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Capital Markets Policy
Financial Conduct Authority
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Thursday 28 July 2022

Dear FCA colleagues,

Primary Markets Effectiveness Review: Feedback to the discussion of the purpose of the listing regime and further discussion

We welcome the opportunity to respond to your Discussion Paper on the Primary Markets Effectiveness Review.

The Quoted Companies Alliance *Primary Markets Expert Group* and *Secondary Markets Expert Group* have examined the proposals and advised on this response from the viewpoint of small and mid-sized quoted companies. A list of Expert Group members can be found in Appendix A.

Overall, we do not believe that the FCA's proposal for the creation of single listing segment will realise the objectives it is trying to achieve. The proposal fails to provide sufficiently distinctive and compelling choice to inspire the companies and investors of today and tomorrow to utilise our public markets.

We believe that this can only be achieved through the provision of a growth-oriented listing option by establishing a new "UK Listed Growth Market". Operating alongside the "UK Listed Premium Market", the new market will offer a more proportionate, flexible and dynamic listing alternative for high-growth, innovative companies. It is our belief that this will help to ensure that the UK is the destination where companies can start, grow, scale up and stay so that our investors have access to diverse and wide-ranging opportunities that help support the real economy and the UK's economic growth.

A UK Listed Growth Market is the supply-side solution; the demand-side solution must become a key focus of the Government and FCA. Facilitating an increase in the supply of capital, from a range of varied investors and with different time horizons, must be partnered with the current reforms. Failure to do so will result in the maintenance of the status quo, leaving the UK behind.

We look forward to working with the FCA on this very important subject. If you would like to discuss our response in more detail, please do not hesitate to contact us.

Yours sincerely,

Tim Ward
Chief Executive

A company limited by guarantee registered in England
Registration Number: 4025281

Executive Summary

Our proposal

We proposed the creation of a new market format to operate alongside the existing Premium Listing segment in our response to CP21/21, stating that the provision of choice for both companies and investors was the central dynamic in ensuring the long-term health and success of our markets. We also highlighted how we believe that a single segment would not provide a sufficiently distinctive and compelling choice, and thus fail to improve the attractiveness of our markets to bring about an increase in the number of dynamic companies listing on the UK's markets.

We still believe strongly that a single segment will not produce the intended outcomes and that only the creation of a new market will result in securing the long-term success of our markets to the benefit of companies, investors and the wider UK economy. We encourage the FCA, and others, to expand and build on the proposal for a new market.

The FCA's objectives will fall short of being achieved

The FCA's objectives, in seeking to provide choice and remove complexity, are well-intentioned and broadly align with what we think we should be seeking to achieve. However, the current proposals in relation to the creation of a single listing segment will fall far short of achieving these objectives.

The proposal fails to provide sufficient, compelling and clearly differentiated choice.

Shrinking markets are continuing

The structural inefficiency of the UK's markets means that our markets continue to shrink. Since writing our response to CP21/21, the situation has only become worse. The changes implemented following the outcome of this consultation, such as in relation to dual class share structures and free float requirements, have not had the intended impact in creating more listings. Of course, it is difficult to judge their impact during the current adverse market conditions created by the Russia-Ukraine war and macroeconomic issues, but we cannot continue to use these conditions, and others in the future, as excuses for the longer-term decline in our markets.

It is evident that more than just adjusting rules needs to be done to reverse this deeply embedded trend.

The value of our public markets

Public companies produce significant benefits for the economy; they are a public good. They create intellectual property, encourage innovation, distribute wealth, generate jobs, provide significant tax contributions, and ultimately produce economic growth. To quantify some of this, just the small and mid-cap quoted company community alone employs over 2.1 million people throughout the UK and contribute over £25 billion in tax to the exchequer. All of this takes place in an environment that is more open, accessible, and transparent than any other alternatives.

We must seek to further extol the virtues of these markets.

Now is the time to make bold and innovative change

We must go beyond making minor amendments to certain rules and deliver on creating inspirational markets for the future. The FCA's proposal for a single listing segment adopts a one-size-fits-all approach by constraining all companies into one environment. The objectives are well-intentioned, but to inspire new companies we should not be seeking to solely amend rules and regulations. Companies are not inspired by how they relate to rulebooks; they want aspirational and transformational markets that can help them to deliver on their visions. This is our opportunity to improve the market infrastructure to best serve these companies.

A holistic view is needed

Regardless of what shape these reforms eventually take, the FCA (and Government) must make sure they are coupled with demand-side initiatives too. Failure to focus holistically on both supply-side and demand-side reforms will not stop the outpouring of funds from the public equity space and will not result in the wished-for improvements to our markets. Such demand-side factors includes suitable amendments to Solvency II.

A "UK Listed Growth Market" will facilitate any supply-side solution

The creation of a new, flexible and dynamic UK Listed Growth Market to match high-growth and innovative companies who are seeking to scale up will go a long way to addressing the structural issues with the UK's public equity market offering. The new market will sit between the UK Listed Premium Market and SME Growth Markets, such as AIM and AQSE, and will offer a growth-oriented listing option for companies. The market will offer a more proportionate listing alternative to the UK Listed Premium Market to reflect the growth-centred nature of its constituents and will include certain capital raising enhancements and a more flexible rulebook. This will encourage companies, and in particular those at an intermediate stage of their growth, to use public financing to drive their scale up aspirations.

The role of market operators

The market operator must play a proactive and forward-looking role in enhancing the branding and reputation of the new UK Listed Growth Market. How the new market is promoted, and the quantum of such promotion, will be crucial to its success in both the short- and long-term.

Preface to detailed Discussion Paper response

Our proposal in response to CP21/21

In our response to CP21/21, we advocated for a full-scale overhaul of the Standard Listing segment by replacing it with an entirely new market structure format. In putting forward our proposal, our intention was to generate further thinking and encourage the FCA and others to build upon the idea. We note that the FCA has highlighted in its response that "many respondents stated that the Standard Listing segment needed to be rebranded and given clarity of purpose and scope" and that this support was received from multiple strands of market participants, including investors.

The basis of our proposition was centred on the principles of choice and simplification. We argued, and still believe, that choice for companies in dynamic and inspiring markets, and choice for investors in terms of being able to invest in a variety of opportunities, are the essential dynamics to embolden the long-term health and success of our markets. It was also our belief that simplification would only be achieved through clearly defined, structured, and differentiated, markets, which would enhance the levels of understanding towards each market structure. We believe that having two markets will make it clearer, simpler and easier to understand for all market participants, and in particular, companies and investors. We outline below how we believe this to be the case.

