



**The Quoted  
Companies Alliance**

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75008  
Paris, France

[info@esma.europa.eu](mailto:info@esma.europa.eu)

25 February 2011

Dear Sirs,

**ESMA – Call for Evidence – Request for technical advice on possible delegated acts concerning the Prospectus Directive (2003/17/EC) as amended by the Directive 2010/73/EU**

***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.

Our ID number for the European Commission's register of interest representatives is 45766611524-47.

The QCA Legal Committee has examined the request for technical advice and advised on this response. A list of committee members is at Appendix A.

***RESPONSE***

We welcome the opportunity to respond to this call for evidence on the amending Directive to the Prospectus Directive. Raising finance effectively and efficiently is of the utmost importance to our members, small and mid-cap quoted companies, especially given the current economic climate and lack of bank lending available to them, and we believe the revisions to the Prospectus Directive will play a vital role in this.

**Proportionate Prospectus Regime**

We have mainly focused our response to your call for evidence on the proportionate disclosure regime (section 3.3 of the 'Formal request to ESMA for technical advice on possible delegated acts concerning the amended Prospectus Directive' document) for both pre-emptive offers and offers by SMEs and issuers with reduced market capitalisations, as these issues are of the utmost importance to our membership and will assist them greatly in raising equity more efficiently. We have outlined in the attached document ('The Proportionate Disclosure Regime introduced for some pre-emptive offers if equity securities, offers by SMEs and issuers with reduced market capitalisations') what information should be included in these proportionate regimes in detail.

**Review of the provisions of the Prospectus Regulation**

A founder member of European**Issuers**

A company limited by  
guarantee registered in  
England  
Reg No: 4025281

**ESMA**  
**Call for Evidence – Amending Directive to the Prospectus Directive**  
**25 February 2011**  
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We also would like to comment on the review of provisions of the Prospectus Regulation (Articles 5 and 7) (section 4), especially with regard to profit forecasts and estimates and audited historical information.

- **Profit Forecasts and Estimates**

We support the repeal of the requirement for profit forecasts and estimates to be accompanied by a report from the independent accountant or auditors, as the requirement seems to not fit in with market practice and does not add much value to the document.

- **Audited Historical Financial Information**

We support a reduction of the required audited historical financial information from three years to two years in a prospectus, except in the case of an IPO, as proposed by the Commission.

We would very much like to have a meeting with the relevant ESMA committee overseeing the delivery of technical advice and with representatives of the QCA Legal Committee to discuss further our proposals for a proportionate prospectus regime for pre-emptive offers and offers by SMEs and issuers with reduced market capitalisations. We will be in contact shortly to organise this.

Yours faithfully,



Tim Ward  
Chief Executive

**Quoted Companies Alliance Legal Committee**

Tom Shaw (Chair)	-	Speechly Bircham LLP
James Archibald	-	Nabarro LLP
Jai Bal	-	Farrer & Co LLP
Chris Barrett	-	Bird & Bird LLP
Richard Beavan	-	Boodle Hatfield
Matt Bonass	-	SNR Denton LLP
Ross Bryson	-	Mishcon de Reya
Madeleine Cordes	-	Capita Registrars
Jonathan Deverill	-	DMH Stallard
Jeanette Gregson	-	Davenport Lyons
Susan Hollingdale	-	Practical Law Company Ltd
Carol Kilgore	-	Curtis, Mallet-Prevost, Colt & Mosle LLP
Philip Lamb	-	Lewis Silkin LLP
Chris Owen	-	Manches LLP
June Paddock	-	Fasken Martineau LLP
Donald Stewart	-	Faegre & Benson LLP
Gary Thorpe	-	Clyde & Co LLP
Tim Ward	-	The Quoted Companies Alliance
Kate Jalbert	-	The Quoted Companies Alliance

## 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, 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
- 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**

The QCA works for small and mid-cap quoted companies in the United Kingdom and Europe to promote and maintain vibrant, healthy and liquid capital markets. Its principal objectives are:

*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 and 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 small and mid-cap 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' contribute considerably to the UK economy:

- There are approximately 2,000 small and mid-cap quoted companies
- They represent around 85% of all quoted companies in the UK
- They employ approximately 1 million people, representing around 4% of total private sector employment
- Every 5% growth in the small and mid-cap quoted company sector could reduce UK unemployment by a further 50,000
- They generate:
  - corporation tax payable of £560 million per annum
  - income tax paid of £3 billion per annum
  - social security paid (employers' NIC) of £3 billion per annum
  - employees' national insurance contribution paid of £2 billion per annum

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

For more information contact:  
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**The Proportionate Disclosure Regime  
introduced for some pre-emptive offers of equity securities,  
offers by SMEs and issuers with reduced market capitalisation**

## **Introduction**

This document sets out the response of the QCA to the call for evidence by ESMA dated 26 January 2011 in which ESMA invited interested parties to submit views on aspects or areas ESMA should consider in its advice to the European Commission on possible delegated acts concerning the Prospectus Directive as amended by the Directive 2010/73/EU.

As the letter from Jonathan Faull of the European Commission of 19 January 2011 to Mr Carlos Tavares of ESMA included in the call for evidence makes clear, “The Directive 2010/73/EU has three main objectives: increasing efficiency in the prospectus regime, reducing administrative burdens for companies when raising capital in the European securities markets, and enhancing investor protection.”

We have had these principles firmly in mind when making this submission.

Mr Faull also describes the three parts of the mandate to ESMA and it is an aspect of the first part of the mandate that we concentrate upon in this submission, namely “the proportionate disclosure regime introduced for some pre-emptive offers of equity securities, offers by SMEs and issuers with reduced market capitalisation...”

## **Our proposals**

We have set out our proposals in table form in the attachment to this letter. We explain our approach in formulating our proposals in this letter.

## **The guidance in the European Commission’s mandate**

We noted the helpful guidance at 3.3 of the European Commission’s mandate under the heading Proportionate disclosure regime (Article 7): “Such proportionate disclosure regime aims at improving the efficiency of the Union’s securities markets and reducing the administrative costs of issuers when raising capital. It should strike a balance between the need to improve investor protection and the amount of information already disclosed to the markets and the size of the issuers.” We have underlined the second sentence as we regard this as critical. We support the statement that the regime must strike a balance. In our view it is possible to lighten the considerable disclosure burden currently imposed without compromising investor protection.

We also note from the shaded boxes under paragraph 3.3 of the mandate that ESMA is invited to provide its advice by reference to the annexes to the Prospectus Regulation. Accordingly our proposal refers to the annexes to the Prospectus Regulation identifying the disclosure items required by the Prospectus Regulation that we consider should be addressed under the proportionate regime and those that in our view can be omitted.

## **A general comment on the detail and complexity of prospectuses**

A full form prospectus is a long and complex document of record, but its usefulness as a document on which investors base their investment decision is debatable. The Study on the Impact of the Prospectus Regime on EU Financial Markets published in June 2008 stated that “unlike institutional investors, small retail investors do not, on average make use of prospectuses for their investment decisions”. Although the statement may cover market purchases as well as investments on flotation, we should nonetheless be looking for ways in which to make the prospectus more relevant and accessible. On a flotation, institutional investors will usually have taken an investment decision in principle during the marketing exercise carried out in the period before the prospectus is available. A simplified prospectus

would assist companies in producing clearer documents of better relevance to the needs of both retail and institutional investors.

### Cost

The costs of preparing a fundraising document are significant, and need to be controlled and reduced where possible – both in proportion to the amount being raised and to the size of the company, and in the light of the economic climate.

Part of the cost burden of a full prospectus lies in the preparation of certain information, and part comes from the process of obtaining the approval of the competent authority. By way of example, we estimated in March 2009 that a fundraising of €5 million where a prospectus is required could cost €600,000, which represents well over 10 per cent of the amount raised.

