

IPsx Rules for Wholesale Issuers

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Glossary

Admission: the admission of **financial instruments** to trading on **IPsx Wholesale** or the acceptance of an entity by **IPsx** as an **IPsx Member**.

Admission Document: the disclosures for admission to trading on **IPsx Wholesale** in the form laid out in Schedule One or Schedule Two, as the context requires, of the **IPsx Rules for Wholesale Issuers**.

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 Rule 2.2 of the **IPsx Rules for Prime Issuers** and as set out in Rule 2.2 of the **IPsx Rules for Wholesale Issuers**.

Admission Standards: as set out in Rule 1.1 to Rule 1.22 (inclusive) of the **IPsx Rules for Prime Issuers** or Rule 1.1 to Rule 1.25 (inclusive) of the **IPsx Rules for Wholesale Issuers**, as the context requires.

Applicable Employee: a person within an **Issuer** who is:

- (i) a member of the administrative, management or supervisory body of that **Issuer**; or
- (ii) a senior executive of that **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 **IPsx** to become an **IPsx Member** or an **Issuer** as the context applies.

Application Form for IPsx Prime Issuers: initial application form, on **IPsx's** website, to be submitted to commence the **Issuer** application process.

Application Form for IPsx Wholesale Issuers: initial application form, on **IPsx's** website, to be submitted to commence the **Issuer** application process.

Authorised Person: as defined in the **FCA Handbook**.

Broker: an **IPsx Trading Member** that enters orders, in the auction period, or executes trades on its own behalf or on behalf of a client.

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

cash settlement amount: as defined in Rule 4.8.28 in Section 8 of Part IV or Rule 5.7.28 in Section 7 of Part V of the **IPsx Rules for Members**.

cash settlement notice: an instruction issued by **IPsx** to a **defaulting member** in accordance with Rule 4.8.29 in Section 8 of Part IV or Rule 4.8.29 in Section 7 of Part V of the **IPsx Rules for Members** which sets out the **cash settlement amount** that **IPsx Trading Member** must pay to the counterparty in accordance with the instructions issued by **IPsx**.

class tests: the tests set out in Schedule Five of the **IPsx Rules for Wholesale Issuers** (Class Tests), which are to be used to determine the percentage ratio when an **Issuer** enters into certain transactions outside of its ordinary course of business.

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

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

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

Conflict of Interest: in the context of the **IPsx Rules** means a situation where an **IPsx Member** acts for one or more separate clients who have competing interests, or where an **IPsx Member's** own interests conflict with those of one or more of its clients.

Cornerstone Investor: a **substantial shareholder** who is already invested in a Wholesale **Issuer** before it comes to the public market, and is a 'controller' as defined in the **FCA Handbook**.

CRD: Capital Requirements Directive No 2013/36/EU.

CRD credit institution: a credit institution as defined in the **CRD**.

Default Rules: the **Rules** set out in Section 9 of Part IV and Section 8 of Part V of the **IPsx Rules for Members**.

defaulting member: as defined in Rule 4.8.6 in Section 8 of Part IV and 5.7.6 in Section 7 of Part V of the **IPsx Rules for Members**.

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.

EMS or **Exchange Market Size:** the minimum quantity of a **financial instrument** specified by the **Exchange** for which a **Market Maker** is obliged to provide a firm two-way price on a continuous basis on **IPsx Prime**, in accordance with Rule 4.5.1 in Part IV, or in which an **IPsx Trading Member** is obliged to quote in accordance with Rules 5.4.3.2 and 5.4.7 in Part V, of the **IPsx Rules for Members**.

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 or **International Property Securities Exchange** or **IPsx:** IPSX UK Limited, a **Recognised Investment Exchange** dedicated to the trading of **financial instruments** in commercial real estate companies.

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 or **Financial Conduct Authority:** the Financial Conduct Authority of the UK.

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

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

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 FCA Handbook definition of Professional Client or Eligible Counterparty.

investment firm: an investment firm as defined either in Part 4A of **FSMA** or in article 4.1(1) of **MiFID**.

IPsx Approved Valuer: an **RICS Registered Company** approved by **IPsx**. Part III of the **IPsx Rules for Members** sets out the requirements and process that a firm must follow to gain this status.

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 Guide for Trading Members: the manual issued by **IPsx** providing further information on its trading services, as amended from time to time.

IPsx Lead Adviser: a firm which is authorised by **IPsx** and whose name is included on the list of **IPsx Lead Advisers** maintained by **IPsx**. An **Issuer** must appoint an **IPsx Lead Adviser** in relation to any application for **Admission** of **financial instruments** and in certain other circumstances.

IPsx Lead Adviser Declaration: a declaration to be made by the **IPsx Lead Adviser** in accordance with Schedule Three of the **IPsx Rules for Prime Issuers** or Schedule Four of the **IPsx Rules for Wholesale Issuers**, as the context requires, which supports an **Issuer's** application to have its **financial instruments** admitted to trading.