For companies:

Model	Benefits		Negatives	
	Choice	Simplification	Choice	Simplification
FCA proposal for a single listing segment	- Two sets of continuing obligations to choose from on the same market	- Easier to establish in the short-term as only requires minor amendments to rules	- Unclear which set of continuing obligations is best and issues with mandatory obligations being perceived as "substandard"	- Reduced eligibility criteria eliminates the "gold-standard" nature that some companies and investors strive for
QCA proposal for the creation of a new market format	- Option to decide between markets under the concept of a "UK Listing", maintaining a more stringent "Premium" listing option and offering a more flexible and dynamic "Growth" listing option	- Avoids blurring the lines by offering two clearly defined and differentiated markets where every company has the same eligibility criteria and follows the same	- Potential difficulties with perception in the short-term as a result of legacy issues due to association with Standard Listing segment	- More difficult to establish in the short-term and will require significant promotion and proactive input from market operators to appropriately brand and market the new format

		obligations on their respective market		

For investors:

Model	**Benefits**		**Negatives**	
	Choice	**Simplification**	**Choice**	**Simplification**
FCA proposal for a single listing segment	- Ability to choose between companies following different sets of continuing obligations	- Easier to establish in the short-term and develop an understanding of as all companies follow one set of eligibility criteria	- Choice is limited as the stringent eligibility requirements of the Premium List will have been eroded due to all companies following the new, more limited eligibility criteria and all companies will be driven to apply the supplementary requirements, further limiting choice	- It will be unclear and difficult to establish which companies are operating which set of obligations and it will be difficult to sufficiently differentiate
QCA proposal for the creation of a new market format	- Investors highly value the strictly regulated nature associated with the eligibility criteria and continuing obligations of the Premium List and also offers choice to invest in a new, dynamic market with companies at an intermediate stage of their growth	- Easier to distinguish between investment opportunities as companies following the same obligations on their respective market	- May take time for the new market format to be seen as an attractive investment proposition in its early years	- More difficult to establish and develop an understanding of the nature of investment opportunities on the new market at the beginning as it is a break from the status quo

We believe that, for both companies and investors, the benefits significantly outweigh the negatives when comparing the proposal for a single segment and our proposal for the creation of a new market structure alongside the existing Premium Listing. This does not mean that the creation of a new market would be simple and certainly will not be achieved overnight and will take the collective effort of all market participants to feed into the process to ensure that our markets are fit for purpose for the future. However, it is essential that we seize the opportunity before us and be bold to create inspirational markets. Only making small adjustments to certain rules and requirements will not produce the intended effect of increasing the perceived attractiveness of the UK's markets.

Given that we have a unique opportunity due to our newfound position outside of the European Union, the FCA must be bold and innovative to reconfigure the broader, overarching picture and achieve something truly different.

The objectives of the reforms

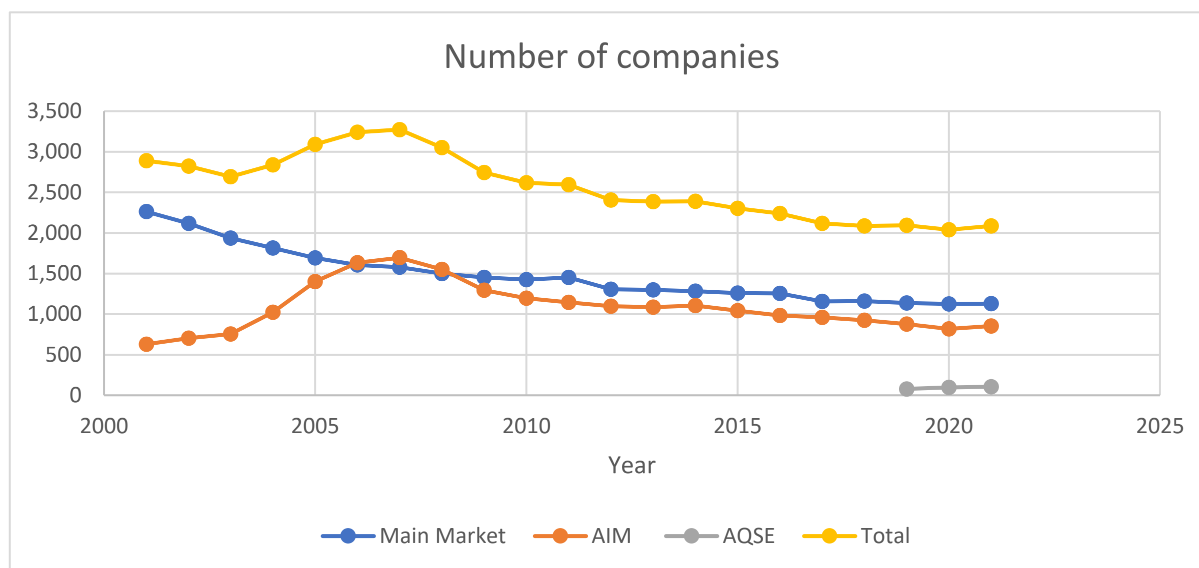
We believe that the essence of the FCA's objectives, and what it seeks to achieve, is broadly aligned with ours, particularly in terms of how it intends to provide choice and remove complexity. However, we do not believe that the current proposal in relation to the creation of a single listing segment will result in the realisation of these objectives.

The proposal, in its current format, does not provide clearly differentiated choice for companies or investors in a simplified manner. Introducing a single segment where companies have the choice to operate under two different sets of obligations does not enhance simplification. Rather, the proposal, as it is currently presented in two tiers, would result in a regime that creates confusion, both for companies and for investors. The idea of a single listing segment appears to be conflicted conceptually; the mandatory and supplementary sets of obligations become ambiguous and causes a blurring of the lines, reducing the convenience for investors.

