



**The Quoted
Companies Alliance**

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The Secretary to the Code Committee
The Takeover Panel
10 Paternoster Square
London EC4M 7DY

Email: supportgroup@thetakeoverpanel.org.uk

25 September 2009

Dear Sirs,

**The Takeover Panel – Miscellaneous Code Amendments – Revision Proposals
Relating to Various Rules of the Takeover Code (PCP 2009/2)**

INTRODUCTION

The Quoted Companies Alliance (QCA) is a not-for-profit membership organisation working for small and mid-cap quoted companies. Their individual market capitalisations tend to be below £500m.

The QCA is a founder member of European**Issuers**, which represents over 9,000 quoted companies in fourteen European countries.

The QCA Markets & Regulations Committee has examined your proposal and advised on this response and a list of Committee Members is at Appendix A.

RESPONSE

Thank you for the opportunity to respond to this consultation. The QCA believes that all the amendments to the Takeover Code suggested in this paper are very sensible and agrees with the main purpose of the paper to clarify the application of existing provisions in the Code and codify existing practice. We have no specific comments on any of the consultation questions.

If you wish to discuss these issues with us, we will be pleased to attend a meeting.

Yours sincerely,

Tim Ward
Chief Executive

THE QUOTED COMPANIES ALLIANCE MARKETS & REGULATIONS COMMITTEE

Stuart Andrews (Chairman)*	Evolution Securities LTD
Peter Allen	DWF LLP
Umerah Akram	London Stock Exchange plc
Andrew Collins	Speechly Bircham LLP
Jonathan Eardley	Share Resources
Richard Everett	Lawrence Graham LLP
Richard Evans	Consultant
Martin Finnegan	Nabarro LLP
Farook Khan	Pinsent Masons LLP
Linda Main	KPMG LLP
Richard Metcalfe	Mazars LLP
Craig Nimmo	Brewin Dolphin Securities
Simon Rafferty	Winterflood Securities
Chris Searle	BDO Stoy Hayward LLP
Peter Swabey	Equiniti
Theresa Wallis	LiDCO Group plc
Tim Ward	The Quoted Companies Alliance
Kate Jalbert	The Quoted Companies Alliance

*Main Author

THE QUOTED COMPANIES ALLIANCE (QCA)

A not-for-profit organisation funded by its membership, the QCA represents the interests of small and mid-cap quoted companies, their advisors and investors. It was founded in 1992 and originally known as CISCO.

The QCA is governed by an elected Executive Committee, and undertakes its work through a number of highly focussed, multi-disciplinary committees and working groups of members who concentrate on specific areas of concern, in particular:

- taxation
- legislation affecting small and mid-cap quoted companies
- corporate governance
- employee share schemes
- trading, settlement and custody of shares
- structure and regulation of stock markets for small and mid-cap quoted companies; Financial Services Authority (FSA) consultations
- political liaison – briefing and influencing Westminster and Whitehall, the City and Brussels
- accounting standards proposals from various standard-setters

The QCA is a founder member of **EuropeanIssuers**, which represents quoted companies in fourteen European countries.

QCA's Aims and Objectives

As the only organisation dedicated solely to the particular interests of the small and mid-cap quoted sector, the QCA has four primary goals:

Lobbying the Government, Brussels and other regulators to reduce the costing and time consuming burden of regulation, which falls disproportionately on smaller quoted companies

Promoting the smaller quoted company sector, taking steps to increase investor interest and improve shareholder liquidity for companies in it.

Educating companies in the sector about best practice in areas such as corporate governance and investor relations.

Providing a forum for smaller quoted company directors to network and discuss solutions to topical issues with their peer group, sector professionals and influential City figures.

Small and mid-cap quoted companies' contribution to the economy:

- there are approximately 2,000 small and mid-cap quoted companies
- they represent around 85% of the total of quoted companies by number
- they employ 2 million people
- this figure represents around 10% of total private sector employment
- every 5% growth in the small and mid-cap quoted company sector could reduce UK unemployment by a further 100,000
- They generate:
 - corporation tax paid of £2.0 billion pa
 - income tax paid of £5.0 billion pa
 - social security paid of £2.0 billion pa

The tax figures exclude business rates, VAT and other indirect taxes.

For more information contact:

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