IPsx Market Maker: an **IPsx Trading Member** who is registered as a **Market Maker** for **IPsx Prime**.

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

IPsx Prime: the **Exchange's** "Prime" market; a **MiFID** Regulated Market for the admission to trading of **financial instruments** of a **Single Asset Issuer** or a **Multiple Asset Issuer**.

IPsx Principles for Members: the principles for **IPsx Members** set out in Part I of the **IPsx Rules for Members**.

IPsx Rules: the **IPsx Rules for Members**, **IPsx Rules for Prime Issuers** or the **IPsx Rules for Wholesale Issuers** as the context requires.

IPsx Rules for Members: the **IPsx Rules for Lead Advisers**, **IPsx Approved Valuers** and **IPsx Trading Members** as issued by the **Exchange**, as amended from time to time.

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

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

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

IPsx Trading Model: defines how the **IPsx** trading model is structured and includes operating hours.

IPsx Trading Platform: the electronic facilities and underlying systems for trading on the **IPsx Market** operated by **IPsx**.

IPsx Trading Rules for IPsx Prime: the rules set out in Part IV of the **IPsx Rules for Members**, as amended from time to time.

IPsx Trading Rules for IPsx Wholesale: the rules set out in Part V of the **IPsx Rules for Members**, as amended from time to time.

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

IPsx Wholesale: **IPsx's** “wholesale” **multilateral trading facility**; an Exchange- Regulated Market for the **Admission** to trading of **financial instruments** of a **Single Asset Issuer** or a **Multiple Asset Issuer**.

Issuer: a company established to own an underlying **Single Commercial Property Asset** or **Multiple Commercial Property Asset** which is, or is proposed to be, securitised and traded on **IPsx**.

Legal Entity Identifier or **LEI:** an LEI is a unique identifier for persons that are legal entities or structures including companies, charities and trusts as defined in ISO 17442.

mandatory quote period or **MQP:** the period on each **Business Day** during which a **Market Maker** on **IPsx Prime** must provide two-way prices for each **financial instrument** in which it is registered.

Market Maker: an **IPsx Trading Member** who is registered with **IPsx** to provide 2-way prices on **IPsx Prime** during the **MQP** in at least one **financial instrument** in accordance with Rule 4.3.4 in Part IV of the **IPsx Rules for Members**.

Market Notice: any notice issued by **IPsx** from time to time to **IPsx Members** generally or to any class of **IPsx Members**.

Market Regulation: the executive staff at **IPsx** responsible for **IPsx's** market surveillance, membership, listing 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.*

maximum spread: the maximum difference between the offer price and bid price of a **Market Maker** on **IPsx Prime** allowed by **IPsx** and as in force from time to time as set out in the **IPsx Guide for Trading Members**.

MiFID: Markets in Financial Instruments Directive 2014/65/EU.

MiFID Delegated Regulation: Commission Regulation (EU)2017/580 (Regulatory Technical Standard for the maintenance of relevant data relating to orders in **financial instruments** (RTS 24)).

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

Multiple Asset Issuer: an **Issuer** that is not a **Single Asset Issuer** and whose underlying assets meet the criteria set out in Rule 1.2 of the **IPsx Rules for Prime Issuers** or Rule 1.2 of the **IPsx Rules for Wholesale Issuers** as the context requires.

Multiple Commercial Property Asset: underlying real estate assets which are not **Single Commercial Property Assets**, and which are owned by a **Multiple Asset Issuer**.

negotiated trade: in relation to a **financial instrument**, a trade involving an **IPsx Trading Member** which is negotiated privately but is an **on-Exchange trade**.

normal market size or **NMS:** in relation to a **financial instrument**, the normal market size of a transaction in that **financial instrument** based on its average daily turnover (ADT).

on-Exchange trade: as defined in Rule 4.3.4 in Part IV and Rule 5.2.4 in Part V of the **IPsx Rules for Members**.

permitted activities: in relation to a **Broker**, as defined in Rule 4.2.4 in Part IV and Rule 5.2.4 in Part V of the **IPsx Rules for Members**, and in relation to a **Market Maker** on **IPsx Prime**, as defined in Rule 4.2.5 in Part IV of the **IPsx Rules for Members**.

portfolio trade: a transaction in five or more different **financial instruments**, where those **financial instruments** are grouped and traded as a single lot against a specific reference price.

PRA: the Prudential Regulation Authority of the UK.

Prime Applicant: an entity applying (or proposing to apply) to **IPsx** to become an **IPsx Member** or an **Issuer** as the context applies on **IPsx Prime**.

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**.

Qualifying Market: the list of other markets on which an **Applicant** must be admitted to trading if they are to qualify for a Fast Track **Admission on IPsx Wholesale**. The list of Qualifying Markets for a Fast Track **Admission** can be found on the **IPsx** website.

Recognised Investment Exchange or **RIE:** 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 a property 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 **IPsx 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 IPsx 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: as defined in Rule 3.29 of the **IPsx Rules for Prime Issuers** and Rule 3.24 of the **IPsx Rules for Wholesale Issuers**.

