

MARKET NOTICE

16 January 2026

N02/26 - Feedback on N11/25 - Consultation on amendments to the International Securities Market Rulebook



Introduction

1. On 28 November 2025, the London Stock Exchange (“Exchange”) published Stock Exchange Notice N11/25 which set out proposed amendments to the International Securities Market Rulebook (“ISM Rulebook”) as discussed below.
2. This Notice confirms the amendments that are to be made following the Stock Exchange Notice N11/25 and also confirms the amendments to the ISM Rulebook to implement the Public Offers and Admissions to Trading Regulations 2024 (“POATRs”), which will replace the UK Prospectus Regulation.

Feedback on the consultation

3. The Exchange would like to thank market participants for their responses to the consultation, which were supportive of the proposed changes.
4. Noting the nature of the changes, the responses were limited resulting in the following clarificatory amendments to the Rules:
 - a. A respondent highlighted that on a further issue, debt securities are not always immediately fungible with the securities that have already been admitted. Additional wording has been included in paragraph 8 of Section 3 to clarify that a further issue of securities would be considered fungible with existing securities if the intention is for those further securities to become fungible with the securities that have already been admitted within the next 12 months.
 - b. Another respondent highlighted that the requirement for an issuer to disclose audited financial statements on itself when the issuer’s securities were guaranteed and the guarantor wholly owned the issuer were not as flexible under Section 4 as they were under Section 2. We have modified the wording in paragraph 6.5(2)(a) of Section 4 to make it consistent with paragraph 7.2(2) of Section 2.

Confirmation of amendments to the Rulebook to implement POATR

5. The International Securities Market (ISM) was established by the Exchange in 2017 as a specialist debt market aimed at professional investors. The FCA has recognised the status of ISM as a professional investor market in its engagement paper of July 2023 “Primary multilateral trading facilities – Engagement Paper 6”: *“There are other Primary MTFs that allow access only to professional investors. An example is the International Securities Market, which is operated by the London Stock Exchange”*.



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6. The POATRs have introduced a new definition of a qualified investor at Regulation 16 and accordingly:
 - (i) Only investors who are qualified investors are permitted to trade on ISM;
 - (ii) No qualified investor is permitted to trade on ISM on behalf of persons who are not themselves qualified investors. This requirement applies whether the trades are placed by a qualified investor acting directly, or through one or more intermediaries, on behalf of persons who are not themselves qualified investors.
7. We have updated the Rules, including the introduction, definitions and paragraph 4.1 of Schedule 3, in light of POATRs and for the purposes of MAR 5-A.1.1.
8. In particular, we have reflected that ISM is a designated market which is available for qualified investors who meet the requirements of Regulation 16. As the Exchange is not a relevant firm as referred to in Regulation 16, we have also made clear that the Exchange operates ISM as a Recognised Investment Exchange and accordingly, the Exchange is not authorised to make assessments of investor eligibility.
9. Given this, and noting that the Exchange as a Recognised Investment Exchange, does not accept orders direct from investors and all orders on ISM are placed by financial intermediaries, the updated introduction to the ISM Rules also makes clear that the responsibility for ensuring that investors who trade on ISM are qualified investors are the financial intermediaries who have their own legal and regulatory responsibilities for categorisation of their clients. Accordingly, financial intermediaries placing orders for investors are responsible for assessing whether an investor falls within the definition of qualified investor and permitting them to trade as prescribed by Regulation 16.
10. Given the reference to qualified investors in the POATRs as set out above, where the Exchange refers to ISM being a market designed for professional investors, the reference to professional investors should be read as a reference to qualified investors within the meaning of Regulation 16 of the POATRs.

Effective date

11. The amendments to the ISM Rulebook will become effective from 19 January 2026. An updated version of the ISM Rulebook will be available from that date on the Exchange's website.
12. Attachment 1 to this Notice contains the amended ISM Rulebook.



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Questions

13. Questions about either this Notice or ISM can be sent to ISM@lseg.com.

Nilam Statham

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This Stock Exchange Notice will be available on the website at: <https://www.londonstockexchange.com/resources/london-stock-exchange-notices>



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