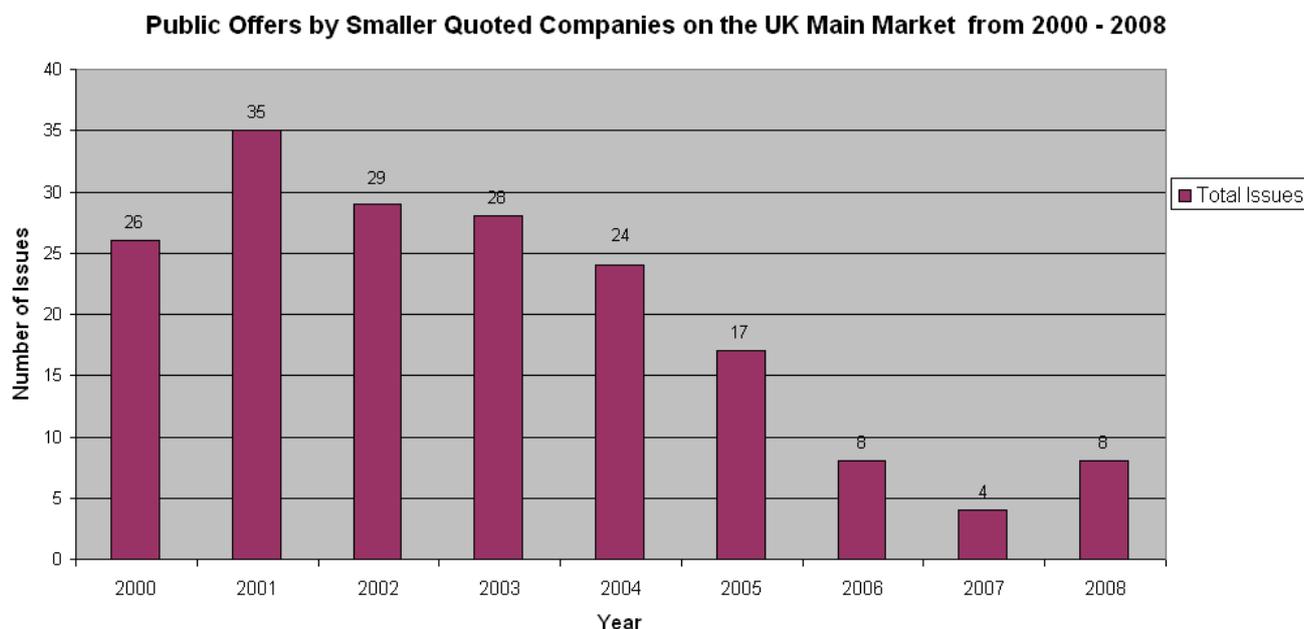
### The effect on smaller quoted companies

Both of these factors have influenced market behaviour significantly. Since the introduction of the current prospectus regime, smaller quoted companies have raised their funds almost without exception through a placing procedure with a limited number of investors, both on flotation and in later rounds of fundraising, in order to avoid the need to produce a full prospectus.

Existing shareholders are, in effect, usually disenfranchised from later fundraisings. Open offers or rights issues, which used to be comparatively common in smaller companies, are now virtually non-existent as it would not be economic to do so (with a full FSA-approved prospectus) for the usual size of secondary fundraisings undertaken by smaller companies, as displayed by the cost estimates outlined above.

By way of illustration, the following charts show the decline of public offers from the smaller quoted company sector in the UK since 2000:

**Chart 1: Public Offers by Smaller Quoted Companies on the UK Main Market from 2000 – 2008**



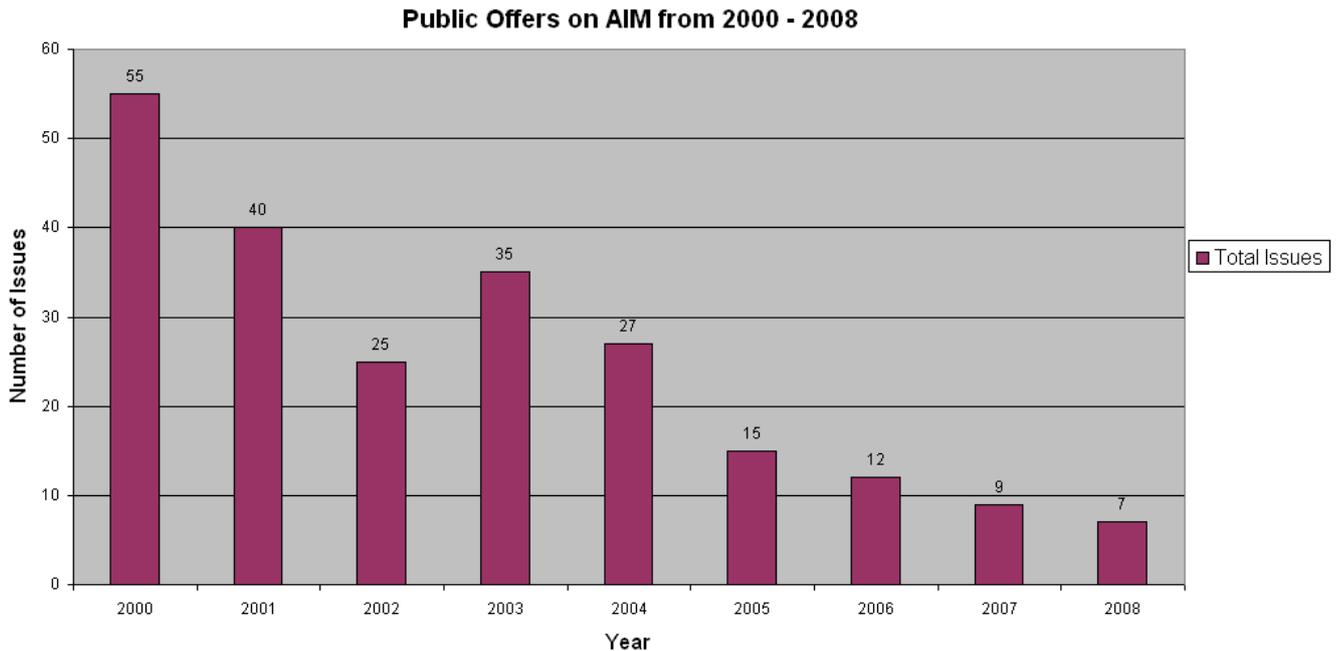
Source: The London Stock Exchange, *Further Issues Summary* (Available: [www.londonstockexchange.com/en-GB/about/statistics/](http://www.londonstockexchange.com/en-GB/about/statistics/))

Notes:

'Total Issues' include the following types of further public transactions that would require a prospectus: Offer for Subscription, Open Offer, Placing & Open Offer, Placing & Offer for Subscription, Placing for Cash & Open Offer, Public Offering, and Rights Issue.

In this chart, 'Smaller Quoted Companies' include those companies that had a market capitalisation below £100m at the time of the further issue.

**Chart 2: Public Offers on the UK's Alternative Investment Market (AIM) from 2000 – 2008**



**Notes:**

'Total Issues' include the following types of further public transactions that would require a prospectus: Offer for Subscription, Open Offer, Placing & Open Offer, Placing & Offer for Subscription, Placing for Cash & Open Offer, Public Offering, and Rights Issue.

## Our proposals

### 1. The content requirement of the offering document

Our proposals for the matters to be covered under the proportionate disclosure regime are set out in the table attached:

- **A proportionate disclosure regime for some pre-emptive offers of equity securities**

In column 3 of the table we have identified the aspects of the Prospectus Regulation we consider should be covered in the offering document to be produced by companies making pre-emptive offers whose shares are already traded on a regulated market or MTF (and therefore those aspects that can be omitted).

We consider the same disclosure regime should apply in pre-emptive offers or any other offers to existing shareholders by SMEs and issuers with a reduced

market capitalisation whose shares are not already traded on a regulated market or MTF.

The key point here in striking the balance in the level of disclosure is “the amount of information already disclosed”. The simple point is that a pre-emptive offer is of course an offer to existing shareholders and it is therefore unnecessary to tell shareholders again information that has already been provided to them.

- **A proportionate disclosure regime for offers by SMEs and issuers with reduced market capitalisation**

In column 4 of the table we have identified the aspects of the Prospectus Regulation we consider should be covered in the offering document to be produced in the case of IPOs or any offer to new shareholders by SMEs and issuers with a reduced market capitalisation..

On this occasion we consider that the key point in striking the balance in the level of disclosure is “the size of the issuers” and by extension the ability of the issuers to afford the costs.

## **2. Clarification of legislative wording of the proportionate disclosure regime for pre-emptive offers**

In the amending Directive 2010/73/EU, the wording of the provision for a proportionate disclosure regime for pre-emptive offers (Article 7(b)(iii)) currently reads:

*a proportionate disclosure regime shall apply to offers of shares by companies whose shares of the same class are admitted to trading on a regulated market or a multilateral trading facility as defined in Article 4(1)(15) of Directive 2004/34/EC, which are subject to appropriate ongoing disclosure requirements and rules on market abuse, provided that the issuer has not disapplied the statutory pre-emption rights.*

We would request that ESMA provide clarification on the wording of the disapplication of statutory pre-emption rights and the application of the proportionate regime. In practice, many companies, especially smaller quoted companies, may at least partially disapply some overseas (outside the European Union) shareholders’ pre-emption rights during a pre-emptive offer. This is to avoid the extra time and costs of having to file documents or satisfy prospectus requirements in overseas jurisdictions and to ensure a quick and efficient fundraising. Additionally, a company may undertake a rights issue where it has fractional entitlements to rights, and therefore would not be offering the exact same number of shares to all shareholders.