Requesting member: as defined in Rule 4.8.6.1 in Section 8 of Part IV and Rule 5.7.6.1 in Section 7 of Part V of the **IPsx Rules for Members**.

restricted period: as defined in Rule 4.5.17 in Part IV of the **IPsx Rules for Members**.

reverse takeover: as defined in Rule 3.31 of the **IPsx Rules for Prime Issuers** and Rule 3.26 of the **IPsx Rules for Wholesale Issuers**.

RICS: Royal Institution of Chartered Surveyors.

RICS Registered Company: a property company which is regulated by the **RICS**.

RICS Registered Valuer: a **RICS** regulated and qualified registered valuer, who is certified to produce **Red Book Valuations**.

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.

RNS Statement: means a statement published via a **Regulatory Information Service** .

settlement direction: as defined in Rule 4.8.17 in Section 8 of Part IV and Rule 5.7.17 in Section 7 of Part V of the **IPsx Rules for Members**.

settlement direction notice: as defined in Rule 4.8.15 in Section 8 of Part IV and Rule 5.7.15 in Section 7 of Part V of the **IPsx Rules for Members**.

settlement direction request: as defined in Rule 4.8.6.1 in Section 8 of Part IV and Rule 5.7.6.1 in Section 7 of Part V of the **IPsx Rules for Members**.

significant transaction: as defined in Rule 3.24 of the **IPsx Rules for Prime Issuers** and Rule 3.21 of the **IPsx Rules for Wholesale Issuers**.

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

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

- (i) occupies a single geographic location or postal address; or
- (ii) comprises a single building or a group of co-located buildings.

*Guidance: **IPsx** expects that an underlying **Single Commercial Property Asset** should be of institutional grade (i.e. each property will generally have a **Market Value** in excess of £50m for **IPsx Prime Issuers** and £100m for **IPsx Wholesale Issuers**). Should an **Applicant** have any doubts as to this criterion, it should contact **Market Regulation**.*

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

standard settlement: the standard settlement timetable of the settlement system on which a trade is settled.

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

tick size: as set out in the **IPsx Guide for Trading Members**.

Totality:

- (i) the entirety of a registered title relating to the underlying asset; and
- (ii) in the case of a **Single Commercial Property Asset**, the physical whole of the relevant property.

trade report: a report in respect of an **on-Exchange** trade containing the information specified in Section 5 of Part IV and Section 5 of Part V of the **IPsx Rules for Members**.

trade reporting period: the period each day when the **IPsx Trading Platform** will accept **trade reports** (normally between 08:30 and 16:30 each **Business Day**. Any changes to these hours will be communicated by way of a **Market Notice**).

trading account: the electronic account which an **IPsx Trading Member** must open in order to access the **IPsx Trading Platform**, each of which has a unique user ID.

Trading Membership: IPSX Membership allowing a person to participate as an **IPSX Trading Member** and enter into trades on the **IPSX Market**, including an **IPSX Prime Market Maker** or a **Broker**.

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

UK MiFIR: Markets in Financial Instruments Regulation (EU) 600/2014, as applied in the UK.

UK Regulated Market: a **Regulated Market** which is operated by a **Recognised Investment Exchange** but not an overseas investment exchange within the meaning of section 313(1) of FSMA.

Valuation Services: a **Red Book Valuation** report produced by an **IPSX Approved Valuer**.

Wholesale Applicant: an entity applying (or proposing to apply) to **IPSX** to become an **IPSX Member** or an **Issuer** as the context applies on **IPSX Wholesale**.

Introduction

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

Background

- The **International Property Securities Exchange** is a Recognised Investment Exchange under UK law. The **Exchange** has a responsibility to ensure that **financial instruments** are admitted to trading on **IPsx** in accordance with the **Financial Conduct Authority's** sourcebook for Recognised Investment Exchanges, and that trading in those **financial instruments** on **IPsx** is conducted in accordance therewith.
- The **Exchange** operates a **Regulated Market** and a **Multilateral Trading Facility: IPsx Prime** and **IPsx Wholesale**. **Admission to IPsx Wholesale** requires:
 - the publication of an **Admission Document**, as referred to in Schedule I (on the basis that **Issuers** will be exempt from the requirement to publish a **Prospectus**); and
 - satisfaction of the relevant requirements of the **IPsx Rules for Wholesale Issuers**.
- **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.
- The **IPsx Rules for Wholesale Issuers** have the objective of:
 - setting the **Admission Standards** for potential **Issuers** seeking **Admission to IPsx Wholesale**;
 - affording proper investor protection and promoting investor confidence in **IPsx**; and
 - protecting and maintaining **IPsx's** high standards of market integrity.
- The rules for trading in **financial instruments** are set out in the **IPsx Rules for Members**.
- The rules for **IPsx Lead Advisers** are set out in Part I and Part II of the **IPsx Rules for Members**.
- The rules for **IPsx Approved Valuers** are set out in Part I and Part III of the **IPsx Rules for Members**.
- 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 considering seeking **Admission to IPsx Wholesale**, particularly where there is any doubt as to satisfaction of the relevant **Admission Standards** and/or any other requirements set out in these **Rules**. **Market Regulation** aims to respond to queries within five **Business Days**, although a potential **Applicant** may be required to provide further information before a final response can be issued.

