at the front of this document.

Interpretation

In interpreting this document, references to Schedules and **Rules** are to (respectively) Schedules to and **Rules** of this document (unless otherwise specified). References within a Schedule to paragraphs are to paragraphs of that Schedule (unless otherwise specified).

All references to EU regulations as applied in the UK refer to the relevant regulation as it is applied in the UK pursuant to the European Union (Withdrawal) Act 2018 following the UK's departure from the EU.

Background

IPsx is a **Recognised Investment Exchange** under UK law. The **Exchange** has a responsibility to ensure that any **financial instruments** admitted to trading on the **Exchange**, and trading in those **financial instruments** on the **Exchange**, is conducted in accordance with the **FCA's** sourcebook for **Recognised Investment Exchanges**.

- **IPsx Prime** is a **Regulated Market** operated by **IPsx**.
- **IPsx Wholesale** is a **Multilateral Trading Facility** operated by **IPsx**. Only **Institutional Investors** may invest in or trade in **financial instruments** admitted to **IPsx Wholesale**.
- **Admission** requires:
 - the publication of a **Prospectus**, unless the **Applicant** is exempt from such requirement under an applicable provision of **FSMA** or **EU legislation**, in which case, the publication of an **Admission Document**, as referred to in Schedule One; and
 - satisfaction of the relevant requirements of these **Rules**.
- **IPsx** must ensure that business conducted by means of its facilities is conducted in an orderly manner, so as to afford proper protection to investors. In addition, **IPsx** must ensure that it has transparent and non-discretionary rules and procedures to provide for fair and orderly trading and to establish objective criteria for the efficient execution of orders.
- These **Rules** have the objective of:
 - setting the **Admission Standards** for potential **Issuers** seeking **Admission** to **IPsx Prime** or **IPsx Wholesale**;
 - affording proper investor protection and promoting investor confidence in **IPsx**; and
 - protecting and maintaining **IPsx's** high standards of market integrity.
- The procedures in relation to disciplinary and appeals matters are set out in the **IPsx Disciplinary and Appeals Procedures** as amended from time to time.
- This document contains both rules and guidance. Guidance is clearly marked as such and appears in *italic text*.

IPsx Market Regulation welcomes early engagement with parties seeking **Admission**.

Amendments to these Rules

The **Exchange** may amend the **IPsx Rules for Issuers** from time to time. **IPsx** will perform a consultation prior to implementing amendments to the **IPsx Rules for Issuers**. Amendments will be announced by **Market Notice**.

Important information

Limitation of liability

IPsx shall not be liable to you or any other party in damages for any act or failure to act in the performance of its regulatory functions unless it is demonstrated that the act or failure to act was in bad faith.

Confidentiality

Subject to the following provisions, information and documents relating to an **Issuer** provided to the **Exchange** by that **Issuer**, its **Lead Adviser**, or otherwise obtained in accordance with the **IPsx Rules** will be treated as confidential ("**confidential information**"). Information will not be **confidential information** if it is already in the public domain, unless that is the case due to a breach by the **Exchange** of these confidentiality provisions.

Confidential information will be used by **IPsx** in the performance of its regulatory functions.

IPsx may disclose **confidential information** to any party:

- where required for the performance of **IPsx's** regulatory functions and in accordance with these **Rules**;
- with the written consent of the **Issuer** to whom the **confidential information** relates;
- to the **FCA** or an **EEA Competent Authority**;
- if and to the extent required by applicable law or regulation.

I. Admission criteria

- I.1 **IPsx** will only consider **Admission** of a company that meets the definition of:
- a) a **Single Asset Issuer**, including those that own only part of an underlying **Asset**; or
 - b) a **Multiple Asset Issuer**
 - c) an **Investing Company**

Guidance:

***IPsx Wholesale** may admit property development companies. An **Issuer** may be admitted to **IPsx Wholesale** if property development forms an ancillary part of its business or where there is a well-articulated business plan to generate rental income within five years of **Admission** to **IPsx Wholesale**. **Admission** eligibility will be determined by **IPsx** at its discretion.*

Incorporation

- I.2 An **Applicant** must conform with the laws and regulations of its place of incorporation, be duly incorporated, and operate in conformity with its constitution.
- I.3 An **Applicant** must be satisfied that its **Admission** and any proposed issue of **financial instruments** will comply with applicable law and regulations.

Class of financial instruments

- I.4 An application for **Admission** of any class of **financial instruments** must:
- I.4.1 relate to all **financial instruments** of that class, issued or proposed to be issued; or
 - I.4.2 if **financial instruments** of that class are already admitted to trading on **IPsx**, relate to all further **financial instruments** of that class, issued or proposed to be issued.

Pre-emption rights

- I.5 The **financial instruments** to which an application for **Admission** relates must benefit from pre-emption rights on an issue of new shares for cash. An **Applicant** must be satisfied that conferring pre-emption rights on shareholders is not incompatible with the laws and regulations of its place of incorporation.

Transferable financial instruments

- I.6 The **financial instruments** to which an application for **Admission** relates must be transferable **financial instruments** and freely negotiable.

Guidance:

IPsx will only consider an application for **Admission** in relation to **financial instruments** that are fully paid.

Transferable **financial instruments** are freely negotiable if they can be traded between **Members** and subsequently transferred without restriction and provided all **financial instruments** within the same class as the **financial instrument** in question are fungible.

Transferable **financial instruments** which are subject to a restriction on transfer will not be considered as freely negotiable unless **IPsx** determines that the restriction is not likely to have an adverse impact on **IPsx Prime** or **IPsx Wholesale**.

Publication of an approved Prospectus or Admission Document

1.7 Prior to **Admission**, an **Applicant** must have published a **Prospectus** or the **Lead Adviser** must have provided **IPsx** with written confirmation that the **Applicant** is exempt from the requirement to do so under an applicable provision of **FSMA** or **EU Legislation**, in which case, the **Applicant** must have published an **Admission Document**. The Applicant must also provide to **IPsx** the information set out in Schedule Two (Core Issuer Information Requirements).

1.7.1 A **Prospectus** must include the information required by the **Prospectus Rules** and the **FCA**.

1.7.2 An **Admission Document** must contain the information set out in Schedule One.

Appointment and retention of an Approved Valuer

1.8 An **Applicant** must appoint and retain an **Approved Valuer**. A list of **Approved Valuers** is published on the **IPsx** website.

Guidance:

*This rule does not apply to an **Investing Company** that has not yet acquired any **Assets**. Such an **Investing Company** is required to appoint an **Approved Valuer**:*

- a) *before acquiring its first **Asset**, if the acquisition is a **significant transaction**, or*
- b) *from the time that it acquires its first **Asset**, if the acquisition is not a **significant transaction**.*

Reservation of the Exchange's discretion

1.9 **IPsx** has discretion to impose additional conditions upon the **Admission** of an **Issuer's financial instruments**.

1.10 **IPsx** reserves the right to refuse an application for **Admission** even if an **Applicant** appears to satisfy all of the criteria set out in these **Rules**.

Guidance:

*There is no exhaustive list of grounds for refusal of an application for **Admission**. However, **IPsx** will generally refuse an application if it considers the granting of the application could have an adverse effect on the reputation of **IPsx** and the integrity or orderliness of its markets or where it suspects bad faith, fraud or wilful or material non-disclosure.*

Application Fees

- I.11 An **Applicant** must have paid the appropriate application fees as set out in the **IPsx Fee Schedule**, which is available on the **IPsx** website.

Admission to the Exchange

- I.12 **Admission** will become effective when **IPsx**'s decision to admit the **financial instruments** to trading has been announced by **IPsx** via a **Regulatory Information Service**.

Settlement

- I.13 **IPsx** requires that **financial instruments** admitted to **IPsx Prime** or **IPsx Wholesale** be eligible for electronic settlement in the central security depository operated by Euroclear UK & Ireland Limited.

Appointment of a Lead Adviser

- I.14 An **Applicant** seeking **Admission** must appoint a **Lead Adviser**. The **Lead Adviser** is responsible for assessing whether or not an **Applicant** satisfies all of the **Admission Standards** for **Admission**. A list of **Lead Advisers** can be found on the **IPsx** website.
- I.15 In the event of a proposed further issue of **financial instruments** of a class already admitted to **IPsx**, an **Issuer** is required to appoint a **Lead Adviser** to provide guidance as to the application of these **Rules** in connection with the proposed issue.

Appointment of a Market Maker or Cornerstone Investor Representative

- I.16 An **Applicant** to **IPsx Prime** or to **IPx Wholesale** where the **Market Maker Model** has been selected must have in place an agreement with at least one **Market Maker** to provide two-way prices in the **Applicant's financial instrument** upon **Admission** to trading. This must be confirmed to **IPsx** at least two **Business Days** prior to the expected **Admission** date.
- I.17 An **Applicant** to **IPsx Wholesale** where the **Broker-Driven Model** has been selected must ensure each **Cornerstone Investor** has in place an agreement with at least one **Trading Member**

to represent the trading interests of that **Cornerstone Investor** (“**Cornerstone Investor Representative**”) in the **Applicant’s financial instrument** upon **Admission** to trading. This must be confirmed to **IPsx** at least two **Business Days** prior to the expected **Admission** date.