These two examples are common occurrences and, given the current legislative wording, it may be difficult for the majority of companies to take advantage of the proportionate regime for pre-emptive offers, if they have to follow the statutory pre-emption rules to the letter. We would like ESMA to confirm that for these purposes, pre-emption rights would have the same meaning as that defined in Article 29 of the Second Council Directive 77/91/EC.

## **3. Efficient approval process by the competent authority**

We believe that directions should be given to the competent authority in the rules of the new proportionate regime to deal with the approval process in a quick and efficient manner, as this is key in ensuring an efficient offer for issuers.

We would also suggest that in a jurisdiction where there is a person responsible for the offer or listing of a company on a regulated market (e.g. a sponsor in the UK) or multilateral trading facility (e.g. a NOMAD in the case of AIM) that a prospectus produced under either category should not be required to be approved by the competent authority, as a means of controlling costs. Instead it could be a requirement that the person responsible for the offer or listing should certify that such a proportionate prospectus meets its requirements.

#### 4. The manner of disclosure

We make the following further points regarding the manner of disclosure:

- **Short offering documents using simple language**

Paragraph 1.2 of the mandate to ESMA sets out the principles that ESMA should take into account one of which is “The principle of proportionality: the technical advice should not go beyond what is necessary to achieve the objective of the Amended Directive. It should be simple and avoid creating excessive administrative or procedural burdens for issuers, in particular SMEs, and the national competent authorities.” A further principle is “The technical advice carried out should contain sufficient and detailed explanations for the assessment done, and be presented in an easily understandable language respecting current legal terminology used in the field of securities markets and company law at European level.”

We propose that the same principles should be adopted in the specification of how issuers should comply with the disclosure requirements under the proportionate regime. We suggest a requirement of the regime should be that issuers must use simple language and present the required information in an easily understandable way. The disclosures should be short. The emphasis should be on the quality (ie relevance and materiality) of the disclosure.

- **Risk factors**

As a specific point issuers should be discouraged in the regulations from including generic risk factors. Instead issuers should only list risk factors that are specific to the issuer or the market in which it operates.

- **Including material by cross reference**

Under Article 28 (Arrangement for Incorporation by Reference) of Commission Regulation No 809/2004 (implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements), only companies that are listed on regulated markets are able to take advantage of incorporation by reference for the items specified.

We believe that this should be extended to companies on multilateral trading facilities, which are subject to appropriate ongoing disclosure and market abuse requirements. Where historic information (for example accounts) already exists the issuers on MTFs should be entitled to satisfy the disclosure requirement by referring to the existing document rather than having to set the information out again in the offering document.

## QCA Proposals for Proportionate Disclosure

(1)	(2)	(3)	(3a)	(4)	(4a)
	<b>Brief description</b>	<b>QCA proposal</b> <b>Pre-emptive offers to existing shareholders by companies whose shares are already traded on a regulated market or MTF</b> <b>and</b> <b>Offers (post-IPO) to existing shareholders by SMEs and issuers with a reduced market capitalisation whose shares are not already traded on a regulated market or MTF</b>	<b>Explanation:</b> <b>In general, all aspects that are not ticked are so because existing shareholders already have access to this information and do not need it repeated. Specific explanation for costly areas is included below.</b>	<b>QCA proposal</b> <b>IPOs or any offer to new shareholders by SMEs and issuers with a reduced market capitalisation whose shares are not already traded on a regulated market or MTF</b>	<b>Explanation:</b>
	<b>Annex I</b>				
1	<b>Persons responsible</b>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
1.1	Persons responsible for information in prospectus	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
1.2	Responsibility statement	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	