Amendments to the IPsx Rules

IPsx may amend the **IPsx Rules** from time to time by **Market Notice** and in accordance with responsibilities placed on it as an **RIE**, with effect from the time stated in the **Market Notice** or, if no

such time is stated, with immediate effect, and subject to any conditions as may be stated in the **Market Notice**. Amendments may include changes that increase and/or extend the scope or effect of any **Rule**, guidance or other provision of the **IPsx Rules**. **IPsx** will amend the **IPsx Rules** in accordance with the **IPsx Rule-Making Procedures**, which generally require consultation before making any proposed changes.

IPsx has also set up an Advisory Group to discuss both its primary and secondary market activities. The Advisory Group meets on an ad hoc basis and it is based on Chatham House Rules. The **IPsx** Advisory Group will be comprised of senior representatives of **Issuers**, **IPsx Lead Advisers**, **IPsx Approved Valuers** and **IPsx Trading Members**. It may also comprise experienced market practitioners who are not direct members or users of **IPsx**. **IPsx Members** are also able to directly communicate with **IPsx** and provide feedback.

IPsx may also seek to launch new products and services that require a new and/or amended regulatory framework.

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 **IPsx Member** provided to **IPsx** by that **IPsx Member** 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 **IPsx** 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 the **IPsx Rules for Wholesale Issuers** (including in relation to any matter arising out of, or in connection with, the default of an **IPsx Member**);
- with the written consent of the **IPsx Member** to whom the **confidential information** relates;
- to the **FCA** or any other **Competent Authority** in the UK or elsewhere;
- if and to the extent required by applicable law or regulation;
 - as required in connection with the pursuit or defence of any proceedings, including court proceedings; or
 - to co-operate with an alternative reporting or execution venue (including another **RIE**) when an **IPsx Member** has affected a trade on that alternative venue or to a clearing house which clears and/or settles **on-Exchange trades**, to the extent required.

I. Admission criteria

Single Asset Issuers and Multiple Asset Issuers

I.1 **IPsx** will only consider **Admission** of a company that meets the definition of a **Single Asset Issuer** or, by exception, will consider a **Multiple Asset Issuer** or a **Single Asset Issuer**:

- a) owning only part of an underlying asset; or
- b) holding rights to the development of the asset(s).

Guidance:

Unlike **IPsx Prime**, **IPsx Wholesale** issuers may also admit to market 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.

I.2 A **Multiple Asset Issuer** is an **Issuer** that does not meet the definition of **Single Asset Issuer** and whose underlying real estate assets show a sufficient degree of commonality in order to be eligible for admission, in addition to:

- a) being owned in their **Totality**;
- b) comprising commercial real estate assets only; and
- c) having an aggregate **Market Value** in excess of £100 million.

Guidance:

IPsx Wholesale is primarily designed for **Single Asset Issuers**. Commonality of assets may be demonstrated by factors such as:

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

Incorporation

I.3 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.4 An **Applicant** must be satisfied that its **Admission** and any proposed issue of **financial instruments** will comply with applicable law and regulation.

Class of financial instruments

- I.5 An application for **Admission** of any class of **financial instruments** must:
- I.5.1 relate to all **financial instruments** of that class, issued or proposed to be issued; or
 - I.5.2 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.6 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.7 The **financial instruments** to which an application for **Admission** relates must be transferable **financial instruments** and freely negotiable in accordance with the **MiFID Delegated Regulation**.

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 **IPsx 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 Wholesale**.*

Publication of Admission Document

- I.8 Prior to **Admission** to **IPsx Wholesale**, an **Applicant** must have published an **Admission Document** (in the form set out in Schedule One) or the **IPsx Lead Adviser** must have provided **IPsx** with written confirmation that the **Applicant** is exempt from the requirement to do so. In addition to providing **IPsx** with the **Admission Document**, and as part of an Applicant's formal application to **IPsx** for admission to trading on **IPsx Wholesale**, the Applicant must provide to **IPsx** the information set out in Schedule Two (Core Issuer Information Requirements).

Appointment and retention of an IPsx Approved Valuer

- I.9 An **Applicant** must appoint and retain an **IPsx Approved Valuer**. A list of **IPsx Approved Valuers** can be found on the **IPsx** website.

Reservation of the Exchange's discretion

- I.10 **IPsx** has discretion to impose additional conditions to **Admission**.

- I.11 **IPsx** reserves the right to refuse an application for **Admission** even if an **Applicant** appears to satisfy all of the criteria set out in the **IPsx Rules for Wholesale Issuers**.

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 compromise the multilateral nature of **IPsx Wholesale**, 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.12 An **Applicant** must have paid the appropriate application fees as set out in the **IPsx Fee Schedule** (as set out on **IPsx's** website).