However, two separate markets, with two clearly defined regulatory regimes will provide appropriately differentiated choice and also achieve simplification. As mentioned, it appears that there is a degree of confusion conceptually in regard to the two different regimes and it is unclear how the FCA will achieve flexibility and change. While it is recognised that regulatory and compliance burdens must be made more proportionate to attract more companies and the FCA has, in this light, proposed two different regimes, it will not necessarily produce the intended result on two counts. Firstly, it is debateable as to whether the mandatory regime is sufficiently flexible and lighter-touch to reduce regulatory compliance and burdens, and secondly, it should not be assumed that companies would take well to only applying the mandatory obligations. Companies often do not want to be associated with anything less than the best standards, and therefore, may opt (or be induced by investor pressure) to adopt the supplementary standards when they do not have the capacity to do so and thus be strained, or may leave the market so as not to be perceived as substandard.

Decline in numbers of companies

Since our last response, where we highlighted the decline of our markets, the situation has got worse. We highlighted the considerable increase in companies leaving the markets since the 2007 peak where there were 3,273 companies. This has since reduced to 2,084 companies: a decrease of over 36 per cent. When looking at the Main Market individually, since 2001, the number of companies on the market has decreased by 50%. The AIM market peaked in 2007 (following a developmental period after the markets inception in 1995) and has since decreased by 49%.



[1]

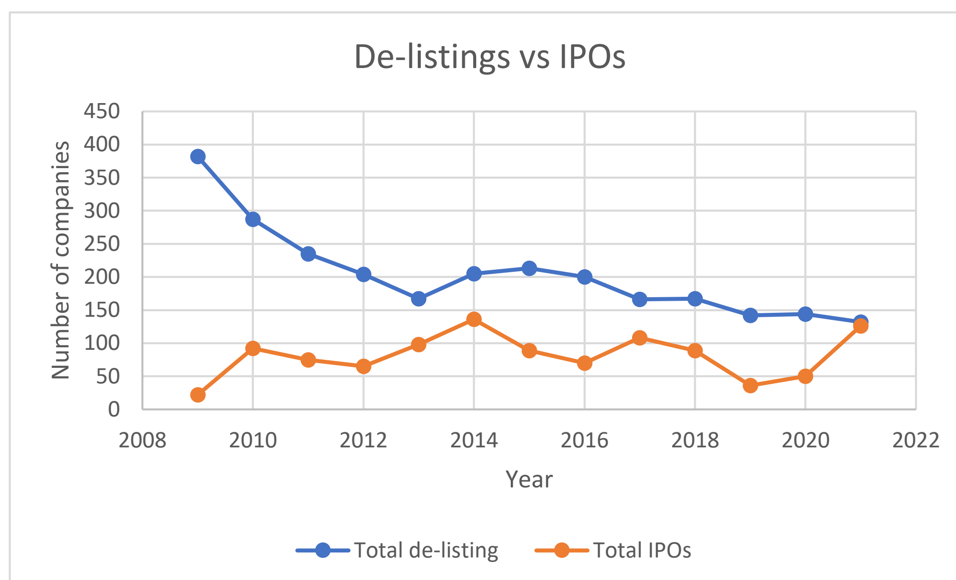
This shows how listing shares on the UK's public equity markets has become less attractive for companies due to a variety of issues. Factors include increasingly overburdensome regulation (particularly compared to private companies), the significant costs of compliance, the growth of private equity (in part, due to significant tax advantages – effectively a Government subsidy), and the outdated/antiquated nature of our markets have all contributed to the decline in the number of companies listed on our markets.

Moreover, the number new of listings frequently attracts attention from a variety of commentators who view the UK's IPO figures in isolation, proclaiming that the numbers are positive. However, it is important to also factor in the number of de-listings, which consistently outpaces the number of listings.

For instance, despite a very positive year for IPOs in 2021 (126 in total), there were 131 de-listings. The gap between the number of de-listings and IPOs gets worse when looking at previous years and the numbers for this year also look to continue this negative trend.

The graph below shows that the number of companies de-listing outpaces the number of IPOs every year during the period 2009-2021 (please note that the data on the LSE's website only goes back to 2009 for de-listings, hence the selection of this period).

[1] Data collected from London Stock Exchange website, News and Prices, Reports, available at: https://www.londonstockexchange.com/reports?tab=issuers
And, Aquis Stock Exchange website, available at: https://www.aquis.eu/



[2]

Commentators also frequently state how external events have contributed to adverse market conditions. For instance, Brexit and the Covid-19 pandemic, and more recently, the Russia-Ukraine war, wider geopolitical events, and certain macroeconomic issues such as rising inflation and interests, have all been cited as reasons for these conditions. They have, undoubtedly, had a significant impact on our markets and the sentiment towards them, but we cannot continually use these, and other, future events, as excuses for the longer-term, embedded decline of our markets.

The importance of our public markets to the economy

The reason why bold and serious reform is necessary is because our public markets have such an important impact on the economy. The QCA recently commissioned Hardman & Co to conduct research looking at the importance of small and mid-sized quoted companies to the markets, and their contribution to tax revenues and employment in the UK[3]. The research found that, when excluding the largest 100 companies (and certain other companies, such as investment companies), small and mid-caps represent 91 per cent. of all quoted companies on the London Stock Exchange's Main Market and AIM. These companies collectively:

- Have a market capitalisation of £376 billion by equity market value;
- Employ over 2.1 million workers;
- Account for more than 75 per cent. of the workforce of all quoted companies in several regions of the UK; and
- Contributed at least £25.1 billion in taxes in 2020/21.

[2] Data collected from London Stock Exchange website, News and Prices, Reports, available at: https://www.londonstockexchange.com/reports?tab=issuers
[3] QCA/Hardman & Co, July 2022, Punching above their weight? The contribution of small and mid-cap quoted companies to markets, employment and tax revenues, available at: https://hardmanandco.com/wp-content/uploads/2022/07/Hardman-Insights-Punching-above-their-weight-1.pdf

This demonstrates the vast contribution of this community of companies to our markets and the wider economy. It is imperative that they continue to be able to contribute in this way (and more) to the health of society and the economy.

Since we last produced the report in 2019[4], there has been a net loss of 169 companies (426 left the markets with 257 companies joining in this period). The net reduction in company numbers has taken 800,000 jobs into the private sector with them, meaning that these employees lose the extra benefits of being employed by a publicly listed company. Being employed at a public company means that employees have access to ownership in their place of work and benefit directly from the success of the business, helping to drive improved job satisfaction. In addition, these companies are more transparent and are held to higher standards than private companies, due to scrutiny from investors and regulators, creating more robust companies who provide more stable employment.

