

held on Wednesday 16 April 2014 at 5.00pm
at Speechly Bircham, 6 New Street Square, London EC4A 3LX

Present: Simon Rafferty (Chairman)	Winterflood Securities Ltd	SR
Jon Gerty	Shore Capital	JG
William Lynne	Hybridan LLP	WL
Peter Swabey	ICSA	PS
Paul Arathoon	Speechly Bircham LLP	PA
Tim Ward	Quoted Companies Alliance	TW
Kate Jalbert	Quoted Companies Alliance	KJ
Maria Gomes (Minutes)	Quoted Companies Alliance	MG

ACTIONS

1. Apologies

Apologies were received from Andrew Collins, Richard Everett, William Garner, Mitchell Gibb, Claire Noyce, Robert Scavera and Andy Thompson.

2. Minutes of the last meeting (19 February 2013) – The minutes were approved.

3. Issues for Discussion

- **London Stock Exchange – Consultation on the market structure for the introduction of an intra-day auction for SETS Equities and IOB (RD: 17 April 2014)**

The group agreed that the QCA response should voice issuers' concerns over a 'one-size-fits-all' approach; anything that is not specifically calibrated for the market in their securities can be harmful to smaller companies, especially in terms of liquidity. KJ and MG will draft a response and circulate it to the group for comment.

KJ/MG

- **ESMA – Discussion Paper Draft Technical Standards for the Regulation on improving securities settlement in the European Union and on Central Securities Depositories (CSD) (RD: 22 May 2014)**

JG pointed out that it is important to submit as many responses to this consultation as possible, as the proposed technical standards may lead to losing some of the concessions regarding less liquid securities that we have gained in campaigning on CSDr. JG further added that the current standards discussed in the paper will make it so that it is not cost effective for market makers to continue to make prices in SME/less liquid shares and so could have a significant impact on SMEs. JG and SR kindly agreed to share their response with the QCA. MG and KJ will then draft a response for the QCA and circulate it for comment.

JG/KJ/MG

TW suggested the QCA also draft and circulate a template response to our members to encourage them to submit a response.

- **ESMA – Consultation Paper on Draft Regulatory Technical Standards on major shareholdings and indicative list of financial instruments subject to notification requirements under the revised Transparency Directive (RD: 30 May 2014)**

The group agreed that this consultation should not have a very big impact from a UK perspective. KJ noted that there is a section in there that will affect market makers. SR will review it and come back to MG about whether the QCA should submit a response.

SR/MG

- **Top 20 questions directors should ask when considering raising alternative finance/ Top 20 questions a Board should sit together and ask before any fundraise**

SR thanked WL for drafting these two top 20 questions documents. WL explained that they have tried to outline the pitfalls they have come across so far, in a way that can be useful to our corporate members. KJ suggested that we obtain the input on these questions from the Corporate Finance Advisors Expert Group, compile their comments and redraft these into one document, which can then be shared with our members as a guidance note.

KJ/MG

TW noted that these briefing notes will be a 'members-only' benefit. JG offered to send these to Shore Capital's Corporate Guidance Group for their input as well.

JG

4. Communications and Future Meetings

- **Other issues for the group to consider**

KJ informed the group that, regarding the newly introduced stamp duty exemption, AIM companies will have to self-certify that they are not listed on a recognised stock exchange elsewhere by the 23 of April. Since the announcement for this requirement has been made with a very short notice, KJ will send a notice to member companies and NOMADs to raise their awareness to this.

KJ

TW asked the group for comments on any new issues they find relevant for him to bring forward to the IPO Taskforce, set up by EuropeanIssuers and FESE, which is looking at ways to stimulate IPOs for growing companies throughout Europe.

ALL

TW asked the group if the settlement of the T+2 requirement of the EU Central Securities Depository Regulation would be relevant to be discussed in this group. The group agreed that it is relevant information that should be communicated to the corporate members.

KJ/MG

- **European Commission Communication on Long-term Financing of the European Economy – For information only**

There was no discussion on this item.

- **MiFID II – For information only**

There was no discussion on this item.

- **Policy Update (February 2014) – for information only**

There was no discussion on this item.

- **Guest invitations to future meetings**

KJ confirmed that we will invite LCH to attend the Secondary Markets Expert Group meeting in June, to discuss the interaction between SSR and CSDr.

MG/Chris Stapeley

The group suggested that we invite Ian-Patrick Lauder from the London Stock Exchange to attend one of our future meetings.

MG/Chris Stapeley

- 5. AOB** – Following the action point from the previous meeting regarding inviting CIOs of fund management companies to be involved in this expert group, TW announced that Mark Tubby from FinnCap has agreed to join the Secondary Markets Expert Group.

6. ACTION POINTS

Action	Person	Date
Draft and circulate for comments the London Stock Exchange Consultation on the market structure for the introduction of an intra-day auction for SETS Equities and IOB	MG/KJ	Before 17 April 2014
Draft and circulate template response to the ESMA Discussion Paper Draft Technical Standards for the Regulation on improving securities settlement in the European Union and on Central Securities Depositories (CSD)	JG/MG/KJ	ASAP
Circulate for comments to the Corporate Finance Advisors Expert Group the two 'top 20 questions' guidance notes	MG/KJ	ASAP
Send the two 'top 20 questions' guidance notes to Shore Capital's Corporate Guidance Group for their input	JG	ASAP
Send a notice on stamp duty exemption to member companies and NOMADs	KJ	ASAP
Send input for new issues to be raised at the IPO Taskforce	ALL	ASAP
Communicate the settlement of the T+2 requirement of the EU Central Securities Depository Regulation to members	KJ/MG	ASAP
Invite LCH to the June meeting	MG/Chris Stapeley	ASAP
Invite Ian-Patrick Lauder to attend one of our future meetings	MG/Chris Stapeley	ASAP

Information for noting

1. **Consultation Update** – Responses submitted: None.
2. **Next meeting(s)**

17:00 Wednesday, 11 June 2014 (Venue: Speechly Bircham LLP, 6 New Street Square, London EC4A 3LX)