Admission to the Exchange

- I.13 **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.14 **IPsx** requires that **financial instruments** admitted to **IPsx Wholesale** be eligible for electronic settlement in the central security depository operated by Euroclear UK & Ireland Limited.

Guidance:

***IPsx** may consider other central security depositories on a case by case basis. In agreeing to admit **financial instruments** to trading on **IPsx Wholesale**, **Issuers** acknowledge the legal register will be made available for public inspection.*

Appointment of an IPSX Lead Adviser

- I.15 An Applicant seeking **Admission** to **IPsx Wholesale** must appoint an **IPsx Lead Adviser**. The **IPsx Lead Adviser** is responsible for assessing whether or not an Applicant satisfies all of the **Admission Standards** for **Admission** to **IPsx Wholesale**. A list of **IPsx Lead Advisers** can be found on **IPsx's** website.
- I.16 In the event of a proposed further issue of **financial instruments** of a class already admitted to **IPsx**, an **Issuer** is required to appoint an **IPsx Lead Adviser** to provide guidance as to the application of the **IPsx Rules for Wholesale Issuers** in connection with the proposed issue.

Guidance:

*The responsibilities of an **IPsx Lead Adviser** are set out in Part I and Part II of the **IPsx Rules for Members**.*

Appointment of Wholesale Brokers

- I.17 An **Applicant** seeking **Admission** to **IPsx Wholesale** must ensure each **cornerstone investor** has in place an agreement with at least one **Wholesaler Broker** to register in the **Applicant's financial instrument** upon **Admission** to trading. This must be confirmed to **IPsx** at least 48 hours prior to the expected **Admission** date.

Guidance:

As set out in Rule 5.3.4 of the **IPsx Trading Rules**, de-registration and re-registration requirements as a **Wholesale Broker** in a **financial instrument** would also apply.

Minimum free float

- I.18 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**.
- I.19 An applicant which is a REIT is expected to comply with Part 12 of the Corporation Tax Act 2010 and ensure a reasonable expectation of appropriate liquidity.

Guidance:

Shares are not held in public hands (i.e. 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.

If an issuer proposes coming to market with less than a 10% free float, there must be more than one **cornerstone investor** and the **issuer** will be expected to explain their rationale for coming to market and their long-term plans in respect of free float.

Corporate governance

- I.20 An **Applicant** seeking **Admission** to **IPsx Wholesale** must specify the corporate governance arrangements which the **Applicant** has decided to apply.
- I.21 **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. Smaller **Issuers** may choose to comply with the corporate governance principles detailed in Schedule Six (**IPsx Corporate Governance Principles**) while larger, more complex **Issuers** should consider applying The UK Corporate Governance Code or the Corporate Governance Guidelines for Small and Mid-Size Quoted Companies published by the Quoted Companies Alliance.

Leverage

- I.22 An **Applicant** seeking **Admission** to **IPsx Wholesale**, and which intends to deploy leverage, must have a proportionate loan to value ratio.

Guidance:

*As at the date of this document the maximum loan to value ratio, as set by the **Exchange**, is 80%. Any review of, or change to, the ratio will be communicated by a **Market Notice**.*

Development and Regeneration

- I.23 An **Applicant** seeking **Admission** to **IPsx Wholesale**, and which intends to develop, redevelop, repurpose or retrofit an asset 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

- I.24 An **Applicant** seeking **Admission** to **IPsx Wholesale** must ensure that all **related parties** and **Applicable Employees** as at the date of **Admission** agree to a **restricted period** during which they will not dispose of any interest in its **financial instruments** for one year from the date of **Admission**.

Fast Track Admission Criteria

- I.25 In order to qualify for a Fast Track **Admission**, an **Applicant** must also:
- I.25.1 have been admitted to trading on a **Qualifying Market** for a minimum of 12 months;
 - I.25.2 have complied with its continuing obligations on the **Qualifying Market** for the period it has been admitted to trading; and
 - I.25.3 not have made any material business changes prior to seeking a Fast Track **Admission** (including changes to the **Applicant's** corporate structure).

2. Admission to Trading Process

New Applicants

- 2.1 All **Applicants** must first complete and submit an **Application Form for IPSX Wholesale Issuers**.
- 2.2 Once an **Applicant** has been advised their application can progress to submission of application information to the **IPSX web portal**, they must submit their draft **Admission Documentation** (including the draft **Red Book Valuation** and any other supporting documents associated with the **Admission Document**). This submission must be made to **IPSX** via their **IPSX 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 at least ten **Business Days** before the expected date of **Admission**.

Guidance:

*If the **Issuer** decides to produce a **Prospectus** for reasons outside of compliance with the **IPSX Rules**, the timing of the **IPSX** submission should be at the same time that the first draft of the **Prospectus** (in lieu of an **Admission Document**) is submitted to a **Competent Authority** for approval.*

Fast Track Admission

- 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 **IPSX 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 including all of the information specified in Schedule Two (Core Issuer Information Requirements) at least ten **Business Days** before the expected date of admission. A template for this announcement can be found on the **IPSX** website.