The necessity of doing something different

While the evidence above regarding de-equitisation is well-known and well-understood, we are highlighting it again to show the severity of the situation. Contributing factors to this de-equitisation trend have been heightened regulatory requirements, excessive scrutiny and the dominance of private equity, but all of this in underpinned by the nature of our markets that are often referred to as antiquated and the Jurassic Park of stock exchanges[5]. The reluctance to modernise our markets in recent years is arguably the biggest reason for their demise.

This has come at a cost to our wider economy as the UK has shown a long-term inadequacy in serving scale up companies. The Patient Capital Review[6], which concluded in 2017, revealed that while start-ups were thriving in the UK, scale up was suppressed by a lack of supportive capital. These short comings have not been addressed five years later.

As stated above, we agree with the FCA's objectives in their attempts to make improvements, but we do not believe that the proposals are bold enough and nor will they produce the intended effects. The current proposals put forward by the FCA in relation to the single segment regime is an approach that can be characterised as following a one-size-fits-all agenda. Our markets, and the regulation that governs them, have become accustomed to this approach in recent years. It is often said that proportionality has been considered and flexibilities provided by giving companies the choice to "comply or explain". However, what this model does is normalise and socialise an "optimum-level" benchmark that is unachievable for many (whilst experiencing disproportionate costs and burdens) and, when companies cannot reach this benchmark, it is looked on poorly by other market participants, such as proxy advisors and certain investors. The proposal for a single listing segment will likely produce the same consequence. The supplementary obligations will be deemed the benchmark by many, and those following only the

[4] QCA/Hardman & Co, May 2019, How small and mid-cap companies make a substantial contribution to markets, employment and tax revenues, available at: http://hardmanandco.com/wp-content/uploads/2019/05/How-small-and-mid-cap-quoted-companies-make-a-substantial-contribution-to-markets-employment-and-tax-revenues.pdf
[5] Financial Times, December 2021, London is becoming the Jurassic Park of stock exchanges, available at: https://www.ft.com/content/847b0335-7835-4b4f-9dc6-39ba944baadc
[6] Patient Capital Review Industry Panel Response, October 2017 available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/661397/PCR_Industry_panel_response.pdf

mandatory obligations will automatically be deemed less attractive and substandard because all companies are considered in the same light.

Creating a one-size-fits-all environment usually ends with certain concessions for smaller, less developed companies being introduced two or three years after implementation. This is a hidden cost and one that is significant economically. It is much more cost-effective to adopt a proportionate approach from the outset, avoiding these costs.

A new, standalone market that exists in its own right will not encounter these issues as there will be greater clarity about its purpose.

Serious change is needed to reverse the decline of our markets. The FCA must ensure that rule changes are complemented and supported by an ongoing cultural change towards encouraging public equity. It is the underpinning culture of these markets that will have the greatest influence on enacting behavioural change and fostering deeper and more affluent markets. This cannot be achieved, we believe, within the current proposals for a single listing segment.

As stated above, the objectives that the FCA has set out are well intentioned, but these cannot be achieved, and we should not be seeking to create markets, by developing a rulebook. We have a unique opportunity to create inspiring markets that are aspirational targets for more companies at an earlier stage of their growth, and simply tinkering with certain rules and regulations will fall far short of achieving this.

Choice and diversity of offerings is what is needed. We need to inspire new companies to join our markets and we already have the knowledgeable and sophisticated investor base that can compliment that and will appreciate having a diverse range of investment opportunities.

Demand and supply-side reform

Notwithstanding the above, it must also be recognised that demand-side reform is desperately needed to complement the various strands of supply-side-related reviews and reforms. Lord Hill’s Listing Review was a welcome first step, and the subsequent supply-side initiatives being worked on by HM Treasury and the FCA will continue this work. Positive change is needed to ensure that the UK has a continuum of attractive equity markets for companies, and we welcome these developments.

However, this only forms one piece of the puzzle. There has been a significant and ever-growing outflow of funds from the public equity arena in recent years, and without this reversing, nothing will change. Investors must be able to buy into any changes or developments that occur. Both long- and short-term capital is vitally important, as well as there being a range of diversified investors and we must seek to encourage and incentivise longer-term structural money. This can only be achieved through focussing on demand-side solutions, such as changing the rules around accessing money from life insurers and pension funds, in concert with other supply-side solutions currently being considered.

A new market format structure

In order to establish a listing regime with two appropriately differentiated options, there needs to be two markets/listing segments. Each market needs to have a specific and clearly defined remit and purpose with a regulatory regime/framework that support and reflects that remit and purpose. For this to take place, it should not be the case that the proposals for a new market (in place of the extant Standard Listing segment) overlaps the space occupied by our 'unlisted' junior markets, such as AIM and AQSE.

What we should be seeking to achieve is a listed growth market for companies at an intermediate stage of their growth, where the rules and requirements, such as in relation to corporate governance standards and disclosure obligations, are more proportionate and truly reflect the growth-oriented nature of these companies. The new market should focus on being more flexible and dynamic and also include some capital raising enhancements.

We have set out in the table below an initial approach on how we believe that this can be achieved. The new market, which we have named the *UK Listed Growth Market*, would become the middle-tier option of the stock market, sitting between Premium Listed companies (*UK Listed Premium Market*) and SME Growth Market companies (AIM and AQSE). The new market structure, we envisage, would be for growth companies that are a higher level of risk than larger, more established companies who are better suited to the more stringent and globally accepted standards of regulation and corporate governance associated with the Premium Listing segment, but also not suited to "unlisted" markets due to having, for instance, too high a valuation for SME Growth Markets as a result of the nature of the business or sector in which they operate.

It has been suggested by some commentators that the need for the creation of a new market in addition to the Premium Listing segment is unnecessary due to the option of SME Growth Markets, such as AIM and AQSE. In many respects, AIM and the AQSE do offer a suitable alternative to listed markets. However, they do not provide a suitable alternative for all types of companies. There are certain companies, which the UK should be seeking to attract, that are unable to meet the requirements of the Premium Listing regime, but are too big, or ill-suited to the nature of AIM or AQSE.

For instance, the AIM market is unique in its approach and composition; it is specifically designed for small and mid-caps companies. This means it is important that AIM does not grow to such an extent that it becomes a market for companies of a size that it was not originally designed for.

