

held on Wednesday 20 November 2013 at 5.00pm
at Speechly Bircham, 6 New Street Square, London EC4A 3LX

Present: Simon Rafferty (Chairman)	Winterflood Securities Ltd	SR
Andrew Collins (Host)	Speechly Bircham LLP	AXC
William Garner	Speechly Bircham LLP	WG
John Gerty	Shore Capital	JG
William Lynne	Hybridan LLP	WL
Claire Noyce	Hybridan LLP	CN
Andy Thompson	Wealth Management Association	AT
Tim Ward	Quoted Companies Alliance	TW
Kate Jalbert (Minutes)	Quoted Companies Alliance	KJ

ACTIONS

1. Apologies

Apologies were received from Richard Everett, Robert Scavera, James Stapleton and Peter Swabey.

2. Issues for Discussions

- Central Securities Depositories Regulations (CSDr)

JG noted that some of the expert group had recently gone to Brussels with the Wealth Management Association to discuss how the carve out for SME Growth Markets is good, but that it excludes small companies on regulated markets. AT noted that the Wealth Management Association has sent a briefing note to the Lithuanian presidency.

TW noted that this issue is important for other markets than just the UK – NASDAQ OMX Sweden has put out a report which recommends the use of market makers for less liquid stocks. KJ will send around the report to the group. **KJ**

Members of the group noted that CSDr is due to take effect in 2016 and so there could be a situation where SME Growth Markets still do not legally exist under EU legislation.

- MiFID II/MiFIR

Group members noted that it would be 2016/2017 before the amended Directive and new regulation would be implemented. JG noted that in MiFID there has been some discussion on considering a graduated tick size.

- SEC Pilot Programme – Larger Tick Sizes for SMEs

TW noted that it may be interesting to have a pilot study on minimum tick sizes for a few AIM companies and smaller companies on the Main List in order to test the impact on liquidity.

3. Communications and Future Meetings

- Other issues for the group to consider

SR asked group members whether there were additional issues that they should consider. CN noted that equity lines of credit and to what extent it is an abusive activity. TW suggested inviting a representative from Darwin and Yorkville to a future meeting to discuss this point.

KJ also reported on the current situation regarding removing SDRT from AIM and ISDX shares. KJ noted that this will feature in the Autumn Statement on 5 December and that the draft implementing legislation will be published as part of the Finance Bill 2014. It is likely that shares of companies on the High Growth Segment, in addition to AIM and ISDX, will be exempt from SDRT.

- Policy Update (21 October 2013) – for information only

There was no discussion on this item.

- Guest invitations to future meetings

It was agreed to invite a representative from Yorkville and one from Darwin to a future meeting.

Chris Stapeley/KJ

- Proposed Dates for 2014

There was no discussion on this item.

4. AOB – There was no discussion on this item.

5. CONSULTATIONS – None to note.

6. NEXT MEETING(S)

17:00 Wednesday, 19 February 2014 (Venue: Speechly Bircham LLP, 6 New Street Square, London EC4A 3LX)