Guidance:

***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 draft **Admission Documents**, or **RNS Statement**, except insofar as a particular disclosure is relevant to eligibility and/or compliance with the relevant **Admission Standards**.*

*For all **Applicants** the draft **Red Book Valuation** should be submitted as a standalone document via the **IPSX** web portal. 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).*

- 2.6 **IPSX's** turnaround time for the first and any subsequent submissions of an application for **Admission** is five **Business Days**.

- 2.7 At least 48 hours 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.

Additional requirements

- 2.8 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 **IPsx 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**.
- 2.9 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. A template for this announcement can be found on the **IPsx** website.
- 2.10 At least 48 hours before the expected date and time of **Admission**, and in addition to satisfying the requirements of Rule 2.7, the **IPsx Lead Adviser** must submit its **IPsx Lead Adviser Declaration** (as set out in Schedule Four) to **IPsx** by email to regulation@ipsx.com.
- 2.11 At least 48 hours before the expected date and time of **Admission**, an **Issuer** must satisfy the requirement of Rule 1.17 of the **IPsx Rules for Wholesale Issuers**.

Further issue of financial instruments

- 2.12 Where **Admission** is being sought for a further issue of **financial instruments** of a class already admitted to **IPsx Wholesale**, 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. A template for this announcement can be found on the **IPsx** website.
- 2.14 If the **Issuer** is required to issue a new **Admission Document** in connection with the further issue or **Admission**, the **Admission Documents** must be submitted, via their **IPsx Lead Adviser**, to **IPsx** by email to regulation@ipsx.com, together with the information requirements set out in Rule 2.8.
- 2.15 **IPsx** turnaround time for the first submission of the information set out in Rule 2.8 and Rule 2.12 (as applicable) is five **Business Days**, and three **Business Days** for any subsequent submission(s).
- 2.16 At least 48 hours before the expected date and time of **Admission**, and in addition to satisfying the requirements of Rule 2.7, the **IPsx Lead Adviser** must submit its **IPsx Lead Adviser Declaration** (as set out in Schedule Four) to **IPsx** by email to regulation@ipsx.com.
- 2.17 At least 48 hours before the expected date and time of **Admission**, an **Issuer** must satisfy the requirement of Rule 1.17 of the **IPsx Rules for Wholesale Issuers**.

3. Continuing Obligations

- 3.1 **Issuers** must comply on an ongoing basis with the:
- 3.1.1 Relevant requirements of the **Disclosure Guidance and Transparency Rules**;
 - 3.1.2 **disclosure obligations**; and
 - 3.1.3 **IPsx Rules for Wholesale Issuers** (as applicable) on an ongoing basis,
- 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 periodic 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 the **IPsx Rules for Wholesale Issuers**, 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 Wholesale**; or
 - 3.5.2 it is unable to satisfy the requirements placed on a **Recognised Investment Exchange** to maintain an orderly market in respect of an **Issuer's financial instruments**; or
 - 3.5.3 it fails to meet any additional conditions to **Admission** imposed under Rule 1.10.
- 3.6 A suspension will become effective when **IPsx** issues a **Market Notice** to that effect.

Cancellation by IPsx

- 3.7 **Issuers** must comply with the provisions of Rule 1.1 of the **IPsx Rules for Wholesale Issuers**. If, for any reason, an **Issuer** no longer satisfies the definition of a **Single Asset Issuer** or **Multiple Asset Issuer** (as applicable), **IPsx** will cancel the **Admission** of such **Issuer's financial instruments**.

Guidance:

*Cancellation of the **Admission** of an **Issuer's financial instruments** due to an **Issuer's** failure to satisfy the definition of a **Single Asset Issuer** will not prevent an **Issuer** from seeking admission to trading on other **Recognised***

Investment Exchanges or Multilateral Trading Facilities. The **Issuer** should take reasonable steps to offer investors continuity in the ability to trade its **financial instruments**.

- 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) from those shareholders entitled to vote.

Compliance and appeals

- 3.10 If an **Issuer** has contravened the **IPsx Rules for Wholesale Issuers**, one or more of the following actions may occur:
- 3.10.1 censure of the **Issuer** and, in addition, likely publication of the censure;
 - 3.10.2 a fine;
 - 3.10.3 cancellation of the right of the **Issuer** to be traded on **IPsx**; and/or
 - 3.10.4 a report of any significant breaches being sent 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 the **IPsx Rules for Wholesale Issuers**.

Retention of an IPSX Approved Valuer

- 3.12 An **Issuer** must retain an **IPsx Approved Valuer** at all times.
- 3.13 An **Issuer** is required to change its **IPsx Approved Valuer** after a period not longer than every five years.
- 3.14 If, for any reason, the **IPsx Approved Valuer** resigns or otherwise stops acting for the **Issuer**, the **Issuer** must notify **IPsx** as soon as possible and the notification must include:
- 3.14.1 the reason why the **IPsx Approved Valuer** has ceased to act; and
 - 3.14.2 the name of the **Issuer's** new **IPsx Approved Valuer**, if known.