The table below is not designed to be definitive; it is more an illustration as to how the different market formats can be appropriately differentiated. The table has been produced following consultation and input from a variety of different stakeholders within our community. We do not intend for this to be the finished article and appreciate and understand that, for this to work properly, further input and scrutiny will be required.

However, in its simplest form, we envisage that the overarching structure of the UK's markets will be as follows:

UK Listed Premium Market	UK Listed Growth Market	SME Growth Markets (AIM and AQSE)
This market will continue to have the highest eligibility criteria and continuing obligations and will typically, but not exclusively, be for companies who: • Have higher market capitalisations, levels of liquidity and are investment instruments for many institutional investors • Maintain and adhere to the highest levels of transparency and standards of disclosure and corporate governance • Commit to providing an enhanced role for shareholders in decision-making and in holding the company to account	This market will have more proportionate levels of eligibility criteria and continuing obligations to reflect a growth-oriented listed market offering and will typically, but not exclusively, be for companies who: • Have growing market capitalisations and appropriate/sufficient levels of liquidity, with a mixture of investors • Are able to demonstrate their high-growth potential • Maintain a sufficient level of disclosure and corporate governance expected of a listed company	These markets will retain their own eligibility criteria and continuing obligations designed to reflect their status as SME Growth Markets and will typically, but not exclusively, be for companies who: • Have lower market capitalisations and less liquidity, but have high growth potential and are for investors with a higher risk appetite

Given that the UK's SME Growth Markets (AIM and AQSE) are not the focus of this Discussion Paper, we focus predominantly on how we believe the UK Listed Premium Market and the new UK Listed Growth Market should be differentiated. On the whole, we believe that the Premium List should be maintained under the UK Listed Premium Market; it is known and respected throughout the world for its high standards, stringent eligibility criteria and strict continuing obligations. Commentators say that it is valued highly by companies and investors from both a reputational and quality point of view and should, to a large extent, remain the same. The FCA's proposals to reduce and limit the eligibility criteria and continuing obligations, while well intentioned, have the potential to threaten the nature, quality and reputation of the UK's offering. Some market participants will deem the UK as less attractive if certain features, such as a revenue earning track record, historical financial information, or a clean working capital statement, for example, are removed.

In order to appropriately differentiate the new UK Listed Growth Market from the UK Listed Premium Market, we believe that the new market should be centred on growth by allowing companies to raise capital more efficiently and having a more proportionate set of rules and requirements to compliment this. For instance, this could be achieved through operating a more appropriate set of corporate governance standards and requirements, making capital raising and acquisitions more flexible and easing up the limits on a number of rules around pre-emption, prospectus requirements and share classes.

A version of the table below was included in our response to CP21/21, but we have made amendments and added to it both to reflect our own thoughts and to incorporate some of the FCA's proposals. This intends to serve as an indication of how the standards and requirements could differ for each market.

Market format	**UK Listed Premium Market**		**UK Listed Growth Market (Ex-Standard Listing)**	
	Current regime	**QCA proposals**	**Current regime**	**QCA proposals**
	Eligibility criteria			
Minimum free float	10%	25%[7]	10%	10%
Dual class share structures	Yes – specified weighted voting rights shares	No	Yes – specified weighted voting rights shares	Yes – specified weighted voting rights shares
Track record	Three-year representative revenue earning track record	Three-year representative revenue earning track record[8]	N/a	Disclosure-based regime
Historical financial information	Three years of audited historic financial information that represents at least 75% of the company's business	Three years of audited historic financial information that represents at least 75% of the company's business	N/a	Disclosure-based regime
Working capital	A clean or unqualified working capital statement	A clean or unqualified working capital statement	N/a	Disclosure-based regime
Minimum Market Capitalisation	£30 million	£30 million	£30 million	None
Adviser	Listing Sponsor at admission and for transactions	Listing Sponsor at admission and for transactions	N/a	Adviser appointed on a continuing basis[9]
Prospectus	Prospectus and Eligibility letter to FCA under Listing Rules	Prospectus and Eligibility letter to FCA under Listing Rules	Prospectus to FCA	Disclosure-based regime (Prospectus to FCA, including financial disclosure requirements)
Business plan	N/a	N/a	N/a	Publication of a Business Plan[10]
	UK Listing			
Regulation	Regulated Market and part of the FCA's Official List	Regulated Market and part of the FCA's Official List ("UK Listed Premium Market")	Regulated Market and part of the FCA's Official List	Regulated Market and part of the FCA's Official List ("UK Listed Growth Market")
	Trading			
Indices	FTSE UK series, where eligible	FTSE UK series, where eligible	N/a	

[7] We believe that the free float requirements for the UK Listed Premium Market should return to the original level of 25% as investors in these companies value there being a greater level of shares in public hands.
[8] While we believe that the minimum track record of three years should be maintained (noting that there are carveouts for certain companies), the way in which it is applied should be reviewed in order to make it more flexible and make it easier for companies to comply.
[9] Companies on the UK Listed Growth Market will be required to appoint an adviser at listing and on a continual basis thereafter. We believe this will be key to lowering the cost of capital and enhancing the reputation of the new market, particularly during the first few years following its inception. FCA-approved sponsor firms, LSE-approved Nomads and AQSE-approved Corporate Advisers will be allowed to be appointed.
[10] Companies on the UK Listed Growth Market will be required to publish a Business Plan upon listing, setting out their high growth potential and how they plan to realise this. The Business Plan should include, amongst other things, information on the company's business model, size, strategy, risk, and its competitive advantage. This will enable investors to make reasonable investment decisions based on the information disclosed within this plan.

