

QCA Legal Expert Group Terms of Reference

Aims and objectives:

- Ensure that regulations and legislation from the UK Government and UK regulators, as well as from the European Commission and ESMA, are developed with 'Think Small First' in mind.
- Highlight that a 'one-size-fits-all' approach is not always appropriate for small and mid-size quoted companies.
- Ensure that regulations and legislation from these bodies are proportionate and appropriate for small and mid-size quoted companies so that they are not subject to unnecessary burdens and in particular, that the cost of raising capital is not made prohibitively high for them.
- Promote the need for 'Better Regulation' for small and mid-size quoted companies rather than just *more* regulation.

Activities:

- Respond to consultations issued by the UK Government, UK regulators, the European Commission and ESMA on specific legislation and regulations that may affect small and mid-size quoted companies' ability to grow and raise finance.
- Examine the impact of specific regulations, legislation and consultation papers for aspects that may be impractical, inconsistent with other regulations, overly-bureaucratic, unworkable and/or impose an additional cost (without a commensurate benefit).
- Increase general awareness of specific legal and market issues that may hinder small and mid-size quoted companies from being able to thrive and make the most of their stock market quotation, in particular, issues that may increase the cost of equity capital.
- In relation to all of the above, liaise with other Quoted Companies Alliance Expert Groups (particularly the Corporate Finance and Secondary Markets Expert Groups).

Expectation of members

- We expect members of the Legal Expert Group to actively participate in the group's activities. This primarily involves preparing for, attending and participating in debate and discussions during meetings, but also includes volunteering to draft consultation responses and commenting on various outputs from the Expert Group.
- Members who are unable to attend each meeting are expected to contribute to the wider activities of the group. Members may be asked to report on consultations and/or draft consultation responses or other briefing notes, based on their particular individual expertise.