<b>2</b>	<b>Statutory auditors</b>				
2.1	Details of auditors				
2.2	Resignation, removal etc of auditors				
<b>3</b>	<b>Selected financial information</b>		Existing shareholders have access to and are aware of historical and current financial information and do not need it repeated in the prospectus.		
3.1	Selected financial information				
3.2	Interims				
<b>4</b>	<b>Risk factors</b>			<input checked="" type="checkbox"/>	
<b>5</b>	<b>Information about the issuer</b>				
5.1	History and development			<input checked="" type="checkbox"/>	
5.1.1	Name of issuer	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
5.1.2	Registration details	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
5.1.3	Date of incorporation				
5.1.4	Issuer's country of incorporation etc			<input checked="" type="checkbox"/>	
5.1.5	Events in development of business				
5.2	Investments				
<b>6</b>	<b>Business overview</b>			<input checked="" type="checkbox"/>	
6.1	Principal activities			<input checked="" type="checkbox"/>	
6.2	Principal markets			<input checked="" type="checkbox"/>	
6.3	Exceptional factors			<input checked="" type="checkbox"/>	

6.4	Dependency on patents etc			<input checked="" type="checkbox"/>	
6.5	Competitive position			<input checked="" type="checkbox"/>	
<b>7</b>	<b>Organisational structure</b>			<input checked="" type="checkbox"/>	
7.1	Brief description of group			<input checked="" type="checkbox"/>	
7.2	Significant subsidiaries			<input checked="" type="checkbox"/>	
<b>8</b>	<b>Property, plant, equipment</b>			<input checked="" type="checkbox"/>	
8.1	Existing or planned material tangible assets				
8.2	Environmental issues			<input checked="" type="checkbox"/>	
<b>9</b>	<b>Operating and financial review</b>		This is a costly aspect for issuers to produce for the prospectus and is not necessary for existing shareholders as they have access to historical and current financial information already, as required by the Transparency Directive.		As noted in column 3a, this is a costly aspect for issues to produce and much of what is included in here tends to be covered in other areas of the prospectus.
9.1	Financial condition				
9.2	Operating results				
<b>10</b>	<b>Capital resources</b>				
10.1	Issuer's capital resources				
10.2	Cash flows			<input checked="" type="checkbox"/>	
10.3	Borrowing and funding				

10.4	Restrictions on use of capital				
10.5	Sources of funds for future investments				
<b>11</b>	<b>Research and development etc</b>				
<b>12</b>	<b>Trend information</b>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
12.1	Significant recent trends	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
12.2	Material effect on issuer	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
<b>13</b>	<b>Profit forecasts or estimates</b>				
13.1	Principal assumptions				
13.2	Accountants' report				
13.3	Comparison with historical				
13.4	Validity of existing forecasts				
<b>14</b>	<b>Administrative, management bodies etc</b>				
14.1	Senior management			<input checked="" type="checkbox"/>	
14.2	Conflicts of interest of management				
<b>15</b>	<b>Remuneration and benefits</b>		This information is usually required to be disclosed in an issuers' annual report and therefore existing shareholders already have access to it.		
15.1	Remuneration			<input checked="" type="checkbox"/>	
15.2	Pension and retirement benefits			<input checked="" type="checkbox"/>	
<b>16</b>	<b>Board practices</b>		This information is		

			usually required to be disclosed in an issuers' annual report and therefore existing shareholders already have access to it.		
16.1	Expiration of current term of office				
16.2	Service contracts			<input checked="" type="checkbox"/>	
16.3	Audit, remuneration committees				
16.4	Corporate governance			<input checked="" type="checkbox"/>	
<b>17</b>	<b>Employees</b>		This information is usually required to be disclosed in an issuers' annual report and therefore existing shareholders already have access to it.		
17.1	Number of employees			<input checked="" type="checkbox"/>	
17.2	Employee shareholdings, options			<input checked="" type="checkbox"/>	
17.3	Employee arrangements re share capital			<input checked="" type="checkbox"/>	
<b>18</b>	<b>Major shareholders</b>				
18.1	Modifiable interests in shares			<input checked="" type="checkbox"/>	
18.2	Major shareholder voting rights				
18.3	Control of issuer			<input checked="" type="checkbox"/>	
18.4	Arrangements re change of control			<input checked="" type="checkbox"/>	
<b>19</b>	<b>Related party transactions</b>			<input checked="" type="checkbox"/>	