Guidance:

The **Issuer** must seek to appoint a replacement **IPsx Approved Valuer** as soon as possible. If no replacement has been appointed by the time the next annual or half-yearly **Red Book Valuation** is due or in any other circumstance where a **Red Book Valuation** is required, **IPsx** will suspend trading in the **Issuer's financial instruments**. If no replacement of an **IPsx Approved Valuer** is appointed within twenty **Business Days** of such suspension, **IPsx**

will cancel the **Admission** of the **Issuer's financial instruments**. Following such a cancellation the **Issuer** would have to re-apply for **Admission** before **on-Exchange trading** could recommence.

Retention of IPSX Wholesale Broker by cornerstone investor

- 3.15 An **Issuer** on **IPSX Wholesale** must ensure each **cornerstone investor** retains at least one **IPSX Wholesale Broker** to represent its interest in its **financial instrument** at all times. The **IPSX Wholesale Broker** will represent the **cornerstone investor** in respect of any buying or selling interest but will not be obliged to provide continuous quotes. **IPSX Wholesale Brokers** will provide one-way firm quotes when representing buying and selling interests. **IPSX Wholesale Brokers** will only deal on behalf of or with **Institutional Investors**.
- 3.16 If, for any reason the **IPSX Wholesale Brokers** de-registers from the **Issuer's financial instrument** and where that **IPSX Wholesale Broker** was the only **IPSX Wholesale Broker** active in that **financial instrument**, the **Issuer** will ensure its **cornerstone investor(s)** will use reasonable endeavours to try and identify and enter into an agreement with another **IPSX Wholesale Broker** to register in the **Issuer's financial instrument**. The **Issuer's Cornerstone Investor(s)** will have:
- 3.16.1 60 calendar days to identify and enter into an agreement with an **IPSX Wholesale Broker** to register in the **Issuer's financial instrument** while the **financial instrument** will still be available for trading. After the initial 60 calendar days;
- 3.16.2 if the **Issuer's cornerstone investor(s)** is unable to identify and enter into an agreement with an **IPSX Wholesale Broker** to register in the **Issuer's financial instrument** then **Market Regulation** will remove the **financial instrument** from trading as set out in Rule 5.6.3 of the **IPSX Rules for Members**.

Guidance:

*In order to protect the interests of investors or preserve the orderly functioning of the **IPSX Wholesale Market**, **IPSX** may exercise its powers under **Rule 3.5.2** to suspend a **financial instrument**, if it is concerned there is insufficient liquidity arising from the absence of an **IPSX Wholesale Broker**.*

Issuer Website

- 3.17 The **Issuer** must maintain a website from 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 in public hands
- (e) the identity and percentage holdings of its significant shareholders
- (f) published annual reports
- (g) published interim financial results
- (h) executive summaries of 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 **IPsx Lead Adviser** and **IPsx Approved Valuer**
- (l) its regulatory announcements
- (m) any circulars sent to its shareholders

3.18 Any information published to the website in accordance with rule 3.17 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

3.19 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

3.20 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

- 3.21 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.
- 3.22 If an **Issuer** is unable to meet the financial reporting timetable, **IPsx** will suspend trading in its securities.
- 3.23 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.
- 3.24 The announcement of an **Issuer's** audited annual accounts must contain the information specified by Schedule Seven.
- 3.25 An **Issuer** must produce annual audited accounts in accordance with UK GAAP, US GAAP, IFRS, or other appropriate standards agreed with **IPsx**. Where **IPsx** agrees that an **Issuer** may produce annual accounts to another appropriate standard, the **Issuer** must state and publish via an **Regulatory Information Service** any significant differences between the accounting policies of that alternative standard and the most similar prescribed standard.
- 3.26 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

- 3.27 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 securities, together with a detailed timetable covering such matters as record, posting, acceptance and payment dates.

- 3.28 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. Any amendments to the timetable proposed by the **Issuer** must be immediately disclosed to **IPsx**.

Asset Development Plans

- 3.29 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 consider suspending trading.

Periodic valuation reporting - Annual valuation report

- 3.30 An **Issuer** must obtain an annual **Red Book Valuation** and make public the executive summary of such report. The **Red Book Valuation** must be prepared:
- 3.30.1 by an **IPsx Approved Valuer**;
 - 3.30.2 in accordance with the **Red Book**; and
 - 3.30.3 in accordance with Schedule Three (**Red Book Valuation** Requirements).
- 3.31 The executive summary 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.