				Potential for FTSE index series (commercial decision)
Significant transactions	Class tests as per Listing Rules	Class tests as per Listing Rules	N/a	Class tests for reverse takeovers
	Ongoing obligations (Governance and ESG)			
Corporate governance	UK Corporate Governance Code	UK Corporate Governance Code	Corporate Governance Statement	Application of appropriate governance code and measures
Climate-related disclosures	Yes (as per LR 9.8.6R(8))	Yes (as per LR 9.8.6R(8))	Yes (as per LR 14.3.27R)	Yes – Climate-related Statement[11]
Diversity and inclusion	Yes (as per LR 9.8.6R(9) and LR 14.3.33(1))	Yes (as per LR 9.8.6R(9) and LR 14.3.33(1))	Yes (as per LR 9.8.6R(9) and LR 14.3.33(1))	Yes – Diversity and Inclusion Statement[12]
	Ongoing obligations (other)			
Business plan	N/a	N/a	N/a	Disclosure on Business Plan[13]
Adviser	Sponsor for certain transactions	Sponsor for certain transactions	N/a	Adviser appointed on a continuing basis
Related party transactions approval	Yes	Yes	Yes	Disclosure-based regime
Controlling shareholder regime	Yes	Yes	No	Enhanced controlling shareholder agreement[14]
	Capital raising/acquisitions enhancements[15]			
Pre-emption limits	10%	20%[16]	10%	25%[17]

[11] It is our view that the current Listing Rule in relation to climate-related disclosures should not apply to companies on the UK Listed Growth Market. The LRs go too far in their current format and are not conducive to the growth-centred nature of the new market. We recognise, however, that it is still important for companies on this market to consider their climate-related risks and opportunities. As such, we believe that companies on the UK Listed Growth Market should provide some narrative disclosure and produce a “Climate-related Statement”, setting out their climate-related risks and opportunities.

[12] In a similar vein to the current Listing Rules regarding climate-related disclosure, we do not consider that the current Listing Rules relating to diversity and inclusion should apply to companies on the UK Listed Growth Market as they are not synonymous to its growth-oriented nature. Companies on this market may have smaller boards and executive committees and setting arbitrary quotas and reporting against them is not appropriate for the market. Instead, we believe that companies on the new market should provide some narrative disclosure and produce a “Diversity and Inclusion Statement”, setting out their approach to the subject.

[13] Companies will be required to provide appropriate disclosure (following their listing on an ongoing basis) on their Business Plan.

[14] Given the additional flexibilities granted on the UK Listed Growth Market, such as dual class share structures, we propose that companies will have to commit to an enhanced controlling shareholder agreement. Companies on this market will be more likely to have controlling shareholders and this will help to ensure that they act in the interests of their investors.

[15] We propose several enhancements to the UK Listed Growth Market to match the growth-oriented nature of this market to allow companies to raise capital and seek acquisitions more efficiently.

[16] As per the recommendation in the UK Secondary Capital Raising Review to raise the pre-emption limit from 10% to 20%. We wholeheartedly support this recommendation and believe it should apply to companies on the UK Listed Premium Market.

[17] Additional flexibility should be given to companies on the UK Listed Growth Market, enabling them to seek authority from their shareholders for a pre-emption disapplication of up to 25% - with up to 12.5% available for any purpose and a further 12.5% for use in connection with an acquisition or specified capital investment. Companies on this market should still use their best efforts to facilitate the inclusion of existing shareholders in fundraisings.

Prospectus requirements (secondary offers)	20% threshold	75% threshold[18]	20% threshold	75% threshold[19]
Suspensions	N/a	No	N/a	Up to a 2-day trading halt[20]
Maximum discounts	10%	10%	N/a	No

The table above provides an indicative comparison of how the UK Listed Premium Market and the UK Listed Growth Market could be differentiated.

Market operator role

It should also be stressed that for two separate market structures to work, the market operators must play a more proactive role in emboldening the branding and marketing of the different market structures. It is well known that the Standard Listing segment is not a great concept and can sometimes attract poorly managed companies. It is important that the current Premium Listing segment (UK Listed Premium Market) maintains its image as a market with the highest standards and that the new market structure, the UK Listed Growth Market, becomes a high-quality and flexible market in its own right.

Considered, assertive, prolonged and substantial marketing will be needed from the market operator so that, over time, the new UK Listed Growth Market can build a strong reputation and cement its position in the UK's public equity market offering. Optimising the branding and marketing of the UK Listed Growth Market will be crucial in not only enhancing the reputation of the market, but also inspiring companies to join the market. This, coupled with the improvements made to the market in terms of the additional flexibilities described above, will result in the attractiveness of the UK's offering increasing, encouraging more companies to seek a listing.

[18] As per the recommendation in the UK Secondary Capital Raising Review to raise the size threshold at which a secondary issue will require the production of a prospectus from 20% to 75% of existing share capital. We wholeheartedly support this recommendation and believe it should apply to the UK Listed Premium Market.
[19] As above (reference 17), the recommended 75% threshold should apply to the UK Listed Growth Market.
[20] Trading halts should be incorporated into the UK Listed Growth Market. A trading halt should be granted to a company on the UK Listed Growth Market by making a formal request to the exchange and providing it with information about why they want the trading halt to take place. The trading halt will allow for the dissemination of information to retail, institutional and international investors, helping to broaden the take-up of fundraisings amongst different investor constituencies.

Response to the Discussion Paper Questions

The structure of the listing regime

Q1 Do you think that a single segment regime would meet the outcomes we have described? Are there any changes or enhancements that could be included to enhance the effectiveness of a future regime?

No – we do not believe that a single segment regime would meet the outcomes that are set out in the Discussion Paper. For the reasons set out above in the introductory segment to our response, we believe that the proposals do not demonstrate the bold and innovative approach that our markets need to achieve these objectives. We have summarised below the reasons why we do not agree with the proposed introduction of a single segment regime.

Our membership have highlighted concerns regarding the single segment regime in relation to:

- **The lack of differentiated choice for companies and investors** – The QCA wholeheartedly believes that only two different markets will provide a sufficient level of choice for both companies and investors. We believe that a listing segment that embodies the current Premium Listing segment and a lighter-touch, more flexible listing segment is the only way to achieve clear and differentiated choice. The proposals, in their current format make minor changes to the rules which simply do not go far enough.

  From the company point of view, a single segment eliminates the ability of a company to choose a market that serves their needs best. Some companies will be better suited to a more stringent regime, while others will benefit from a more flexible regime. While there is an element of choice in the FCA's proposals, with companies choosing between the mandatory or supplementary obligations, these do not represent sufficiently clear choice. Moreover, from a reputational point of view, companies will often strive to be associated with the highest standards, and therefore, will be strongly encouraged by market intermediaries to choose the supplementary regime, which may not be appropriate for them.

  We consider that a single segment is unsatisfactory from a company's standpoint because decisions around listing would be based on a rule book and not about an overarching market structure that is inspirational and fit for purpose. A two-tier listing market format would allow companies to choose their market, with an awareness of the difference in risk profile, rules and requirements, and profile of investors.