Stock Borrowing Arrangements

- 1.18 An **Applicant** seeking **Admission** to **IPsx Prime** or to **IPsx Wholesale** that has selected the **Market Maker Model** must have a **Stock Borrowing Arrangement** in place to ensure that a **Lender** will make available for lending at least 3% of each class of the **Applicant’s financial instruments** for the purposes of facilitating the settling of **on-Exchange trades** in that **financial instrument**. The **Stock Borrowing Arrangement** must take effect immediately upon the **Admission** of the **Applicant’s financial instrument**.
- 1.19 In the event that the **Original Asset Owner** expects to retain less than 3% (but at least 0.25%) of each class of the **Applicant’s financial instruments** on **Admission**, then the **Stock Borrowing Arrangement** must ensure that the **Lender** makes available for lending such quantity of each class of the **Applicant’s financial instruments** that is not lower than the quantity of the **Original Asset Owner’s** holding of each class of the **Applicant’s financial instruments** on **Admission** (regardless of whether the **Lender** is the **Original Asset Owner** or not).

Guidance:

*In the event that the **Original Asset Owner** expects to own less than 0.25% of a class of **financial instruments** in the **Applicant** on **Admission**, no **Stock Borrowing Arrangement** is required for that class of the **Applicant’s financial instruments**.*

*The **Applicant** may choose to enter into a **Stock Borrowing Arrangement** with one or more of its **Original Asset Owners** or such other holder(s) of its **financial instruments**, provided that such arrangement meets the **Applicant’s** obligations described in these **Rules**.*

***IPsx** is not a party to a **Stock Borrowing Arrangement** and is not responsible for validating its operational effectiveness.*

*Deferral of Application: The application of rules 1.18 and 1.19 is deferred. **IPsx** will provide at least one month’s notice prior to these rules taking effect.*

Minimum free float

- 1.20 **IPsx Prime:** 25% of the shares for which application for **Admission** to **IPsx Prime** has been made must form part of a **free float**.
- 1.21 **IPsx Wholesale:** **IPsx** does not apply a formal minimum **free float** to **IPsx Wholesale Issuers** however an **Applicant** seeking **Admission** to **IPsx Wholesale** must confirm to **IPsx** the post-issue **free float** number of **financial instruments**, together with the expected spread and nature of shareholders comprising the **free float**, as part of their submission. **IPsx** reserves the right to refuse an **Applicant** who in its discretion, it considers does not have a sufficient **free float**

taking into account, inter alia, the protection of investors' interests and the integrity of **IPsx Wholesale**.

Guidance:

*If an **Issuer** proposes **Admission** to **IPsx Wholesale** with less than a 10% **free float**, there must be more than one **Cornerstone Investor** or a **free float** of £20m by value and the **Issuer** will be expected to explain their rationale for coming to market and their long-term plans in respect of the **free float**.*

*An **Applicant** which is a REIT must comply with Part 12 of the Corporation Tax Act 2010 and ensure a reasonable expectation of appropriate liquidity.*

Corporate governance

- I.22 An **Applicant** seeking **Admission** must specify the corporate governance arrangements which the **Applicant** has decided to apply.
- I.23 **Issuers** are required to publish details of the corporate governance code that they have decided to apply, how they intend to comply with that code, or if no code has been adopted, this should be stated together with the **Issuer's** current corporate governance arrangements.

Guidance:

***IPsx** encourages **Applicants** to apply the highest corporate governance standards or code commensurate with their expected size and complexity.*

Leverage

- I.24 **Issuers** must have a maximum loan to value ratio of 80%:

Guidance:

*With the prior agreement of the **Exchange**, adherence to this rule may be deferred for a maximum of 15 **Business Days** from the date of **Admission**.*

Development and Regeneration (IPsx Wholesale only)

- I.25 An **Applicant** that intends to materially develop, redevelop, repurpose or retrofit an **Asset**, such that the **Asset** will be unable to earn all, or a substantial amount of its income while such changes are being undertaken, may only seek admission to **IPsx Wholesale** and must clearly set out its plans including the anticipated timeframes for the **Asset(s)** becoming stabilised and income-generating.

Guidance:

As at the date of this document the maximum timeframe, as set by the **Exchange**, for **Assets** to become stabilised and income generating is five years from the date of **Admission**. Any review of, or change to, the timeframe for **Asset** stabilisation and income generation will be communicated by a **Market Notice**.

Lock-ins

- 1.26 An **Applicant** must ensure that all **related parties** and **Applicable Employees** as at the date of **Admission** agree to a **restricted period** during which, without prior agreement of the **Exchange**, they will not dispose of any interest in its **financial instruments** for one year from the date of **Admission**.

Guidance:

The **Exchange** may agree to waive rule 1.26 in cases where it is satisfied that the disposal of such **financial instruments** will not disadvantage other holders of those **financial instruments**. For example, the **Exchange** may agree to a disposal which is publicly announced, such as a disposal by means of a public offering.

Fast Track Admission Criteria (IPsx Wholesale only)

- 1.27 In order to qualify for a Fast Track **Admission** to **IPsx Wholesale**, an **Applicant** must also:
- 1.27.1 have been admitted to trading on a **Qualifying Market** for a minimum of 12 months;
 - 1.27.2 have complied with its continuing obligations on the **Qualifying Market** for the period it has been admitted to trading; and
 - 1.27.3 not have made any material business changes prior to seeking a Fast Track **Admission** (including changes to the **Applicant's** corporate structure).

Admission to the Official List

- 1.28 An **Applicant** seeking admission to the **Official List** must comply with any eligibility criteria and any obligations that arise from such admission.

Selection of Wholesale Market Model

- 1.29 An **Applicant** seeking **Admission** to **IPsx Wholesale** must notify **IPsx** under which **IPsx Wholesale Market Model** it wishes its **financial instrument** to trade. **IPsx** must receive this notification at least ten **Business Days** prior to the anticipated date of **Admission**.

Guidance:

A form is available on the **IPsx** website which **Issuers** should use to notify **IPsx** of the **Market Model** selected.

Investing Companies

- I.30 The assets which an **Investing Company** intends to acquire must be real estate or infrastructure assets which have a commercial purpose and which show a sufficient degree of commonality in order for the **Investing Company** to be eligible for **Admission**.

Guidance: Commonality of assets may be demonstrated by factors such as:

- i. type/sector;
- ii. tenant(s);
- iii. geographic location;
- iv. common financial performance; or
- v. master lease

- I.31 Prior to **Admission**, an **Investing Company** must have a clearly articulated **Acquisition Policy**. This must describe as a minimum, with respect to the assets it intends to acquire:

- their purpose;
- the total value of those assets;
- an estimate of the total income they will generate;
- the range of sizes and values of each individual asset;
- their quantity;
- their locations.

In addition, the **Acquisition Policy** must also include:

- the anticipated timescale for the completion of those acquisitions;
- the maximum amount of leverage the **Issuer** will undertake (note that this should not normally exceed 80%);
- its plans for raising additional capital post-**Admission**, if applicable.

Guidance:

*The first acquisition must be completed within two years of the **Investing Company's** date of **Admission**.*

- I.32 Prior to **Admission** an **Investing Company** must have adequate binding arrangements in place with an independent third party to ensure that the aggregate gross cash proceeds received in consideration for the shares it has issued are protected from being used for any purpose other than the following:

- (a) to provide the consideration for an acquisition being made in accordance with the **Investing Company's Acquisition Policy**. Where the acquisition is a **reverse takeover**, it must also have been approved by:
 - (i) its board in accordance with rule 3.57; and
 - (ii) its **Public Shareholders** in accordance with rule 3.58.

- (b) to provide the consideration for any other takeover that redeem or purchase listed shares held by **Public Shareholders** following the exercise of the right to be redeemed or purchased referred to in rule 1.34;
- (c) to be distributed to **Public Shareholders** if that a reverse takeover has not been completed by the date specified in rule 1.33; or
- (d) to return capital to **Public Shareholders** in the event of a winding up of the company, provided that a specified amount or proportion of such proceeds may be excluded from the amount which is protected, and may be retained to be used by the **Investing Company** to fund its operations, where that amount or proportion has been disclosed in the **Prospectus** published in relation to the admission to listing of the **Investing Company's** shares;

1.33 the **Investing Company's** constitution must provide that if the **Investing Company** has not completed its first acquisition within two years of the date of **Admission** it will cease operations, cancel its **Admission** to **IPsx** and distribute the aggregate gross cash proceeds received in consideration for the shares it has issued are returned to **Public Shareholders** as soon as possible.

Guidance:

*Provided that shareholder approval has been received within two years of the date of **Admission**, the **Investing Company's** constitution may provide that the period of two years referred to in this rule may be extended by:*

- (a) *a further period of up to one year provided that the approval of **Public Shareholders** for a **reverse takeover** has been obtained;*
- (b) *a further period of up to 6 months, in addition to or instead of, the period referred to in (a) provided that the approval of **Public Shareholders** for a **reverse takeover** has been obtained but the **reverse takeover** has not completed;*

*Any such extension must be notified to a **Regulatory Information Service** before it takes effect.*

1.34 The **Investing Company** must provide its shareholders with the right to require the **Investing Company** to redeem or otherwise purchase their shares for a pre-determined amount, which is exercisable:

- (a) at the discretion of the shareholder prior to completion of a **reverse takeover**; and
- (b) whether or not the shareholder voted in favour of the **reverse takeover** on any shareholder resolution to approve the transaction.

1.35 The **Investing Company** must disclose the matters set out in rules 1.32 to 1.34 in its **Prospectus** or **Admission Document** published in relation to the **Admission** of the **Investing Company**.

1.36 At the point of **Admission**, an **Investing Company** must generally have **Investible Funds** of at least £50 million.