Periodic valuation reporting - Half-yearly valuation report

- 3.32 An **Issuer** must obtain a half-yearly **Red Book Valuation** in respect of the first six months of each financial year and make public the executive summary of such report.
- 3.33 The half-yearly **Red Book Valuation** must be prepared:
- 3.33.1 by an **IPsx Approved Valuer**
 - 3.33.2 in accordance with the **Red Book**
 - 3.33.3 in accordance with Schedule Two (**Red Book Valuation** Requirements).
- 3.34 The half-yearly **Red Book Valuation** must be made public as soon as possible, but 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.
- 3.36 An **Issuer** must ensure that the executive summary of its half-yearly **Red Book Valuation** remains publicly available on a website for at least five years.

Disclosure of information to a Regulatory Information Service

- 3.37 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**:
- 3.37.1 the resignation, dismissal or appointment of any director of the **Issuer**;
 - 3.37.2 any change in its accounting date, registered office address or legal name;
 - 3.37.3 any proposed or actual change in an **Issuer's** capital structure or issued share capital; and
 - 3.37.4 details of all resolutions passed at general meetings of the **Issuer**.

Appointment of an IPSX Lead Adviser

- 3.38 An **Issuer** must appoint an **IPSX Lead Adviser** in the event that the **Issuer** may:
- 3.38.1 enter into a transaction which due to its size or nature could amount to a significant transaction, related party transaction or reverse takeover;
 - 3.38.2 have its **Admission to IPSX Wholesale** cancelled;
 - 3.38.3 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

- 3.39 A **significant transaction** is 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**.
- 3.40 When calculating the percentage ratio for the purposes of Rules 3.26, 3.29 and 3.31, the **Issuer** should apply the **class tests**.
- 3.41 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 **IPSX 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

- 3.42 A **related party transaction** is a transaction between an **Issuer** and a **related party** where any percentage ratio is 5% or more in any of the **class tests**.
- 3.43 Where an **Issuer** wishes to enter into a **related party transaction**, it must:
- 3.43.1 send an explanatory circular to shareholders;
 - 3.43.2 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;
 - 3.43.3 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

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

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 MAR. 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.

Schedule One – Information for Admission Documents

Part I: Information about the Issuer

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**.

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 of the FCA, and (b) has not produced a **Prospectus**, must include the following on the first page of its **Admission Document**, in bold, the name of its **IPSX Wholesale 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. **financial instruments** 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 [the Company] does not offer diversified exposure to a range of assets.*
 - ***IPSX has not itself examined or approved the contents of this document."***

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**.
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 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 service provider which is responsible for the determination and calculation of the net asset value of the **Issuer**;
- (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 admission 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 admission 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 net asset value of the **Issuer** will be determined, distinguishing between categories of investments and a statement of how such net asset value will be communicated to investors;
- (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; and

56. NAV Per Security

- (a) an indication of the most recent net asset value per security.

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), FISN (Financial Instrument Short Name) 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 to IPSX Wholesale**.
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

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
	Sector	On Admission
	Full names and functions of its Issuer directors	On Admission , and when Directors change
	Full names of significant 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	On Admission , and when subsequently published
	Name of the IPSX Lead Adviser and the IPSX Approved Valuer	On Admission , and if there is a change
	Name of the IPSX Wholesale Broker	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 IPSX Lead Adviser Declaration in respect of the Issuer in the format specified in Schedule Four in these Rules	On Admission	

	Information to be supplied	Frequency
Instrument Details	Number and type of financial instruments	On Admission
	Capital to be raised on Admission , i.e. the expected market capital	On Admission
	Expected date of Admission	On Admission
	Expected yield at Admission	On Admission

	Information to be supplied	Frequency
Property Details	Valuation reports	On Admission and six-monthly thereafter

Part B – 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
	Details of the arrangements for settling transactions in its securities
	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 Wholesale** 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** not in public hands following **Admission**;
- e) the number and percentage of **financial instruments** that will be in public hands in one or more **EEA** states on **Admission**;
- f) the full names of significant shareholders before and after the date of **Admission**; and
- g) the expected date of **Admission**.

Schedule Three – Red Book Valuation Requirements

The Executive Summary of the **Red Book Valuation** must include:

- A. the basis of the valuation;
- B. a responsibility statement; and
- C. 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 RICS Code of Measuring Practice, 6th Edition.

B. The responsibility statement must be given by the **IPsx 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.

C. All **Red Book Valuations** produced by **Issuers** admitted to trading on **IPsx** must include Statement of Tenant Covenant Strength.

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

Schedule Four - IPSX Lead Adviser Declaration

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

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

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

The **market value** test is calculated by dividing the market value of the assets the subject of the transaction by the market value of the **Issuer's** underlying **Single Commercial Property Asset** or **Multiple Commercial Property Asset**.

B. The **gross rental income** test

The **gross rental income** test is calculated by dividing the **gross rental income** attributable to the underlying assets the subject of the transaction by the **gross rental income** of the **Issuer**.

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

- The chairman should be independent.
- A majority of the board should be independent of the property management company and the **IPsx 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



**International Property
Securities Exchange**

15 Stratton Street
London W1J 8LQ
1 Farnham Road
Guildford GU2 4RG

T +44 (0)20 3931 8800



ipsx.com

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