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AIM Regulation has published guidance on the interaction between social media and other forms of electronic communication (e.g. Twitter, the AIM company's website, a non-regulatory news feed) and an AIM company's disclosure obligations under the AIM Rules.

The guidance clarifies that any form of public communication is subject to the AIM Rules for Companies (AIM Rules). An AIM company should consider with its nominated adviser how to manage social media and other forms of electronic communication against its obligations under the AIM Rules.

AIM Rule 10 (Principles of disclosure) requires the AIM company to notify information using a regulatory information service on or before publication elsewhere. Disclosure by social media alone will therefore not satisfy AIM Rule 10.

If disclosure by social media leads to a breach of AIM Rules 10 (Principles of disclosure) or 11 (General disclosure of price sensitive information), AIM Regulation will investigate and take appropriate disciplinary action. Where directors or others representing the company make comments on social media which are inconsistent with notifications through a regulatory information service, AIM Regulation may require a clarification notification.

AIM Rule 31 (AIM company and directors' responsibility for compliance) requires an AIM company to have in place sufficient procedures, resources and controls to enable it to comply with the AIM Rules. These should all take into account the use of social media and other forms of electronic communication.

An AIM company must, of course, also have regard to the Market Abuse Regulation. Where there is premature or selective disclosure, or where communications are designed to cause share price volatility (e.g. through a tip or leak of confidential information about the AIM company), this may also give rise to market abuse issues.

AIM Regulation statement on interaction of social media and obligations under the AIM Rules

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