2. Admission to Trading Process

New Applicants

- 2.1 All **Applicants** must first complete an Application Form and submit it to regulation@ipsx.com.
- 2.2 Once an **Applicant** has been advised by **Market Regulation** that their application can progress to submission of application information to the **IPsx web portal**, they must submit their draft **Admission Documentation** (being their **Prospectus** or **Admission Document** and the draft **Red Book Valuation** and any other supporting documents required for **Admission**). This submission must be made to **IPsx** via their **Lead Adviser**, using the **IPsx web portal** or other method expressly requested by **Market Regulation** and pay any applicable fees (as set out in the **IPsx Fee Schedule**). The timing of this submission must be:
 - 2.2.1 at the same time that the first draft of the **Prospectus** is submitted to the **FCA** or an **EEA Competent Authority** for approval; or
 - 2.2.2 if no **Prospectus** is required in connection with **Admission**, at least ten **Business Days** before the expected date of **Admission**.

Guidance:

*If no **Prospectus** is prepared in connection with **Admission** the **Lead Adviser** must provide written confirmation to this effect.*

*The draft **Red Book Valuation** should be substantially complete when it is submitted to **IPsx**. The **Red Book Valuation** must be prepared in accordance with the **Red Book** and Schedule Three (Red Book Valuation Requirements).*

***IPsx** will review an **Applicant's** application in order to form a view on the eligibility of the **Applicant** and its compliance with the relevant **Admission Standards**. **IPsx** does not expect to comment on the **Admission Documentation**, except insofar as a particular disclosure is relevant to eligibility and/or compliance with the relevant **Admission Standards**.*

Fast Track Admission (IPsx Wholesale only)

- 2.3 All Fast Track **Applicants** must first complete and submit an Application Form for **IPsx Wholesale Issuers**.
- 2.4 Once a Fast Track **Applicant** has been advised their application can progress to submission of application information to the **IPsx web portal**, they must upload the information required by Schedule Two. This submission must be made to **IPsx** via their **Lead Adviser**, using the **IPsx web portal** or other method expressly requested by **Market Regulation**.
- 2.5 Fast Track **Applicants** must also make a pre-admission announcement at least ten **Business Days** before the expected date of **Admission**. The information specified in Schedule Two (Core Issuer Information Requirements), parts A and B, must also be published. The pre-admission announcement must state where such information is published.

- 2.6 At least two **Business Days** before the expected date of **Admission**, the final form **Admission Documents**, including the final **Red Book Valuation**, must be submitted to **IPsx** by email to regulation@ipsx.com.

Guidance:

*Unless previously agreed with **IPsx**, the final **Red Book Valuation** must not be dated more than six months prior to the date of **Admission**.*

Additional requirements for Issuers who do not qualify for Fast Track Admission

- 2.7 At least ten **Business Days** before the expected date of **Admission**, and in addition to satisfying the requirements of rules 2.1 and 2.2, the **Lead Adviser** must provide the information specified in Schedule Two (Core Issuer Information Requirements) for and on behalf of the **Applicant**, as well as any other documentation or information requested by **IPsx**.
- 2.8 The **Applicant** must also make a pre-admission announcement at least ten **Business Days** before the expected date of **Admission**. Where the Applicant is not required to produce a **Prospectus**, the information specified in Schedule Two (Core Issuer Information Requirements), part A, must also be published prior to admission.
- 2.9 At least two **Business Days** before the expected date and time of **Admission**, the **Lead Adviser** must submit its **Lead Adviser Declaration** (as set out in Schedule Four) to **IPsx** by email to regulation@ipsx.com.
- 2.10 At least two **Business Days** before the expected date and time of **Admission**, an **Issuer** must satisfy the requirement of Rule 1.16 of these **Rules**.

Further issue of financial instruments

- 2.12 Where **Admission** is sought for a further issue of **financial instruments** of a class already admitted to **IPsx**, at least ten **Business Days** prior to the expected date of **Admission**, the information set out in Part B of Schedule Two (Core Issuer Information Requirements) must be submitted to **IPsx** by email to regulation@ipsx.com and the vetting fee paid (as set out in the **IPsx Fee Schedule**).
- 2.13 The **Applicant** must also make a pre-admission announcement including all of the information specified in Schedule Two (Core Issuer Information Requirements) at least ten **Business Days** before the expected date of **Admission**.
- 2.14 If the **Issuer** is required to issue a new **Prospectus** or **Admission Document** in connection with the further issue, these must be submitted, via their **Lead Adviser**, to **IPsx** by email to regulation@ipsx.com, together with the information requirements set out in Rule 2.7.
- 2.15 At least two **Business Days** before the expected date and time of **Admission**, the **Lead Adviser** must submit its **Lead Adviser Declaration** (as set out in Schedule Four) to **IPsx** by email to regulation@ipsx.com.

- 2.16 At least two **Business Days** before the expected date and time of **Admission**, an **Issuer** must satisfy the requirement of Rule 1.16 or 1.17 of these **Rules**, as applicable.

3. Continuing Obligations

- 3.1 **Issuers** must comply on an ongoing basis with:
- 3.1.1 the Relevant requirements of the **Disclosure Guidance and Transparency Rules**;
 - 3.1.2 the **disclosure obligations**;
 - 3.1.3 these **Rules**;
 - 3.1.4 if the **Issuer** is bound by the **Prospectus Rules**, any obligations that are applied to the **Issuer** by the **Prospectus Rules**;
 - 3.1.5 if the **Issuer** has been admitted to the **Official List**, any obligations that are applied to the **Issuer** as a result of its admission to the **Official List**;
- and must have in place systems and controls (including policies and procedures as required by law, rules and regulations) to enable them to do so.
- 3.2 Any information provided directly to **IPsx** must be complete and accurate at the time of submission.
- 3.3 **Issuers** shall provide an annual written confirmation to **IPsx** that they have complied with their obligations under the **Disclosure Guidance and Transparency Rules** and the **disclosure obligations** in relation to the dissemination of information.

IPsx fees

- 3.4 **Issuers** shall pay to **IPsx** all applicable fees as set out in the **IPsx Fee Schedule**.

Suspension by IPsx

- 3.5 **IPsx** may suspend trading in an **Issuer's financial instruments** where it considers that:
- 3.5.1 an **Issuer** has failed to comply with these **Rules**, unless a suspension of trading is, in **IPsx's** sole opinion, likely to cause significant damage to the interests of investors or the orderly functioning of **IPsx Prime** or **IPsx Wholesale**; or
 - 3.5.2 it is unable to maintain an orderly market in respect of the **financial instruments**; or
 - 3.5.3 the **Issuer** fails to meet any additional conditions to **Admission** imposed on it by **IPsx** under Rule 1.9.
- 3.6 A suspension will become effective when **IPsx** issues a **Market Notice** to that effect.

Cancellation by IPSX

- 3.7 **IPsx** has the right to cancel the **Admission** of an **Issuer's financial instruments**:
- 3.7.1 if an **Issuer** has failed to comply with these **Rules**, in particular, the provisions of Rule I.1 of these **Rules**.
 - 3.7.2 if a **financial instrument** has been suspended for six calendar months.

Cancellation by Issuer

- 3.8 In order for an **Issuer** to cancel **Admission** of its **financial instruments**, the **Issuer** must notify **IPsx** at least ten **Business Days** prior to the intended date of cancellation.
- 3.9 Cancellation of the **Admission** of an **Issuer's financial instruments** shall be conditional upon:
- 3.9.1 the **Issuer** sending an explanatory circular to shareholders; and
 - 3.9.2 obtaining consent to the cancellation from 90% of votes cast (in person or by proxy).

Compliance and appeals

- 3.10 If an **Issuer** has contravened these **Rules**, **IPsx** may take one or more of the following actions:
- 3.10.1 suspend trading of the **Issuer's financial instruments**;
 - 3.10.2 censure of the **Issuer** and publication of the censure;
 - 3.10.3 apply a fine to the **Issuer**;
 - 3.10.4 remove the **Issuer's financial instruments** from trading; and/or
 - 3.10.5 report of any significant breaches to the **FCA** in accordance with **IPsx's** regulatory obligations.
- 3.11 **IPsx** will follow the relevant procedures set out in the **IPsx Disciplinary and Appeals Procedures**. **Issuers** must co-operate fully with **IPsx** in relation to any investigation into a breach or alleged breach of these **Rules**.

Retention of an Approved Valuer

- 3.12 An **Issuer** must retain an **Approved Valuer** at all times.
- 3.13 An **Issuer** is required to change its **Approved Valuer** after a period not longer than every five years.
- 3.14 If the **Approved Valuer** resigns or otherwise stops acting for the **Issuer**, the **Issuer** must as soon as possible:
- 3.14.1 notify **IPsx**:

- 3.14.2 provide the reason why the **Approved Valuer** has ceased to act; and
- 3.14.3 appoint a new **Approved Valuer**.
- 3.15 **IPsx** will have the right to suspend trading in the **Issuer's financial instrument** if an **Issuer** does not have an **Approved Valuer** appointed:
 - 3.15.1 for a period of over 60 calendar days; or
 - 3.15.2 at the time that its next annual or half-yearly **Red Book Valuation** is due or in any other circumstance where a **Red Book Valuation** is required.

