



## Minutes of the QCA Legal Expert Group

Held on: Thursday 23 February 2017

Venue: Charles Russell Speechlys, 5 Fleet Place, London, EC4M 7RD

(Host: Paul Arathoon)

### Present:

Gary Thorpe (Chairman)	Clyde & Co LLP	GT
Danette Antao	Hogan Lovells International LLP	DA
Paul Arathoon	Charles Russell Speechlys	PA
Ashmi Bhagani	Pillsbury Winthrop Shaw Pittman LLP	AB
David Hicks	Charles Russell Speechlys	DH
Martin Kay	Blake Morgan	MK
Nicola Mallett	Lewis Silkin	NM
Nicholas McVeigh	Mishcon De Reya	NMc
Richard Pull	Hamlins LLP	RP
Donald Stewart	Kepstorn	DS
Callum Anderson (minutes)	Quoted Companies Alliance	CA

### In attendance:

Catherine Clarke	Business Growth Fund	CC
Michael Higgins	Ebiquity PLC	MH
Daniel Okusaga	LexisNexis	DO
Jaspal Sekhon	Charles Russell Speechlys	JS
Jane Wang	Fasken Martineau LLP	JW

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## 1. WELCOME TO CATHERINE CLARKE, BUSINESS GROWTH FUND (BGF)

GT welcomed CC to the meeting.

CC briefly summarised how BGF was originally established and how it is funded. She highlighted BGF's commitment to providing long-term, patient capital to small and mid-sized companies. She noted that BGF had supported 165 companies with over £1bn of capital.

She added that BGF had been continuing to increase the scale of its investments in AIM companies since mid-2014. She acknowledged that AIM companies often faced similar challenges to small private companies with regards to raising sufficient funds to grow their business.

CC emphasised that BGF placed huge importance on having a tangible impact on the growth of a company, particularly in terms of job creation. She also noted BGF endeavoured to invest across the whole of the UK and did not seek to limit their investments to London and / or south-east England-based companies.

CC summarised BGF's approach to investment, outlining the two potential approaches: straight equity or structured solutions. She also provided an overview of the differences in approach taken when investing in AIM companies, such as not putting members on boards. CC explained that BGF

invested in companies that sought funds for a variety of reasons, including for general business growth and to facilitate acquisitions.

CC highlighted BGF's commitment to the strong aftermarket and institutional support given to businesses following investment, pointing out that AIM companies have been able to raise over £100m from institutions following BGF investment. CC noted that BGF had not sold any of their AIM investments to date (either wholly or partially); BGF has not been a "seller" in the market. She added that none of the investments that the BGF had made to date in the unquoted sector had gone on to an IPO. This was expected to change in the near future.

CC explained that BGF would be comfortable in sharing their standard form documentation with anyone who requested them.

GT thanked CC for her presentation. CC left the meeting.

## 2. APOLOGIES

Apologies were received from Ross Bryson, Jo Chattle, Philippa Chatterton, Andrew Collins, Simon Cox, David Davies, Sarah Etherington, Stephen Hamilton, Sarah Hassan, Kate Higgins, Julie Keefe, Hilary Owens Gray, June Paddock, Mark Taylor, Lisa Vainio, Tim Ward and Ben Warth.

## 3. MINUTES OF LAST MEETING (2 February 2017)

The minutes were approved.

## 4. ISSUES FOR DISCUSSION

	ITEM	ACTION
a)	<b>Brexit</b>  GT noted that a Brexit Working Group had been established and would be meeting directly after the Expert Group.	None to note

## 5. COMMUNICATIONS AND FUTURE MEETINGS

	ITEM	ACTION
a)	<b>Policy Update (January 2017)</b>  This was tabled for information only and was not discussed.	None to note
b)	<b>Guest invitations to future meetings</b>  This was not discussed.	None to note.

## **6. AOB**

GT also noted that the FCA had published a discussion paper and a consultation paper regarding the UK's primary markets (both with a submission deadline of 14 May 2017).

**PA** volunteered to lead on drafting the QCA's response to the discussion and consultation papers. **DA** also mentioned that Hogan Lovells would be drafting a response to these papers and would be happy to share thoughts in due course.

## **7. NEXT MEETING**

Thursday 23 March 2017, 9.00am – 10.30am (Venue: Charles Russell Speechlys, 5 Fleet Place, London, EC4M 7RD (Host: Paul Arathoon))