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Insights

FCA: SUBMITTING INVESTOR NOTIFICATIONS OF MAJOR SHAREHOLDINGS (TR-1 FORMS)

16 November 2020

SUMMARY

The FCA are making changes to the way TR-1 Forms (notifications of major shareholdings) are submitted pursuant to DTR 5. Investors in Main Market companies are being advised to complete the new 2-step registration process, which will be available later this month, as soon as possible so they are ready to submit electronic TR-1 Forms once the new FCA portal is launched in Q1 2021.

Background

Under DTR 5, shareholders in companies with shares admitted to trading on a regulated market (including the LSE's Main Market) or UK-incorporated companies whose shares are admitted to a prescribed market (such as AIM) must inform the issuer if their shareholding reaches or falls below certain percentage thresholds (unless certain exceptions apply). Shareholders who hold shares in companies on the Main Market are also required to simultaneously inform the FCA of any such notifiable change in shareholding.

Notification is made to the issuer and the FCA (currently by email) using the prescribed TR-1 Form. All parts of the form, including the Annex should be filed with the FCA.

There is no prescribed form for AIM companies, but shareholders can use the TR-1 Form when notifying the issuer. AIM companies are not required to file a TR-1 Form with the FCA.

Forthcoming changes

Following a review of the notification process, the FCA are developing a new online portal for submission of an electronic TR-1 Form, where such form is required to be filed with the FCA. The FCA plan to launch the new DTR 5 portal in Q1 2021 after which time investors will no longer be able to send TR-1 Forms by email. Until then, investors can continue to submit their TR-1 Forms to the FCA in the usual way. Investors will still need to email Majorshareholdings@fca.org.uk if they

are submitting TR-2 Form notifications for market-making exemption and other exemptions available under DTR 5.

The new portal system will also enable shareholders to download and complete a TR-1 Form and send it to the issuer at the same time.

Next steps

Investors who have submitted notifications to the FCA in the last 12 months will be contacted by the FCA later this month with details on how to complete the 2-step registration process. Investors will have two weeks to complete the registration process.

If an investor does not take part in the initial registration, it will be possible to register once the system is live. However, given the tight timetable for submitting a TR-1 Form, investors are recommended to register early so they are ready to submit electronic TR-1 Forms as soon as the new portal is available.

FCA page

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MEET THE TEAM

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