Retention of a Market Maker

- 3.16 An **Issuer** on **IPsx Prime** or on **IPsx Wholesale** where the **Market Maker Model** has been selected must retain at least one **Market Maker** in its **financial instrument** at all times.
- 3.17 If a **Market Maker** de-registers from the **Issuer's financial instrument** and where that **Market Maker** was the only **Market Maker** in that **financial instrument**, the **Issuer** must:
 - 3.17.1 notify **IPsx** as soon as possible; and
 - 3.17.2 use reasonable endeavours to try and identify and enter into an agreement with another **Market Maker** to register in the **Issuer's financial instrument**.
- 3.18 If a **financial instrument** does not have a **Market Maker** retained for a period of 60 calendar days **IPsx** will have the right to suspend trading in the **financial instrument**.

Retention of a Stock Borrowing Arrangement

- 3.19 An **Issuer** on **IPsx Prime** or on **IPsx Wholesale** that has selected the **Market Maker Model** must maintain a **Stock Borrowing Arrangement** for each class of its **financial instruments** in accordance with these **Rules**. The **Stock Borrowing Arrangement** must facilitate the borrowing and lending of at least 3% of each class of the **Issuer's financial instruments** for the purposes of facilitating the settling of **on-Exchange trades** in that **financial instrument**, or, if the **Original Asset Owner** holds less than 3% (but at least 0.25%) of any class of the **Issuer's financial instruments** at any time, the **Stock Borrowing Arrangement** must facilitate the borrowing and lending of at least the quantity of that class of the **Issuer's financial instruments** held by the **Original Asset Owner** from time to time (regardless of whether the **Lender** in the **Stock Borrowing Arrangement** is the **Original Asset Owner** or not).
- 3.20 If the **Stock Borrowing Arrangement** ceases to meet the **Issuer's** obligations under these **Rules**, the **Issuer** must immediately inform **IPsx** and use all reasonable endeavours to implement a replacement **Stock Borrowing Arrangement** as soon as possible. If the **Issuer** is unable to enter into a replacement **Stock Borrowing Arrangement** within 60 calendar days of the date on which the previous **Stock Borrowing Arrangement** ceases to meet the **Issuer's** obligations under these **Rules**, **IPsx** will have the right to suspend the **Issuer's financial instrument** from trading

until a replacement **Stock Borrowing Arrangement** for the **Issuer's financial instrument** has been entered into.

Guidance:

*In the event that the **Original Asset Owner** holds less than 0.25% of a class of the **Issuer's financial instruments** at any time, no **Stock Borrowing Arrangement** is required for that class of the **Issuer's financial instruments**.*

*In accordance with these **Rules**, if the **Original Asset Owner** holds less than 3% (but at least 0.25%) of a class of the **Issuer's financial instrument**, the minimum quantity of each class of the **Issuer's financial instruments** that must be made available for borrowing and lending under the **Stock Borrowing Arrangement** may vary over time if the quantity of each class of the **Issuer's financial instrument** held by the **Original Asset Owner** varies within that range.*

IPsx may exercise its powers to suspend trading in a **financial instrument** if it is concerned that the **Stock Borrowing Arrangement** in place does not adequately address the stock borrowing needs of **Trading Members of IPSX Prime**.

*Deferral of Application: The application of rules 3.19 and 3.20 is deferred. **IPsx** will provide at least one month's notice prior to these rules taking effect.*

Retention of a Cornerstone Investor Representative (IPsx Wholesale only)

- 3.21 An **Issuer** on **IPsx Wholesale** whose **financial instruments** are traded under the **Broker-Driven Model** must ensure each **Cornerstone Investor** retains at least one **Trading Member** to represent its interest in its **financial instrument** at all times. The **Trading Member** will represent the **Cornerstone Investor** in respect of any buying or selling interest but will not be obliged to provide continuous quotes. **Trading Member Representatives** will provide one-way firm quotes when representing buying and selling interests.
- 3.22 If a **Trading Member** ceases to act on behalf of a **Cornerstone Investor** and that **Trading Member** was the only **Trading Member** acting on behalf of that **Cornerstone Investor**, the **Issuer** must:
- 3.22.1 notify **IPsx** as soon as possible;
 - 3.22.2 ensure the impacted **Cornerstone Investor** promptly appoints a **Trading Member** to represent its interest in the **financial instrument**.
- 3.23 If a **Cornerstone Investor** has not retained a **Trading Member** to represent its interest in the **financial instrument** for a period of 60 calendar days, **IPsx** will have the right to suspend trading in the **financial instrument**.

Issuer Website

- 3.24 The **Issuer** must maintain a website from the time of its **Admission** to trading on **IPsx** ensuring that the following minimum categories of information are made publicly available, free of charge:

- (a) its Memorandum of Association and Articles of Association
- (b) details of the corporate governance arrangements that the board of directors of the **Issuer** has decided to apply, how the **Issuer** complies with those arrangements and, where it departs from its chosen corporate governance arrangements, an explanation of the reasons for doing so.
- (c) a description of its business, operations or investment strategy (in the case of an investment vehicle)
- (d) the number of securities in issue and the percentage of securities that are part the **free float**
- (e) the identity and percentage holdings of its significant shareholders
- (f) published annual reports
- (g) published interim financial results
- (h) the annual and six-monthly **Red Book Valuation**
- (i) the **Admission Document** relied on for **Admission** to **IPsx** or **Admission** to the relevant **Qualifying Market** (if admitted as a Fast Track applicant) and
- (j) details of any restrictions the **Issuer** has in place on the transfer of its securities
- (k) details of its **Lead Adviser** and **Approved Valuer**
- (l) its regulatory announcements
- (m) any circulars sent to its shareholders

3.25 Any information published to the website in accordance with rule 3.24 must also be sent to **IPsx** Market Regulation at regulation@ipsx.com.

Guidance:

*The information described in paragraphs (f), (g), (h), (i) and (j) and any disclosures made under **MAR** must remain available on the **Issuer's** website for a period of at least five years from publication.*

Regulatory Information Service

3.26 The **Issuer** must enter into appropriate contractual arrangements with at least one **Regulatory Information Service** to facilitate compliance with its disclosure obligations under these rules. The **Issuer** must ensure that it retains at least one **Regulatory Information Service** at all times.

Price Sensitive Information

3.27 An **Issuer** must announce as soon as possible any change in:

- a. its sphere of activity;

- b. its financial position;
- c. the performance of its business; or
- d. its expectation of its performance, which, if made public, would be likely to have a significant effect on the price of its securities.

Guidance:

Price sensitive information includes but is not limited to information which is of a kind which a reasonable investor would be likely to use as part of the basis of his or her investment decisions.

Financial Reporting

3.28 The **Issuer** must publish financial information in accordance with the following:

- (a) interim results for the first half of each financial year (beginning with the six-month period following the end of the last period for which audited accounts have been published on **Admission**) must be announced as soon as possible and in any event not later than three months after the end of the relevant period; and
- (b) audited annual accounts for each financial year must be announced as soon as possible and, in any event, not later than six months after the end of the period to which they relate.

Guidance:

*If the **Issuer** is required to publish consolidated financial information, then only consolidated financial information is required to be published under this rule.*

- 3.29 If an **Issuer** is unable to meet the financial reporting timetable, **IPsx** will have the right to suspend trading in its securities.
- 3.30 The interim results must contain the information specified by Schedule Seven and be prepared on a basis consistent with the accounting policies which will be applied by the **Issuer** in its next annual accounts.
- 3.31 The announcement of an **Issuer**'s audited annual accounts must contain the information specified by Schedule Seven.
- 3.32 An **Issuer** must produce annual audited accounts in accordance with their obligations under the **Prospectus Rules**, if applicable. If the **Prospectus Rules** do not apply, other appropriate accounting standards may be applied with the prior agreement of **IPsx**, such as UK GAAP. Where **IPsx** agrees that an **Issuer** may produce annual accounts to another appropriate standard, **IPsx** may require the **Issuer** to state and publish via a **Regulatory Information Service** any significant differences between the accounting policies of that alternative standard and the standard prescribed by the **Prospectus Rules**.
- 3.33 Where the audit report for the annual accounts of an **Issuer** has been modified in relation to the **Issuer**'s status as a going concern, the **Issuer** must thereafter prepare a trading statement for the first and third quarters of each financial year (commencing with the first such quarter to end after the announcement of the **Issuer**'s final results to which the modified audit report relates) until an audit report without modification is published for a subsequent financial period. The trading

statement must be announced as soon as possible and no later than one month after the end of the relevant period, and contain the following information:

- (a) an explanation of the impact of any material events, transactions or developments that have taken place during the relevant period; and
- (b) a general description of the financial position and performance of the **Issuer** during the relevant period.

Corporate Actions

- 3.34 The **Issuer** must announce as soon as possible any decision to pay a dividend and the amount, or other action affecting the rights of holders of its **financial instruments**, together with a detailed timetable covering such matters as record, posting, acceptance and payment dates.
- 3.35 The **Issuer** must agree with **IPsx** a proposed corporate actions timetable. This should be done via an email to **IPsx** Market Regulation (regulation@ipsx.com) in advance of an announcement and by no later than 9am on the **Business Day** preceding the announcement. Any amendments to the timetable proposed by the **Issuer** must be immediately disclosed to **IPsx**.

Asset Development Plans (IPsx Wholesale only)

- 3.36 An **Issuer** is required substantially to implement its asset development strategy within a period of five years following **Admission** to trading. In the event that an **Issuer** has not substantially implemented its asset development strategy within a period of five years, **IPsx** will have the right to suspend trading of the **Issuer's financial instruments**.

