

<b>Present:</b>	Gary Thorpe (Chairman)	GT
	Paul Arathoon	PA
	Philippa Chatterton	PC
	Sarah Hassan	SH
	David Hicks	DH
	Julie Keefe	JK
	Nicola Mallett	NM
	Jane Mayfield	JM
	Tom Shaw	TS
	Donald Stewart	DS
	Mark Taylor	MT
	Maria Gomes	MG
	Callum Anderson (minutes)	CA
 <b>In attendance:</b>		
	Jonathan Edwards	(HM Treasury) JE

## **1. WELCOME TO JONATHAN EDWARDS – HEAD OF MARKETS INFRASTRUCTURE – HM TREASURY**

GT welcomed JE to the meeting. JE thanked the QCA for the opportunity to provide HM Treasury's perspective on the Prospectus Regulation.

JE explained the current state of play of the Prospectus Regulation in the Council of Ministers; he noted that the Dutch Presidency is very keen for an agreement by the end of their mandate in June 2016 and this was reflected in the fact that there have been five Working Party meetings so far. However, he also noted that there is still more work to be done until an agreed position can be established across all 28 Member States.

JE mentioned that the draft report by Philippe de Backer MEP has been published. He emphasised that it contained many positive components that, in light of de Backer's role as Rapporteur, could likely gain traction in the political trilogues. In particular, he identified the SME Growth Prospectus, alongside the relatively higher lower and upper thresholds as an indicator of the report's ambition. He noted de Backer's aspiration for providing crowdfunding platforms more flexibility raising capital in the future.

JE stated HM Treasury's wish to see a Prospectus Regulation that is both lighter for SMEs, but also ensures protection and clarity for investors. He explained where HM Treasury believes further enhancements need to be made in regards to clarifying risk factors, loosening the requirements for prospectus summaries and third country issues, in order for them to be content with the package.

JE concluded that the Prospectus Regulation negotiations are likely to continue during the Slovak Presidency (July – December 2016). He noted HM Treasury's preference for a slower, more deliberative pace to ensure that a coherent package had the consensus of all Member States. JE noted that credit should be given to the QCA in leading the thought process in Europe on the Prospectus Regulation. JE left the meeting.

## 2. APOLOGIES

Apologies were received from Danette Antao, Naomi Bellingham, Ian Binnie, Ross Bryson, Jo Chattle, Andrew Collins, Simon Cox, David Davies, David Fuller, Stephen Hamilton, Michael Higgins, Tara Hogg, Martin Kay, Nicholas McVeigh, Maegen Morrison, June Paddock, Jaspal Sekhon, Tim Ward and Ben Warth.

## 3. MINUTES OF THE LAST MEETING (25 February 2016)

The minutes were approved.

## 4. ISSUES FOR DISCUSSION

	Document	Action by LEG
a)	<p><b>Prospectus Regulation</b></p> <p>This was covered in 1.</p>	None at this stage.
b)	<p><b>Market Abuse Regulation</b></p> <p>MT kindly led the work on QCA's response to the ESMA consultation regarding the draft guidelines. He explained that the response generally welcomes ESMA's approach to the guidelines.</p> <p>It was agreed that the elements of the QCA response regarding persons receiving the market soundings (such as the requirements for record keeping – deemed over burdensome) should be assessed by the Chairmen of the Secondary Markets and Corporate Finance Expert Groups as well.</p> <p>Regarding insider information, MT noted that although ESMA's approach goes beyond the existing CESR Guidance, it was generally too restrictive. This could have repercussions in the case of a competitive situation and deferred disclosure.</p> <p>The Group agreed to review the response.</p>	<p><b>CA</b> to circulate draft response for comments.</p> <p><b>[this has now been done]</b></p> <p><b>CA</b> to circulate draft response to Chairmen of SMEG and CFEG for their input.</p> <p><b>[this has now been done]</b></p> <p><b>ALL</b> to comment on draft response by 31 March 2016.</p> <p><b>[this has now been done]</b></p>
c)	<p><b>The Takeover Panel consultation</b></p> <p>PA agreed to draft the QCA response to this consultation. He informed the Group that the amendments proposed by the Takeover Panel seemed practical and reasonable.</p> <p>The Group agreed to comment on this response.</p>	<p><b>PA</b> to send comments/draft response.</p> <p><b>[this has now been done]</b></p> <p><b>CA</b> to draft and circulate for comments.</p> <p><b>[this has now been done]</b></p> <p><b>ALL</b> to comment on draft response.</p>

## 5. COMMUNICATIONS AND FUTURE MEETINGS

	Document	Action by LEG
a)	<p><b>Commission delegated regulation on regulatory technical standards under Omnibus II Directive</b></p> <p>This was not discussed; for information only.</p>	None at this stage.
b)	<p><b>Commission Implementing Regulation on ITS under MAR</b></p> <p>This was not discussed; for information only.</p>	None at this stage.
c)	<p><b>Commission Delegated Regulations under MAR</b></p> <p>This was not discussed; for information only.</p>	None at this stage.
d)	<p><b>Policy Update (February 2016)</b></p> <p>This was not discussed; for information only.</p>	None at this stage.
g)	<p><b>Guest invitations to future meetings</b></p> <p>This was not discussed.</p>	None at this stage.

## 6. AOB

**Date for next meeting:** Thursday 28 April 2016, 8.45am, Charles Russel Speechlys LLP, 5 Fleet Place, London, EC4M 7RD.