  From the investor perspective, a single segment reduces investors' choice in terms of having a diverse pool of companies to invest in, particularly in terms of the reduced eligibility criteria. It also hinders an investors' ability to clearly distinguish between companies in terms of having an immediate awareness of the obligations a company is following. Investors want to see more companies to give them more choice when making investment decisions. Placing all companies into one segment has the potential to reduce the number of companies listing In the UK due to the erosion of choice. This will limit investment opportunities and hinder the growth of our markets and the UK economy.

- **The eligibility criteria** – Our members, as well as other commentators, particularly, but not limited to, those within the investment community, have consistently highlighted the importance of retaining the highly regulated nature of the Premium Listing segment, which is seen by many as a crucial element of the long-term success of the UK's regime. Having a market format that embodies the principles and standards of the extant Premium Listing segment ensures the continued satisfaction of investors who

value strict entry requirements, such as in relation to track record requirements. The current eligibility criteria for the Premium Listing segment is seen as an indispensable feature of the UK's public markets offering. This may be the result of the significant increase in passive investment products which require more safeguards. Whilst the eligibility criteria are by no means suitable, appropriate, or a possible option for all companies, as many will struggle to meet the requirements, it should not be disposed of.

Furthermore, it is unclear from the FCA's proposals whether the eligibility criteria and mandatory continuing obligations are sufficiently proportionate to attract more companies, and in particular, smaller, high-growth companies.

- **The continuing obligations** – It appears that there is a degree of confusion conceptually in regard to the two different regimes and it is unclear how the FCA will achieve flexibility and change. While it is recognised that regulatory and compliance burdens must be more proportionate to attract more companies and the FCA has, in this light, proposed two different regimes, it will not necessarily produce the intended result on two counts. Firstly, it is debateable as to whether the mandatory regime is sufficiently flexible and lighter-touch to reduce regulatory compliance and burdens, and secondly, it should not be assumed that companies would take well to only applying the mandatory obligations, particularly if proxy advisers and investors adopt a negative and adversarial approach. Companies would not, therefore, wish to be associated with anything less than the highest standards, and therefore, may be forced to opt for the supplementary standards when they do not have the capacity to do so and thus be strained, or may leave the market so as not to be perceived as substandard.

- **Issues with perception and understanding** – Firstly, there are issues with perception that will come about as a result of the single segment regime. As stated above, companies will always try to be associated with the highest standards on the market on which they operate. This creates a propensity for them to follow the supplementary ongoing obligations where it may not be most appropriate for them to do so, as solely following the mandatory rules could be perceived to be substandard, both by the companies themselves and their investors. Companies may also receive pressure by their investors to opt into the supplementary continuing obligations so that they have more control over the business, but it may not be the best for the company's growth and development. However, a standalone market with its own infrastructure and regulatory regime will help to eradicate these issues.

  Secondly, a single segment regime, with two different regulatory regimes, makes it more difficult for both companies and investors to develop a clear understanding of the market. Having two separate markets, helps to eradicate this. For instance, investors would be able to understand the nature and relative risk profile of the companies on each market, as opposed to the confusion that could be created where there are two different sets of companies on one market.

- **Branding and marketing** – It is unclear, from the FCA's proposals, how the branding and marketing of the single segment will be appropriately achieved. This therefore brings into question whether the single segment will generate an improvement in the attractiveness of our markets and thus an increase in the number of companies seeking a listing. Having a new market format, in place of the current Standard Listing segment, would greatly improve the structural makeup of the UK's markets. This would also allow for market operators to differentiate their offerings through marketing and further product development.

Q2 Do you agree that revenue track record, historical financial information and the requirement for a "clean" working capital statement can be replaced by disclosure in listing documentation such as prospectuses?

We do not agree that revenue track record, historical financial information and the requirement for a clean working capital statement can be replaced by disclosure in listing documentation such as prospectuses, as it is proposed within the Discussion Paper. Our reasoning for this is that we believe this poses a significant threat to the perceptions that surround the UK's Premium Listing segment as a "gold-plated" market operating with the highest of standards.

That being said, we do see a place for this type of regime within a new and differentiated market format that operates outside of the Premium Listing segment. We believe that this would be much more appropriate and would retain the internationally well-regarded reputation of the Premium Listing segment.

Q3 Under a disclosure-based regime, are there any elements of the listing regime that should be incorporated into future changes to the prospectus regime to ensure that investors receive appropriate information upon which to base their investment decisions?

We have no comments.

Q4 Do you agree with extending the Premium Listing Principles to all issuers of equity shares in commercial companies under a single segment regime? Would any specific changes to the principles be necessary to do so?

No – we do not agree with extending the Premium Listing Principles to all issuers of equity shares in commercial companies as we do not believe that a single segment regime is appropriate.

Q5 Do you agree that we should consider allowing dual class share structures in the single segment? Do you agree that the only form of dual class share structure that should be permitted within a single segment regime should be the regime recent introduced in PS21/22?

No – we do not consider that dual class share structures should be allowed in the single segment because they erode the nature that is associated with the Premium Listing segment. This is because we do not agree with the proposal for a single segment regime. We do, however, believe that the recent regime for dual class share structures introduced in PS21/22 should have a place in the new UK Listed Growth Market.

Q6 Do you think the eligibility requirements for the single segment regime described will broaden access to listing to a wider range of companies?

Yes – however, we do not deem it appropriate for eligibility requirements to be reduced because of the issues with perception that this creates as regarding the standards of the London market. We believe that the eligibility requirements for the Premium Listing segment should be maintained, and the new proposed eligibility requirements should form part of the eligibility requirements for the UK Listed Growth Market.

Q7 Does the suggested division between the mandatory and supplementary continuing obligations provide enough flexibility for issuers, alongside appropriate investor protection? Please provide any evidence and examples where possible.

We have no comments.

Q8 Should more be done to ensure there is a genuine choice for issuers to decide whether the supplementary continuing obligations are suited to their business model and strategy?

No – for the reasons set out throughout our response, we do not believe there should be a single segment regime with two sets of continuing obligations.

Q9 What sort of labelling would be most helpful to ensure investors are aware of whether an issuer is opted into the supplementary continuing obligations? e.g. Annual reports, noted on the Official List, or made clear by the trading venue.

