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## Financial Services and Markets Act 2000 c. 8

### s. 86 Exempt offers to the public and admissions to trading



Law In Force With Amendments Pending

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#### Subjects

Financial regulation

#### Keywords

Exemptions; Listing applications and prospectus offences; Prospectuses; Public offers; Securities

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#### 86 Exempt offers to the public[ and admissions to trading]<sup>2</sup>

(1) A person does not contravene [section 85\(1\)](#) if—[

(aa) the offer falls within Article 1(4) of the prospectus regulation; or

] <sup>3</sup>

(e) the total consideration for the transferable securities being offered [in the United Kingdom]<sup>4</sup> cannot exceed [8,000,000]<sup>5</sup> euros (or an equivalent amount) [.]<sup>6</sup>

[...] <sup>6</sup>

[...] <sup>7</sup>

(2) Where—

(a) a person [ ("the client") who is not a qualified investor (as defined in [...] <sup>9</sup> Article 2(e) of the prospectus regulation)] <sup>8</sup> has engaged a qualified investor falling within [[paragraph 3\(a\) of Schedule 1](#) to the markets in financial instruments regulation] <sup>10</sup> to act as his agent, and

(b) the terms on which the qualified investor is engaged enable him to make decisions concerning the acceptance of offers of transferable securities on the client's behalf without reference to the client,

an offer made to or directed at the qualified investor is not to be regarded for the purposes of subsection (1) as also having been made to or directed at the client.

(3) For the purposes of [subsection (1)] <sup>11</sup>, the making of an offer of transferable securities to—

(a) trustees of a trust,

(b) members of a partnership in their capacity as such, or

(c) two or more persons jointly,

is to be treated as the making of an offer to a single person.

(4) In determining whether subsection (1)(e) is satisfied in relation to an offer (“offer A”), offer A is to be taken together with any other offer of transferable securities of the same class made by the same person which—

(a) was open at any time within the period of 12 months ending with the date on which offer A is first made; and

(b) had previously satisfied subsection (1)(e).

[

(4A) A person does not contravene [section 85\(2\)](#) if the admission to trading falls within Article 1(5) of the prospectus regulation.

] <sup>12</sup>

(5) For the purposes of this section, an amount (in relation to an amount denominated in euros) is an “equivalent amount” if it is an amount of equal value denominated wholly or partly in another currency or unit of account.

(6) The equivalent is to be calculated at the latest practicable date before (but in any event not more than 3 working days before) the date on which the offer is first made.

[...] <sup>13</sup> ] <sup>1</sup>

## Notes

- 1 Ss.84-87R substituted for ss.84-87 by Prospectus Regulations 2005/1433 [Sch.1 para.5](#) (July 1, 2005)
- 2 Words inserted by Financial Services and Markets Act 2000 (Prospectus) Regulations 2019/1043 [Pt 2 reg.7\(2\)](#) (July 21, 2019: insertion has effect subject to transitional provisions specified in SI 2019/1043 reg.40)
- 3 S.86(a)(aa) substituted for s.86(a) to (d) by Financial Services and Markets Act 2000 (Prospectus) Regulations 2019/1043 [Pt 2 reg.7\(3\)\(a\)](#) (July 21, 2019: substitution has effect subject to transitional provisions specified in SI 2019/1043 reg.40)
- 4 Words substituted by Official Listing of Securities, Prospectus and Transparency (Amendment etc.) (EU Exit) Regulations 2019/707 [Pt 2\(1\) reg.8\(2\)\(b\)](#) (December 31, 2020: shall come into force on IP completion day not exit day as specified in 2020 c.1 s.39(1) and Sch.5 para.1(1))
- 5 Word substituted by Financial Services and Markets Act 2000 (Prospectus and Markets in Financial Instruments) Regulations 2018/786 [reg.2\(2\)](#) (July 21, 2018)
- 6 Repealed by Financial Services and Markets Act 2000 (Prospectus) Regulations 2019/1043 [Pt 2 reg.7\(3\)\(b\)](#) (July 21, 2019: repeal has effect subject to transitional provisions specified in SI 2019/1043 reg.40)
- 7 Repealed by Financial Services and Markets Act 2000 (Prospectus) Regulations 2019/1043 [Pt 2 reg.7\(4\)](#) (July 21, 2019: repeal has effect subject to transitional provisions specified in SI 2019/1043 reg.40)
- 8 Words substituted by Financial Services and Markets Act 2000 (Prospectus) Regulations 2019/1043 [Pt 2 reg.7\(5\)](#) (July 21, 2019: substitution has effect subject to transitional provisions specified in SI 2019/1043 reg.40)
- 9 Words repealed by Prospectus (Amendment etc.) (EU Exit) Regulations 2019/1234 [Pt 2 reg.5](#) (December 31, 2020: shall come into force on IP completion day not exit day as specified in 2020 c.1 s.39(1) and Sch.5 para.1)
- 10 Words substituted by Official Listing of Securities, Prospectus and Transparency (Amendment etc.) (EU Exit) Regulations 2019/707 [Pt 2\(1\) reg.8\(5\)](#) (December 31, 2020: shall come into force on IP completion day not exit day as specified in 2020 c.1 s.39(1) and Sch.5 para.1(1))
- 11 Words substituted by Financial Services and Markets Act 2000 (Prospectus) Regulations 2019/1043 [Pt 2 reg.7\(6\)](#) (July 21, 2019: substitution has effect subject to transitional provisions specified in SI 2019/1043 reg.40)
- 12 Added by Financial Services and Markets Act 2000 (Prospectus) Regulations 2019/1043 [Pt 2 reg.7\(8\)](#) (July 21, 2019)

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## Notes

- 13 Repealed by Financial Services and Markets Act 2000 (Prospectus) Regulations 2019/1043 [Pt 2 reg.7\(7\)](#) (July 21, 2019: repeal has effect subject to transitional provisions specified in SI 2019/1043 reg.40)
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