



Regulatory development

International companies and investors trust the London Stock Exchange to deliver well-regulated, high-quality markets. We are proud of our markets and have extensive experience in developing fair and practical rules in order to maintain market integrity.

Our international reputation

The Exchange is home to Europe's largest pool of capital and is the world's premier international equity exchange. It is no surprise then that our markets are respected the world over for their fairness and reliability. This reputation for quality and integrity rests on the ongoing development of a robust framework of rules within which the companies listed on our markets and our market participants operate.

We regularly share our knowledge of rules development on both an advisory and practical level with regulators and stock exchanges around the world.

Our rules are practical and we have a policy of matching or exceeding global exchange standards relating to market practice. We also have considerable experience in monitoring companies and enforcing the rules to maintain investors' confidence in our markets.

Global experience

Our international consultancy team was responsible for drawing up the framework for the UK Listing Rules – and was also central in developing IOSCO's International Disclosure Standards for prospectuses. These have subsequently been adopted by the European Union (EU). In addition to this, we were part of a multi-disciplinary delegation organised and funded by the World Bank to provide a comprehensive review of the regulatory environment within which an Asian capital market operated.

Practical application of knowledge

Our team has assisted many exchanges and regulators by explaining international rules and legal frameworks to them.

Examples of our work

- Assisting a European exchange to align its listing rules more closely with the EU. The exchange selected us for this project because of our in-depth knowledge of EU securities law and practice.
- Delivering a presentation on mutual recognition provisions for prospectuses to a securities commission in Central Europe.
- Outlining the UK's rules for overseas secondary listings to an Eastern European exchange.

We also worked on a project to assess the state of implementation of the IOSCO Objectives and Principles of Securities Regulation for a regulator in the Middle East. The process of assessment comprised several steps:

- completion of surveys on the IOSCO principles
- assessment of the state of implementation of each key principle
- production of an assessment report
- an action plan to remedy the shortcomings that were identified.

Our offering

We can apply our experience and knowledge of rules development in a variety of ways. One way in which we can work with you is to assist with the development of rules for new or second markets.

Another way that we can assist is to review and assess your existing framework of rules and regulations and suggest appropriate changes and recommendations.

Aftercare

We can then support your staff and partners by organising and delivering training workshops tailored to your requirements.

For more information on any aspect of regulatory development please contact:

Patrick Morton,
Head of Consultancy Services.
T +44 (0)20 7797 3893
E pmorton@londonstockexchange.com

London Stock Exchange
10 Paternoster Square
London EC4M 7LS
Telephone: +44 (0)20 7797 1000
www.londonstockexchange.com

Copyright © May 2006 London Stock Exchange plc. Registered in England and Wales No. 2075721.

London Stock Exchange and the coat of arms device are registered trade marks of London Stock Exchange plc.

Information contained in this folder is not offered as advice on any particular matter and must not be treated as a substitute for specific advice and, in particular, does not constitute professional, financial or investment advice and should not be used as a basis for making investment or strategic business decisions.