Guidance:

*Factors that **IPsx** will take into consideration prior to suspending trading in an **Issuer's financial instruments** include whether the **Issuer's** shareholders continue to approve the **Issuer's** asset development strategy.*

Periodic valuation reporting

- 3.37 An **Issuer** must obtain an annual **Red Book Valuation** and a half-yearly **Red Book Valuation** in respect of the first six months of each financial year. The **Red Book Valuation** must be prepared:
 - 3.37.1 by an **Approved Valuer**;
 - 3.37.2 in accordance with the **Red Book**; and
 - 3.37.3 in accordance with Schedule Three (**Red Book Valuation** Requirements).
- 3.38 The annual **Red Book Valuation** must be made public within four months after the end of the **Issuer's** financial year and in any event no later than the publication of an **Issuer's** annual financial report.

- 3.39 The half-yearly **Red Book Valuation** must be made public no later than 60 calendar days after the end of the period to which the report relates and, in any event, no later than the publication of an **Issuer's** half-yearly financial report.
- 3.40 An **Issuer** must ensure that its annual **Red Book Valuations** and semi-annual **Red Book Valuations** remain publicly available on a website for at least five years.

Disclosure of information to a Regulatory Information Service

- 3.41 In addition to notifications required by the **disclosure obligations** and the **Disclosure Guidance and Transparency Rules**, an **Issuer** must notify to a **Regulatory Information Service**:
- 3.41.1 the resignation, dismissal or appointment of any director of the **Issuer**;
 - 3.41.2 any change in its accounting date, registered office address or legal name;
 - 3.41.3 any proposed or actual change in an **Issuer's** capital structure or issued share capital;
 - 3.41.4 any change to the **Approved Valuer**; and
 - 3.41.5 details of all resolutions passed at general meetings of the **Issuer**.

Appointment of a Lead Adviser

- 3.42 An **Issuer** must appoint a **Lead Adviser** in the event that the **Issuer** may:
- 3.42.1 enter into a transaction which, due to its size or nature, could amount to a **significant transaction, related party transaction or reverse takeover**;
 - 3.42.2 intend to have its **Admission** cancelled;
 - 3.42.3 be in severe financial difficulty, including in relation to any capital requirement necessary for the maintenance of a material part of its underlying **Assets**.

Significant transaction

- 3.43 An **Issuer** must notify a **Regulatory Information Service** of the information set out below as soon as possible after the terms of any **significant transaction** are agreed:
- (a) a description of the transaction, including the name of the other party;
 - (b) a description of the **Assets** the subject of the transaction;
 - (c) the value of the **Assets** the subject of the transaction as determined and reported on by an **Approved Valuer** and the extent to which such **Assets** are leveraged;
 - (d) the **gross rental income** attributable to the **Assets** the subject of the transaction;

- (e) the amount, nature and value of the consideration;
- (f) the reasons for the transaction and the expected effect of the transaction on the **Issuer**; and
- (g) for a disposal, the application of the sale proceeds.

Related party transaction

3.44 Where an **Issuer** wishes to enter into a **related party transaction**, it must:

- 3.44.1 send an explanatory circular to shareholders;
- 3.44.2 obtain consent to the transaction by procuring the consent of the holders of not less than 90% of votes cast (in person or by proxy) from those shareholders entitled to vote;
- 3.44.3 ensure that any agreement that effects such transaction is conditional on such shareholder approval being obtained.

Any voting rights held by the **related party** in question must be disregarded for the purposes of the general meeting at which shareholder approval is sought.

Reverse takeover

3.45 Where an **Issuer** wishes to enter into a reverse takeover, it must:

- 3.45.1 send an explanatory circular to its shareholders and
- 3.45.2 obtain their prior approval in a general meeting for the transaction which constitutes the reverse takeover, and
- 3.45.3 ensure that any agreement that effects such transaction is conditional on that shareholder approval being obtained; and
- 3.45.4 notify to a **Regulatory Information Service**, as soon as possible after the terms of a notifiable transaction are agreed.

3.46 **IPsx** will generally suspend the **Issuer's financial instruments** when a **reverse takeover** is announced or where details of the **reverse takeover** have leaked.

3.47 Upon shareholder approval of the **reverse takeover** **IPsx** will remove the **financial instrument** of the **Issuer**. A new **Issuer** application for **Admission** would be required for the newly formed company as defined in these **Rules**.

Corporate governance

- 3.48 The board of an **Issuer** must specify the corporate governance arrangements which the **Issuer** has decided to apply, how the **Issuer** complies with those arrangements, and where it departs from its chosen corporate governance arrangements an explanation of the reasons for doing so.

Policies and procedures for Directors' dealings

- 3.49 The **Issuer** must adopt policies and procedures for dealings in the **Issuer's** securities by **persons** discharging managerial responsibility and **persons** closely associated with them. The policies and procedures must be designed to ensure that the **Issuer**, **persons** discharging managerial responsibility and **persons** closely associated with them comply with B. The policies and procedures must:
- (a) identify when the **Issuer** is in a closed period;
 - (b) set out the circumstances where **persons** discharging managerial responsibility and **persons** closely associated with them must obtain clearance to deal in the **Issuer's** securities, the process for obtaining clearance and the circumstances when clearance will not be granted;
 - (c) establish procedures by which **persons** discharging managerial responsibility and **persons** closely associated with them will notify the **Issuer** and the **FCA** of dealings; and
 - (d) establish procedures by which the **Issuer** will announce dealings in accordance with **MAR**.

Guidance:

Issuers should also have regard to the requirements in **MAR** Article 19.

HM Land Registry

- 3.50 An **Issuer's** applications and submissions to the UK Land Registry must be filed in accordance with HM Land Registry guidelines and kept up to date at all times.

Change of IPSX Wholesale Market Model

- 3.51 An **Issuer** of a **financial instrument** admitted to **IPSX Wholesale** may change the **IPSX Wholesale Market Model** in which that **financial instrument** is traded provided that the **financial instrument** has traded under its current **IPSX Wholesale Market Model** for a minimum period of six months.
- 3.52 Where an **Issuer** intends to change the selected **Wholesale Market Model** from the **Broker-Driven Model** to the **Market Maker Model**, it must demonstrate that a **Stock Borrowing Arrangement** is in place for its **financial instruments** at least two **Business Days** prior to the date of the implementation of the change.

*Deferral of Application: The application of rule 3.52 is deferred. **IPsx** will provide at least one month's notice prior to this rule taking effect.*

Guidance:

A **financial instrument** admitted to **IPsx Wholesale** will remain in the **IPsx Wholesale Market Model** selected by the **Issuer** unless that **Issuer** actively opts to make a change.

IPsx does not limit the number of times that a **financial instrument** admitted to **IPsx Wholesale** changes the **IPsx Wholesale Market Model** under which it is traded, subject to a minimum period of six months between each change.

An **Issuer** wishing to change the **Market Model** in which its **financial instrument** is traded must complete the appropriate form on the **IPsx** website and provide it to regulation@ipsx.com. A minimum of ten **Business Days**' notice of the change is required and the applicable fee must be paid. The **Issuer** must ensure that the **Market Maker** or **Cornerstone Investor Representative(s)** (as applicable, subject to the requirements of the **IPsx Wholesale Market Model** which the **Issuer** wishes to enter) provide **IPsx** with the required registration forms at least two **Business Days** prior to the date of the implementation of the change.

Investing Companies

- 3.53 An **Investing Company** requires shareholder approval of any changes to its **Acquisition Policy** and the revised **Acquisition Policy** must be published.
- 3.54 An **Investing Company** must discuss the ongoing progress of the implementation of its **Acquisition Policy** each annual general meeting and seek consent of its shareholders to continue with that policy. If consent is not given, then, promptly, amendments to the policy should be proposed and shareholder consent obtained.

Guidance:

Although an **Investing Company** is entitled to amend its **Acquisition Policy**, any changes made after the acquisition of the **Investing Company's** first **Asset** must ensure that the **Investing Company** continues to be consistent with the definition of a **Single Asset Issuer** or a **Multiple Asset Issuer**.

- 3.55 If an **Investing Company** completes the objectives(s) of its **Acquisition Policy**, and does not intend to continue making acquisitions, the **Issuer** will cease to be an **Investing Company** and instead become a **Single Asset Issuer** or a **Multiple Asset Issuer**.
- 3.56 After an **Investing Company** has acquired its first **Asset**, it must promptly appoint an **Approved Valuer**. From the time of the acquisition of its first **Asset** the **Investing Company** must obtain and publish annual and half-yearly **Red Book Valuations** in accordance with rules 3.37 – 3.39 of these **Rules**.

Guidance:

If an acquisition by an **Investing Company** meets the definition of a **significant transaction**, then an **Approved Valuer** must be appointed prior to the transaction and a **Red Book Valuation** published in accordance with these **Rules**.

- 3.57 The Board of an **Investing Company** must approve a **reverse takeover** before it is entered into. The following may not vote on the relevant board resolution:
- (i) a director, or an associate of a director, of the target or of a subsidiary undertaking of the target; and
 - (ii) any director who has a conflict of interest in relation to the target or a subsidiary undertaking of the target;
- 3.58 The **Investing Company** must obtain the approval of its shareholders for a **reverse takeover**:
- (a) either:
 - (i) before the transaction is entered into; or
 - (ii) if the transaction is expressed to be conditional on that approval, before it is completed; and
 - (b) Any **Founding Shareholder, Sponsor** or director must not vote on the applicable shareholder resolution;
- 3.59 An **Investing Company**, where any director has a conflict of interest in relation to the target or a subsidiary undertaking of the target, must publish, in sufficient time before shareholder approval for a **reverse takeover** is sought, a statement by the board that:
- (a) the proposed transaction is fair and reasonable as far as the **Public Shareholders** of the **Investing Company** are concerned; and
 - (b) the directors have been so advised by an appropriately qualified and independent adviser;
- 3.60 The matters described in rules 3.53 to 3.59 must be included in the **Investing Company's Prospectus** or **Admission Document**.
- 3.61 An **Investing Company** must ensure that the aggregate value of its **Assets** and **Investible Funds** continues to have a value of at least £50 million. In the event that this value falls below £50 million, the **Investing Company** must promptly notify **IPSEX**.

