

## Calling all directors of London Stock Exchange listed companies - have you had sufficient training on your PDMR/director dealing obligations?

The FCA has issued a number of fines with respect to breaches of the obligations surrounding PDMR/director dealings. A recurring theme is that whilst each of the companies had share dealing policies and procedures in place, the FCA noted that no training had been provided and as a result failings had occurred.

[Kevin Gorman, fine £45,000](#) – failed to fulfil his PDMR notification obligations under the Market Abuse Regulation (“MAR”), despite having received policies and documents setting out those requirements and acknowledging in writing his legal and regulatory obligations. The FCA noted that he had not been provided with training on MAR and his responsibilities as a PDMR.

[Reckitt Benckiser, fine £539,800](#) – failed to require PDMRs to take all reasonable steps to fulfil their responsibilities and in turn was also viewed as breaching Listing Principle 1 (failure to take reasonable steps to establish and maintain adequate procedures, systems and controls to enable it to comply with its obligations) and Premium Listing Principle 1 (failure to take reasonable steps to enable its directors to understand their responsibilities and obligations as directors). The FCA noted that whilst a share dealing policy and explanatory documents were provided to PDMRs the company failed to follow this up with regular or structured training.

[Nestor Healthcare Group, fine £175,000](#) – failed to take all reasonable steps to secure compliance of PDMRs with the applicable rules and in turn was also viewed as breaching Listing Principle 1 and Premium Listing Principle 1. A share dealing policy had been circulated to all PDMRs and signed acknowledgements of the requirements entailed had been received. The FCA noted that the company did not give any training about the content of the share dealing policy.

Whilst the issuing policies and procedures and obtaining written acknowledgement of responsibilities is an important part of the compliance process, this can be undermined if not accompanied by regular structured training as to the detail of those responsibilities. Training ensures there is a full understanding of the requirements to be fulfilled and assists in embedding the importance of complying with those obligations.

If you or your board would like training on PDMR obligations, please get in touch.