

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

supportgroup@thetakeoverpanel.org.uk

2 October 2012

Dear Sirs,

PCP 2012/3 Companies Subject to the Takeover Code

Introduction

We are the Quoted Companies Alliance, the independent membership organisation that champions the interests of small to mid-size quoted companies. Their individual market capitalisations tend to be below £500m.

The Quoted Companies Alliance is a founder member of EuropeanIssuers, which represents over 9,000 quoted companies in fourteen European countries.

The Quoted Companies Alliance Corporate Finance Advisors, Markets and Regulations and Legal Expert Groups have examined your proposals and advised on this response. A list of members of the Expert Groups is at Appendix A.

Response

Overall, we agree with the Panel's decision to remove the residency test from the Code, as it provides much more certainty for the UK market in terms of which companies the Code applies to. We only have specific comments on Question 1 and have included those below:

1. Do you agree that the residency test should be removed from the Code?

Yes, we agree.

However, in response to the suggestion raised in paragraph 1.4 of the consultation paper, we do not believe that the Takeover Code should apply to companies that are incorporated in Bermuda or other overseas jurisdictions (other than the Channel Islands and the Isle of Man) as a result of their re-domicile from the United Kingdom. Such an extension of the jurisdiction of the Takeover Code would represent an unhelpful dilution of the certainty that is provided by the proposed new regime.

Yours sincerely,



Tim Ward
Chief Executive

The Quoted Companies Alliance is the independent membership organisation that champions the interests of small to mid-size quoted companies.

List of Expert Group Members**Corporate Finance Advisors**

Johanne Arnesen	KPMG LLP
Azhic Basirov	Smith & Williamson Limited
David Bennett/Simon Charles	Marriott Harrison
Daniel Conti	RBC Capital Markets
Richard Crawley	Espirito Santo Investment Bank incorporating Execution Noble
Matthew Doughty	Dorsey & Whitney
Stuart Faulkner/Simon Raggett	Strand Hanson Limited
James Green	K&L Gates LLP
Lesley Gregory	Memery Crystal LLP
Chris Hardie	Arden Partners PLC
Daniel Harris	Peel Hunt plc
Samantha Harrison (Chair)	RFC Ambrian Limited
Dalia Joseph	Oriel Securities Limited
Amerjit Kalarai	Field Fisher Waterhouse
Jonathan King	Osborne Clarke
Jonathan Morris	Bates Wells & Braithwaite LLP
Nicholas Narraway	c/o Moorhead James
Nick Naylor	Allenby Capital Ltd
Claire Noyce/Deepak Reddy	Hybridan LLP
Simon O'Brien	PricewaterhouseCoopers LLP
Tom Price	
Mark Percy/Rick Thompson	Seymour Pierce Limited
Philip Secrett	Grant Thornton
Ray Zimmerman/Marc Cramsie	ZAI Corporate Finance Ltd

Legal

Jai Bal/Anthony Turner	Farrer & Co
Chris Barrett	Bird & Bird LLP
Richard Beavan	Boodle Hatfield
Ian Binnie	Nabarro LLP
Ross Bryson	Mishcon De Reya
Madeleine Cordes	Capita Registrars Ltd
Simon Cox	Norton Rose LLP
David Davies	Bates Wells & Braithwaite
Mebs Dossa	McguireWoods
David Fuller	CLS Holdings PLC
Stephen Hamilton	Mills & Reeve LLP
Susan Hollingdale/Hilary Owens	Practical Law Company Limited
Martin Kay	Blake Lapthorn
Carol Kilgore	CMS Cameron McKenna LLP
Philip Lamb	Lewis Silkin
Christian Lewis/Tim Stead	Squire, Sanders & Dempsey (UK) LLP
Maegen Morrison	Hogan Lovells International LLP
June Paddock	Fasken Martineau LLP
Tom Shaw (Chair)	Speechly Bircham LLP
Donald Stewart	Faegre Baker Daniels LLP
Mark Taylor	Dorsey & Whitney
Gary Thorpe	Clyde & Co LLP

Markets & Regulations

Umerah Akram	London Stock Exchange plc
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Stuart Andrews (Chair)
Andrew Collins
Richard Everett
Martin Finnegan
Alexandra Hockenhull
Michelle Holt
Amerjit Kalirai
William Lynne/Claire Noyce
Linda Main
Brian McDonnell
Richard Metcalfe
Philip Quigley
Simon Rafferty/James Stapleton
Laurence Sacker
Chris Searle
Peter Swabey

FinnCap
Speechly Bircham LLP
Lawrence Graham LLP
Causeway Law
Xchanging plc
Capita Registrars Ltd
Field Fisher Waterhouse
Hybridan LLP
KPMG LLP
Olswang
Mazars LLP
Smith & Williamson Limited
Winterflood Securities Ltd
UHY Hacker Young
BDO LLP
Equiniti