Schedule One – Information for Admission Documents

An **Admission Document** is required where an **Issuer** is not required to produce a **Prospectus**. An **Admission Document** must, as a minimum, contain the information set out below and any further information which an investor would reasonably require in order to make an informed assessment of the financial position and prospects of the **Issuer** and the rights attaching to its **financial instruments**.

Part I: Information about the Issuer

Persons Responsible

1. A declaration by the directors of the **Issuer** that, having taken all reasonable care to ensure that such is the case, the information contained in the **Admission Document** is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

Statement by the Issuer

2. An **Applicant** seeking **Admission** of **financial instruments** that (a) are not admitted to the **Official List**, and (b) has not produced a **Prospectus**, must include:

- 2.1 in bold on the first page of its **Admission Document**, the name of its **Lead Adviser** and the following paragraphs:

- *"The International Property Securities Exchange ("**IPsx**") is a market dedicated to the trading of shares in companies holding commercial real estate or infrastructure assets. The financial instruments of [Issuer] that will be admitted to trading on **IPsx** are not admitted to the Official List of the United Kingdom Listing Authority.*
- *A prospective investor should be aware of the risks of investing in companies admitted to **IPsx** and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. An investment in [Issuer] does not offer diversified exposure to a range of assets.*
- ***IPsx** has not itself examined or approved the contents of this document."*

- 2.2 [**IPsx Wholesale** only] appropriate language to reflect the fact that **IPsx Wholesale** is intended for **Institutional Investors** only.

Statutory Auditors

3. 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).
4. If auditors have resigned, been removed or have not been re-appointed during the period covered by the historical financial information, the **Issuer** should provide further details (if material).

Risk Factors

5. Prominent disclosure of risk factors that are specific to the **Issuer** in a section headed "Risk Factors", including but not limited to the following:

- Risks relating to non-diversified property assets.
- Property asset prices or related capital costs may fluctuate, which could impact on return.
- Any other factors which may affect the **Issuer's** ability to meet its obligations to shareholders.

History of the Issuer

6. The legal and commercial name of the **Issuer**.
7. The place of registration of the **Issuer** and its registration number.
8. The date of incorporation and the length of life of the **Issuer**, except where indefinite.
9. The domicile and legal form of the **Issuer**, the legislation under which the **Issuer** operates, its country of incorporation, website, and the address and telephone number of its registered office (or principal place of business if different from its registered office).

Investments

10. A description of the **Issuer's** principal investments for the last three financial years (where applicable).
11. A description of the **Issuer's** principal investments.
12. A description of, and key factors relating to, the nature of the **Issuer's** operations and its principal activities, which must include reference to the property **Asset(s)** it invests in.

Business Overview

13. If material to the **Issuer's** business or profitability, summary information regarding the extent to which the **Issuer** is dependent on licences, or commercial or financial contracts (including in relation to third parties, such as property agents).
14. The basis for any statements made by the **Issuer** regarding its competitive position.

Organisational Structure

15. If the **Issuer** is a member of a group, a brief description of the group and of the **Issuer's** position within the group at the point of **Admission**.

Trend Information

16. Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the **Issuer's** prospects for at least the current financial year.

Profit Forecasts or Estimates

17. If an **Issuer** chooses to include a profit forecast, projection or estimate, the **Admission Document** must contain:

- a statement setting out the principal assumptions upon which the **Issuer** has based its forecast, projection or estimate. The assumptions must be readily understandable by investors and be specific and precise, and not relate to the general accuracy of the estimates underlying the forecast; and
- confirmation that, having made due and careful enquiry, the forecast, projection or estimate has been properly compiled on the basis stated and that the basis of accounting used for the profit forecast, projection or estimate is consistent with the accounting policies of the **Issuer**.

Administrative, Management, and Supervisory Bodies and Senior Management

18. The following information in relation to each of the **Issuer's** directors and proposed directors:
- full name, function, business address and the nature of any **Family** relation between those persons;
 - the names of all companies and partnerships of which such person has been a director or partner during the previous five years;
 - details of any unspent convictions in relation to indictable offences, in connection with any directorships or partnership roles held with the **Issuer** or companies or partnerships operating in the same or a materially similar sector to the **Issuer**; and
 - details of any official public incrimination or sanction of such person by statutory or regulatory authorities (including **designated professional bodies**) and whether such person has ever been disqualified by a court from acting in the management or conduct of the affairs of a company or a partnership relating to a sector that is the same or materially similar to the **Issuer**, for at least the previous five years.
19. Information about the directors' service contracts with the **Issuer** or any of its subsidiaries providing for benefits upon termination of employment, or an appropriate negative statement.
20. The aggregate amount of remuneration paid (including any contingent or deferred compensation) and benefits in kind granted to the directors by the **Issuer** during the last completed financial year.
21. In relation to each director and proposed director (including members of their **Family** and **Connected Persons**), their share ownership and any options over such shares in the **Issuer** at the most recent practicable date.
22. A statement as to whether or not the **Issuer** complies with its country of incorporation's corporate governance regime(s).

Major Shareholders

23. Insofar as within the **Issuer's** knowledge or which could with reasonable diligence be ascertained, details of any **substantial shareholdings** in an **Issuer's** shares, stating whether before or after **Admission**.
24. 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**.

Related Party Transactions

25. The nature and extent of any **related party transactions** required to be disclosed under the accounting standards applicable to the **Issuer**, to which the **Issuer** was a party during the period of twelve months preceding the issuance.

Historical Financial Information

26. Independently audited historical financial information covering the latest three financial years (or such shorter period that the **Issuer** has been in operation) that has been prepared in accordance with UK GAAP, US GAAP, International Financial Reporting Standards or other appropriate accounting standard agreed with **IPsx**. **IPsx** may require that the **Issuer** disclose any significant differences between the accounting standards adopted by the **Issuer** and the accounting standards imposed by the **Prospectus Rules**.
27. The financial information must include a statement that the historical financial information has been audited and, for the purposes of the **Admission Document**, the financial statements give a true and fair view, in accordance with applicable accounting practices.
28. If an **Issuer's** last financial statements contain an audit report which has been qualified or modified for whatever reason, **Admission** may be delayed until **IPsx** receives appropriate confirmation such qualification or modification will cease to apply by the date of **Admission**.
29. A statement by the directors of the **Issuer** that the financial information disclosed under this Part has been prepared in accordance with the law applicable to the **Issuer**, and that they accept responsibility for it.

Financial Statements

30. If the **Issuer** prepares both individual and consolidated annual financial statements, it must include at least the audited consolidated annual financial statements for the previous three financial years or, if shorter, the period since incorporation in the **Admission Document**. Every material subsidiary of the **Issuer** must be included unless the accounting standards adopted by the **Issuer** otherwise require.

Interim and Other Financial Information

31. If the **Issuer** has published quarterly or interim financial information since the date of its last audited financial statements, these must be included in the **Admission Document** together with a statement of whether the quarterly or half yearly financial information has been audited or reviewed.
32. If the **Admission Document** is dated more than 9 months after the end of the last audited financial year, the **Admission Document** must contain interim financial information covering at least the first six months of the following financial year presented and prepared in a form consistent with that which will be adopted in the **Issuer's** annual financial statements.

Legal and Arbitration Proceedings

33. Information on any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the **Issuer** is aware), during a period covering at least the

previous twelve months which may have, or have had a significant effect on the **Issuer** and/or group's financial position or profitability, or an appropriate negative statement.

Significant Change in Financial or Trading Position

34. A description of any significant change in the financial or trading position of the **Issuer** or any member of the group with a material shareholding in the **Issuer** which has occurred since the end of the last financial period for which either audited financial information or interim financial information have been published (including any significant change to indebtedness), or an appropriate negative statement.

Working Capital Statement

35. A statement by the **Issuer** that the working capital available to the **Issuer** will be sufficient for the **Issuer's** present requirements, or, if not, how it proposes to provide the additional working capital required following **Admission**.
36. A summary of any capital resources the **Issuer** has reserved for the purposes of planned capital expenditure (including in relation to the refurbishment or redevelopment of any real estate **Assets** or infrastructure that it owns).

Share Capital

37. The amount of issued capital, and for each class of share capital:
- the number of shares issued; and
 - the par value per share, or that the shares have no par value.
38. If there are shares not representing capital, the number and main characteristics of such shares.

Memorandum and Articles of Association

39. A description of the **Issuer's** objects and purposes and where they can be found in the memorandum and articles of association.
40. A summary of any provisions of the **Issuer's** articles of association, statutes, charter or bylaws with respect to the directors.
41. A description of the rights, preferences and restrictions attaching to each class of share capital.
42. A description of what action is necessary to change the rights of holders of the shares, indicating where the conditions are more significant than is required by law.
43. A description of the conditions governing the manner in which annual general meetings and extraordinary general meetings of shareholders are called including the conditions of **Admission**.
44. A brief description of any provision of the **Issuer's** articles of association, statutes, charter or bylaws that would have an effect of delaying, deferring or preventing a change in control of the **Issuer**.
45. An indication of the articles of association, statutes, charter or bylaw provisions, if any, governing the ownership threshold above which shareholder ownership must be disclosed.