20	Financial information		Existing shareholders have access to and are aware of historical and current financial information, as required under the Transparency Directive, and do not need it repeated in the prospectus. This not only saves costs for the issuers, but also declutters the prospectus, which makes the document more clear and concise for the shareholder/investor.		
20.1	Historical financial information		The above applies, but it should be noted that complex financial history information should continue to be included in cases where there is an acquired, or to be acquired, entity significant to the issuer, and equally for reportable disposals, as this financial information would not be otherwise available to the	☑	

			shareholders/investor.		
20.2	Pro forma financial information			<input checked="" type="checkbox"/>	
20.3	Financial statements			<input checked="" type="checkbox"/>	
20.4	Auditing of financial information			<input checked="" type="checkbox"/>	
20.5	Age of latest financial information			<input checked="" type="checkbox"/>	
20.6	Interim and other financial information			<input checked="" type="checkbox"/>	
20.7	Dividend policy			<input checked="" type="checkbox"/>	
20.8	Legal, arbitration proceedings			<input checked="" type="checkbox"/>	
20.9	Significant change statement	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
<b>21</b>	<b>Additional information</b>				
21.1	Share capital	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
21.1.1	Share issues, reconciliation				
21.1.2	Shares not representing capital				
21.1.3	Shares held by the issuer in itself				
21.1.4	Convertible securities				
21.1.5	Acquisition rights over unissued shares				
21.1.6	Capital under option	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
21.1.7	Share capital history				
21.2	Memorandum, articles of association				
<b>22</b>	<b>Material contracts</b>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
<b>23</b>	<b>Third party information</b>				
23.1	Information about experts	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	

23.2	Requirements for information sourced from third parties	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
<b>24</b>	<b>Documents on display</b>				
<b>25</b>	<b>Information on holdings</b>				
	<b>Annex II</b>				
	<b>Pro forma financial information</b>	none		none	
	<b>Annex III</b>				
<b>1</b>	<b>Persons responsible</b>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
1.1	Persons responsible for information in prospectus	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
1.2	Responsibility statement	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
<b>2</b>	<b>Risk factors</b>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
<b>3</b>	<b>Key information</b>				
3.1	Working capital statement	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
3.2	Capitalisation, indebtedness		This information is costly in terms of time to add to a prospectus. An investor should be able to infer all he/she needs to know about indebtedness from the		Same explanation as column 3a

			working capital statement.		
3.3	Interests of persons in issuer	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
3.4	Reasons for the offer, use of proceeds	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
<b>4</b>	<b>Information concerning securities</b>				
4.1	Type and class of securities	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
4.2	Legislation of securities	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
4.3	Registered or bearer			<input checked="" type="checkbox"/>	
4.4	Currency of securities	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
4.5	Rights attached to securities			<input checked="" type="checkbox"/>	
4.6	Authorities creating securities				
4.7	Expected issue date	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
4.8	Restrictions on transferability			<input checked="" type="checkbox"/>	
4.9	Takeover bids, squeeze out rights etc			<input checked="" type="checkbox"/>	
4.10	Takeover bids by third parties			<input checked="" type="checkbox"/>	
4.11	Withholding tax information			<input checked="" type="checkbox"/>	
<b>5</b>	<b>Terms and conditions of offer</b>				
5.1	Conditions, statistics, timetable etc				
5.2	Distribution, allotment				
5.3	Pricing				
5.4	Placing and underwriting				
<b>6</b>	<b>Admission and dealing</b>				

6.1	Application for admission				
6.2	Markets where shares traded				
6.3	Any other placings				
6.4	Intermediaries in secondary trading				
6.5	Stabilisation				
<b>7</b>	<b>Selling securities holders</b>				
7.1	Details of sellers				
7.2	Details of shares being sold				
7.3	Lock ups				
<b>8</b>	<b>Expenses of the issue</b>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
8.1	Net proceeds, estimated expenses				
<b>9</b>	<b>Dilution</b>				
9.1	Dilution resulting from offer	<input checked="" type="checkbox"/>			
9.2	Dilution of existing shareholders	<input checked="" type="checkbox"/>			
<b>10</b>	<b>Additional information</b>				
10.1	Statement re capacity of advisers				
10.2	Other information audited				
10.3	Information about experts	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	
10.4	Requirements for information sourced from third parties	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	