46. A description of the conditions imposed by the memorandum and articles of association, statutes, charter or bylaw governing changes in the capital, where such conditions are more stringent than is required by law.

Material Contracts

47. A summary of each material contract, other than contracts entered into in the ordinary course of business, to which the **Issuer** or any member of the group is a party, for the two years immediately preceding publication of the **Admission Document**.
48. A summary of any other contract (not being a contract entered into in the ordinary course of business) entered into by any shareholder which contains any provision under which any shareholder has any obligation or entitlement which is material to the group as at the date of the **Admission Document** (including, but not limited to relevant asset / sub-asset management agreements).

Collective Investment Undertakings

49. Where the **Issuer** is a collective investment undertaking:
50. **Investment Objective and Policy**
- (a) a detailed description of the investment objective and policy which the **Issuer** will pursue and a description of how that investment objective and policy may be varied including any circumstances in which such variation requires the approval of investors;
 - (b) the borrowing and/or leverage limits of the **Issuer** (or if there are no such limits, a statement to that effect);
 - (c) the regulatory status of the **Issuer**, together with the name of any regulator in its country of incorporation.
51. **Investment Restrictions**
- (a) a statement to the effect that the **Issuer** is a collective investment undertaking, the percentage of the portfolio that is invested in the property, a description of the property and any material costs relating to the acquisition and holding of such property;
 - (b) a statement of any investment restrictions which apply to the **Issuer**, if any, and an indication of how the holders of **financial instruments** will be informed of the actions that the investment managers / directors of the **Issuer** will take in the event of a breach;
52. **Material Fees**
- (a) the actual or estimated maximum amount of all material fees payable directly or indirectly for any services under arrangements entered into on or prior to the date of the registration

document and a description of how these fees are calculated (or a description of any fee payable directly or indirectly where it cannot be quantified);

- (b) if it is in receipt of any benefits from third parties (other than the **Issuer**) by virtue of providing any services to the **Issuer**, and those benefits may not accrue to the **Issuer**, a statement of that fact, the name of that third party, if available, and a description of the nature of the benefits;
- (c) the name of the **Approved Valuer**;
- (d) a description of any material potential **Conflicts of Interest** which any of the service providers to the **Issuer** may have as between their duty to the **Issuer** and duties owed by them to third parties and their other interests;

53. **Investment Managers / Advisors**

- (a) in respect of any investment manager of the collective investment undertaking, such information as is required to be disclosed under disclosures 6 to 9 above together with a description of its regulatory status and experience;
- (b) in respect of any entity providing investment advice in relation to the **Assets** of the **Issuer**, the name and a brief description of the entity;

54. **Custody**

- (a) a full description of the **Assets** of the **Issuer** that will be held, and by whom and any fiduciary or similar relationship between the **Issuer** and any third party in relation to custody (if applicable);
- (b) where a custodian, trustee, or other fiduciary is appointed:
 - (i) such information as is required to be disclosed under disclosures 6 to 9 above;
 - (ii) a description of the obligations of that party under the custody or similar agreement;
 - (iii) any delegated custody arrangements;
 - (iv) the regulatory status of such party and delegates;

55. **Valuation**

- (a) a description of how often, and the valuation principles and the method by which, the **Asset(s)** owned by the **Issuer** will be determined. Where the **Issuer** owns more than one **Asset**, the way in which these valuations will be disclosed to investors, e.g. by listing each **Asset** individually, or by categorising the **Assets**. In the latter case, the categories that will be used should be disclosed;
- (b) details of all circumstances in which valuations may be suspended and a statement of how such suspension will be communicated or made available to investors;

56. **NAV Per Security**

An indication of the most recent net asset value per security.

Investing Company

57. **Acquisition Policy**

Where the **Issuer** is an **Investing Company**, the **Acquisition Policy**.

Part 2: Information about the Issuance/Admission to Trading

Interests of persons involved in the issue

57. A description of any interest, including conflicting interests that are material to the issue, detailing the persons (as defined in the **FCA Handbook**) involved and the nature of the interest.

Reasons for the Issuance and Use of Proceeds

58. Reasons for the issuance and, where applicable, the estimated net amount of the proceeds broken into each principal intended use and presented by order of priority of such uses.
59. Details must be given with regard to the use of the proceeds, in particular when they are being used to acquire and/or develop **Assets**, other than in the ordinary course of business, to finance announced acquisitions of other business and/or **Assets**, or to discharge, reduce or retire indebtedness.

Information concerning the financial instruments to be Issued/Admitted to Trading

60. A description of the type and the class of the **financial instruments** being issued/admitted to trading, including the ISIN (International Security Identification Number), and CFI Code, or other such security identification code.
61. Legislation under which the **financial instruments** have been created.
62. Currency of the **financial instruments** issue.
63. A description of the rights attaching to the **financial instruments**, including where applicable, if the **financial instruments** are shares, rights as regards:
- (a) voting;
 - (b) dividends;
 - (c) return of capital on the winding up of the **Issuer**;
 - (d) redemption;
 - (e) pre-emption rights.
64. Confirmation that there are no restrictions on the free transferability of the **financial instruments** being issued.
65. The dates on which entitlement to dividends or interest arises.

66. Information on taxes on the income from the **financial instruments** withheld at source.

Terms and Conditions of the Issuance

67. The number of **financial instruments** being issued.

68. A statement of whether or not the issuance is conditional on **Admission**.

69. The period during which the issuance of the **financial instruments** is open.

70. The price at which the **financial instruments** are issued or, if appropriate, the procedure, method and timetable for fixing the price.

71. The arrangements for payment for the **financial instruments** being allocated and the arrangements and timetable for their delivery.

72. The arrangements, during the period prior to the delivery of the **financial instruments**, relating to the moneys received from applicants including the arrangements and timetable for the return of moneys to applicants where their applications are not accepted in whole or in part.

Schedule Two – Core Issuer Information Requirements

Part A– Information requirements for Issue of Securities

All **Applicants** are required to provide **IPSX** with the following information:

	Information to be supplied	Frequency
Issuer Details	Issuer institution name	On Admission
	Issuer institution country of incorporation	On Admission
	Issuer institution registered address and, if different, its trading address	On Admission
	Brief description of the business, including a description of the underlying Single Commercial Property Asset or the Multiple Commercial Property Asset	On Admission
	The Acquisition Policy (if the Issuer is an Investing Company)	On Admission
	Full names and functions of its Issuer directors	On Admission , and when Directors change
	Full names of Substantial Shareholders as anticipated at the date of Admission	On Admission , and when significant shareholders change
	Financial reporting dates (fiscal year end)	On Admission
	Financial reports. If the Issuer is required to publish consolidated financial reports, then only consolidated financial reports are required	On Admission , and when subsequently published
	Name of the Lead Adviser and the Approved Valuer	On Admission , and if there is a change
	Name of the Market Maker or Cornerstone Investor Representative(s) (as applicable)	On Admission , and if there is a change
	An explanation of the corporate governance standards the Issuer has decided to apply	On Admission , and if there is a change
	Completed Lead Adviser Declaration in respect of the Issuer in the format specified in Schedule Four in these Rules	On Admission
Instrument Details	Number and type of financial instruments	On Admission
	The number of securities held as treasury shares, if applicable	On Admission
	Capital to be raised on Admission , i.e. the expected market capital	On Admission
	Number and percentage of Financial Instruments that are expected to form part of the free float	On Admission
	Expected date of Admission	On Admission
	Expected yield at Admission	Pre- Admission
Property Details	Red Book Valuation reports. On Admission , the Red Book Valuation must not be dated more than six months prior to the Admission date, unless previously agreed with IPSX	On Admission and six-monthly thereafter
Other	The information required by Schedule One of the IPSX Rules for Issuers (Information for Admission Documents)	On Admission

Part B – Additional information requirements for Fast Track Applicants

All **Applicants** seeking a Fast Track **Admission** to **IPsx Wholesale** must, in addition to Part A of this Schedule Two, provide **IPsx** with the following information:

	Information to be supplied
Fast Track Issuer Details	The name of its Qualifying Market and the date on which it was admitted to trading
	Confirmation that it has not breached any legal or regulatory requirements during the time that its securities have been admitted to trading on its Qualifying Market . If any such breach has occurred, all relevant details must be disclosed
	Details of any lock-in arrangements in place
	The number of securities held as treasury shares
	Any other information required by Schedule One of the IPSX Rules for Wholesale Issuers (Information for Admission Documents) that is not currently available publicly in English and the applicant wishes to include in its pre-admission announcement. Any such information that the Applicant chooses not to include in its pre-admission announcement must be made publicly available elsewhere. If the Applicant chooses to make this information publicly available elsewhere, information on where it can be found must be included here instead.

Part C – Information requirements for further Issues of Securities

All **Applicants** seeking **Admission** for a further issue of **financial instruments** of a class already admitted to **IPsx** are required to provide **IPsx** with the following information:

- a) **Issuer** institution name;
- b) the number and type of **financial instruments**;
- c) the capital to be raised on **Admission**;
- d) the number and percentage of **financial instruments** that will form the **free float** following **Admission**;
- e) the full names of significant shareholders before and after the date of **Admission**; and
- f) the expected date of **Admission**.

Schedule Three – Red Book Valuation Requirements

The **Red Book Valuation** must, as a minimum, include:

- A. the basis of the valuation;
- B. a Strengths, Weaknesses, Opportunities and Threats (“SWOT”) analysis;
- C. a responsibility statement; and
- D. a statement of covenant strength.

A. The basis of the valuation must be prepared in accordance with the **Red Book** and are as follows:

- (i) **Market Rent**;
- (ii) **Market Value**;
- (iii) **Market Value** under the **Special Assumption** of vacant possession;
- (iv) **Special Assumptions** related to any projected values; and
- (v) insurance reinstatement cost.

All measurements contained within the **Red Book Valuations** must be in accordance with accepted market practice, which should be either the International Property Measurement Standards or the current edition of the **RICS** Code of Measuring Practice.

B. The SWOT analysis should capture the key factors, included in the valuation, that could impact on future valuations, including impact of internal and external factors which could impact the value of the physical **Asset(s)**, further development, and income.

C. The responsibility statement must be given by the **Approved Valuer** confirming that it has complied with:

- The current edition of the **RICS** Valuation – Global Standards & UK National Supplement (as appropriate)
- ***RICS** Global Professional and Ethical Standards*
- the **RICS** *Professional Standards and Guidance, Global Conflicts of Interest* and any further **RICS** guidance on conflicts of interest for the specific market (i.e. the UK) in carrying out its services.

D. All **Red Book Valuations** produced by **Issuers** admitted to trading on **IPsx** must include Statement of Tenant Covenant Strength. The report shall include (unless not applicable due to asset type or class, when alternate is appropriate) the following:

For **Single Asset Issuers**:

	Previous reporting period	Current reporting period
Number of tenants	✓	✓
Number of leases	✓	✓

Market Rent (£/sq. ft)	✓	✓
Headline Estimated Rental Value		✓
Rental income (%) by valuer's Risk Perception of tenants	✓	✓
Total Gross Income	✓	✓
Total Net Income	✓	✓
Weighted Average Unexpired Lease Term (years to break and years to lease expiry)	✓	✓
Tenant Use by Rent		✓
Top 10 Tenants by rent (% and value) <i>Each tenant to be identified by Valuer's Risk Perception. Where there are less than ten tenants, or the disclosures are commercially sensitive, the Exchange may accept an aggregated figure.</i>		✓
Initial Yield		✓
Equivalent Yield		✓
Reversionary Yield		✓

Where applicable, the Statement of Tenant Covenant Strength should include Credit Rating Agency (CRA) ratings of the underlying tenants. Examples of acceptable CRAs include those authorised by the **FCA**.

For Multiple Asset Issuers:

For any individual **Asset** that accounts for more than 25% of the Gross Rental income of the Multiple Issuer's portfolio, the information specified for **Single Asset Issuers** should be published for that individual **Asset**. In addition, the information specified below should be published for the entire portfolio.

Portfolio	Previous reporting period	Current reporting period
Number of Assets	✓	✓

Number of leases	✓	✓
Total Gross Income	✓	✓
Total Net Income	✓	✓
Weighted Average Unexpired Lease Term (years to break and years to lease expiry)	✓	✓
Aggregate size of Assets (sq. ft)	✓	✓
Market Rent (£/sq. ft)	✓	✓
Initial Yield		✓
Equivalent Yield		✓
Reversionary Yield		✓

Terms used in this section and not defined in these **Rules** are to be interpreted in accordance with the **Red Book**.

Schedule Four - Lead Adviser Declaration

The declaration made by the **Lead Adviser** must be in the following terms.

"I [*insert name of authorised individual*], duly authorised on behalf of [*name of Lead Adviser*], declare that in the reasonable opinion of [**Lead Adviser**], having made due and careful enquiry:

- the **Applicant** has satisfied all of the applicable requirements set out in the **IPsx Rules for Issuers**; and
- the directors of the **Applicant** have established procedures which enable the **Applicant** to comply with the **IPsx Rules for Issuers**."

Schedule Five – Class Tests

This Schedule sets out the following **class tests**:

- A. the **Market Value** test;
- B. the **gross rental income** test;
- C. the consideration test.

A. The **Market Value** test

For **Single Asset Issuers** and **Multiple Asset Issuers**, the **market value** test is calculated by dividing the market value of the assets that are the subject of the transaction by the market value of the **Issuer's** underlying **Single Commercial Property Asset** or **Multiple Commercial Property Assets**.

For **Investing Companies**, the **market value** test is calculated by dividing the market value of the assets that are the subject of the transaction by the market value of the **Investing Company's Single Commercial Property Asset** or **Multiple Commercial Property Assets**, plus the remaining **Investible Funds** of the **Investing Company**.

B The **gross rental income** test

The **gross rental income** test is calculated by dividing the **gross rental income** attributable to the underlying assets that are the subject of the transaction by the **gross rental income** of the **Issuer**, unless the **Issuer** is an **Investing Company**, and the acquisition is made in accordance with its **Acquisition Policy** in which case this test is disapplied.

C The consideration test

1. The consideration test is calculated by taking the consideration for the transaction as a percentage of the aggregate market value of all the **financial instruments** (excluding treasury shares, if any such shares are in issue) of the **Issuer**.
2. For the purposes of paragraph 1:
 - a. the consideration is the amount paid to the contracting party;
 - b. if all or part of the consideration is in the form of **financial instruments** to be traded on a market, the consideration attributable to those **financial instruments** is the aggregate market value of those **financial instruments**; and
 - c. if deferred consideration is or may be payable or receivable by the **Issuer** in the future, the consideration is the maximum total consideration payable or receivable under the agreement.
3. For the purposes of paragraph 2(b), the figures used to determine consideration consisting of:
 - a. **financial instruments** of a class already traded on **IPsx**, must be the aggregate market value of all those **financial instruments** on the last **Business Day** before the announcement; and

- b. a new class of **financial instruments** for which an application for **Admission** to **IPsx** will be made, must be the expected aggregate market value of all those **financial instruments**.
4. For the purposes of paragraph 1, the figure used to determine market capitalisation is the aggregate market value of all the **financial instruments** (excluding treasury shares, if any such shares are in issue) of the **Issuer** at the close of business on the last **Business Day** before the announcement.

Anomalous results

*Guidance: If a calculation under any of the **class tests** produces an anomalous result or if a calculation is inappropriate to the activities of the **Issuer**, **IPsx** may modify the relevant **Rule** to substitute other relevant indicators of size, including industry specific tests.*

Adjustments to figures

*Guidance: Where an **Issuer** wishes to make adjustments to the figures used in calculating the **class tests** pursuant to the guidance above in relation to anomalous results, they should discuss this with **IPsx** before the **class tests** crystallise.*

Schedule Six – IPSX Corporate Governance Principles

Issuers must comply with the Corporate Governance Principles described below.

- The chairperson should be independent.
- A majority of the board should be independent of the property management company and the **Approved Valuer**.
- Directors should be submitted for re-election at regular intervals.
- The board should have a policy on tenure, which is disclosed in the annual report.
- The board should aim to have a balance of skills, experience, length of service and knowledge of the **Issuer** and the underlying **Single Commercial Property Asset** or **Multiple Commercial Property Asset**.
- The board should undertake a formal and rigorous annual evaluation of its own performance and that of its committees and individual directors.
- Directors' remuneration should reflect their duties, responsibilities and the value of their time spent.
- The independent directors should take the lead in the appointment of new directors and the process should be disclosed in the annual report.
- Directors should be offered relevant training on their general responsibilities as Directors as well as the responsibilities of an **Issuer**.
- The board should monitor and evaluate the level of services provided by the property management company.
- The board should meet on at least a quarterly basis with additional meetings as and when required.

Schedule Seven – Financial Results

- I. The announcement of an **Issuer's** interim results must as a minimum contain the following information:
 - a. a statement by the board of directors
 - b. the statement of financial position, including:
 - fixed assets
 - current assets
 - current liabilities
 - other liabilities
 - share capital
 - reserves
 - c. the statement of income, including:
 - turnover
 - gross profit (or loss) before tax
 - tax
 - profit (or loss) after tax
 - d. in respect of the financial information disclosed under I(b) and I(c) above, comparative information for the previous corresponding period, together with a summary of any change in the **Issuer's** accounting policy likely to affect the validity of the comparison
 - e. a statement of whether or not the information has been reviewed by the **Issuer's** auditor.
2. The announcement of the **Issuer's** final results must contain the following information:
 - a. a statement by the board of directors
 - b. the statement of financial position, including:
 - fixed assets
 - current assets
 - current liabilities
 - other liabilities
 - share capital
 - reserves

- c. the statement of income, including:
 - turnover
 - gross profit (or loss) before tax
 - tax
 - profit (or loss) after tax
- d. a statement of earnings or loss per share
- e. any decision to pay a dividend together with the dividend timetable. The dividend table must include:
 - the rate of the net dividend in pence per share
 - the dividend payment date
 - the record date (books close date)
 - the type of dividend (e.g. final, interim or special)
- f. in respect of the financial information disclosed under 2(a) to 2(e), comparative information for the corresponding period in the previous financial year, together with a summary of any change in the **Issuer's** accounting policy likely to affect the validity of the comparison
- g. if there is a qualification in the audit opinion, or if it has been modified in relation to going concern or otherwise, the reproduction of the terms of such qualification or modification with due prominence



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