We do not believe that any type of labelling, whether included in annual reports, noted on the official list, or made clear by the trading venue, will be sufficient in ensuring investors are aware of which continuing obligations the company has decided to opt into. As stated above in the introductory segment to our response, we believe that this proposal significantly reduces simplification, making it unclear for investors and other market participants.

Q10 What factors should we take into account when considering the level of the threshold for Class 1 transactions within the significant transactions regime? What threshold would be appropriate?

We have no comments.

Q11 Do you consider the scope of the single segment to be appropriate? Should any additional instruments be eligible to list there? e.g. Depository Receipts (DRs).

We have no comments.

Q12 Do you think the current regime for listing close ended investment funds is fit for purpose?

We have no comments.

Q13 Do you agree that 'UK listing' could be used to describe the possible regime described?

No – we believe that "UK Listing" should refer to either the UK Listed Premium Market or the UK Listed Growth Market as described above.

Q14 Are there any other factors we should take into account when considering the treatment of existing standard listed issuers?

We have no comments.

Q15 What transition arrangements should we put in place for premium listed companies in order to optimise the benefits of a single segment regime?

We have no comments.

The sponsor regime – forward looking approach

In general, and as highlighted above, we do not agree with the single segment approach, and our membership also has concerns in relation to the proposed requirement for all commercial companies to appoint a sponsor. We advocated for the sponsor regime to be retained in our response to the previous Discussion Paper, recognising its importance in preserving the integrity of the market by providing expert advice and guidance

to companies and providing an extra layer of security to the FCA and investors. We view the sponsor regime as a cornerstone of the UK listing regime. A sponsor has a dual role in advising companies, but also helping to ensure that they are able to meet the required regulatory requirements. This helps to protect investors and also increases the overall confidence in the market.

However, there are concerns that have been raised amongst our membership in relation to the proposal to extend the regime to all companies. These concerns are twofold, and relate predominantly to whether:

- There will be enough sponsors to cover the extended scope of companies; and
- Sponsor firms will have the desire to represent certain companies.

Firstly, in requiring all companies to appoint a sponsor, it is unclear whether there will be enough sponsors currently to cover this extended scope, with potentially a large number of additional companies needing to appoint a sponsor. Sponsor firms already face considerable burdens, particularly in relation to the need to keep records in a way that demonstrates how they have discharged their regulatory obligations in a manner which will withstand the FCA's scrutiny. Moreover, another issue is that many sponsor firms that provide services for SMEs have issues with not having enough sponsor transactions. While extending the sponsor regime in some form to the ex-Standard List may be the correct thing to do, unless the FCA give this point careful consideration, there is not going to be the bank of sponsors who find this work commercially viable and are able to maintain a sponsor license.

Secondly, there are also concerns that sponsor firms may not wish to represent certain companies that will be included in the extended scope if a requirement to appoint a sponsor will now apply to all companies. There are cost and reputational risks involved in performing the role of sponsor, and if firms are to continue to provide these services, additional guidance will need to be issued by the FCA. It will also be important for there to be a more proportionate approach adopted by the FCA that reflects the size, complexity and risk profile of the companies in question if the requirement is taken forward.

However, as stated above, we do not believe the single segment regime should be taken forward, including the proposals for the sponsor regime. Instead, and as described above in the introductory segment to our response, we believe that the new UK Listed Growth Market should have a requirement for all companies to appoint an adviser on a continuous basis. Advisers, such as sponsors or Nomads, play an important role in ensuring the quality and integrity of the market, and we believe this should be a fundamental feature of the UK Listed Growth Market. The adviser will play a key role for companies with high growth potential in ensuring that they are able to understand and comply with regulation and provide expert advice on governance and other matters. This also produces benefits for investors and regulators. For instance, a permanently appointed adviser provides an additional layer of comfort for investors insofar as they provide a supportive role to companies on often complex issues. An adviser also supplies important confirmations to the regulator or exchange in relation to the company's ability to meet certain requirements and comply with obligations.

The UK Listed Premium Market can retain the current requirement to appoint a sponsor. It is likely, given the proposed increase to the prospectus threshold (as contained in the UK Secondary Capital Raising Review), that sponsors will predominantly only be required for Class 1 transactions or related party transactions.

Q16 Given the purpose of the record-keeping requirements, are there specific elements of the rules or the FCA's approach that you think could be more proportionate?

Yes – as highlighted above, the current sponsor regime places considerable burdens on firms, in particular in relation to their record-keeping requirements. In light of this, we believe that the requirements regarding record-keeping could be made more proportionate and reduced.

Q17 Do you think a reduction in record-keeping requirements could be achieved without undermining the benefits of the sponsor regime to the FCA, listed companies and investors? If yes, please explain how and why.

Yes – the current record-keeping requirements are extensive and could be reduced without undermining the benefits of the sponsor regime. The FCA should issue additional guidance that reflects their expectations and takes into consideration the size and complexity of a company in relation to each type of transaction.

Q18 Is the record keeping guidance in our Technical Note (entitled 'Sponsors: Record Keeping Requirements') helpful or not in seeking to be clearer on the record keeping thresholds and the types of information that should be recorded about material judgements (noting that there will always be differences depending on the individual circumstances of a case)? If not, what would be helpful?

The Technical Note is not practically helpful as there is particular emphasis to create documentation specifically for FCA review purposes. Given the progression of technology, wider consideration should be given to contemporaneous internal records rather than just emails and file/meeting notes. This should be considered in terms of how the FCA consider record-keeping. Additionally, the emphasis should be on how firms are embedding internal processes that lead to appropriate consideration being made at the right time.

Q19 Is market practice aligned with the record keeping requirements or is market practice driving disproportionate record-keeping standards and costs? For example, by sponsors not adjusting their record keeping processes to reflect the circumstances of a specific transaction.

We consider that market practice is driving disproportionate record-keeping standards and costs, and that there is not an appreciation that there can be any flexibility.

Q20 If you consider there is misalignment between the record keeping requirements and market practice, do you have any suggestions as to what changes could be made to meet the record-keeping requirements more efficiently?

We have no comments.

Q21 Would more transparency of how sponsor fees are calculated help issuers and investors to better understand sponsor services and the role of a sponsor?

No – we do not believe sponsors should be required to provide more public transparency around how their fees are calculated. Sponsors should be able to set the fee which they believe is appropriate for the transaction and the specific type of company they are providing their services to. Companies should be told by a sponsor firm what the breakdown of services they are being charged for is (so that sponsor fees are not bundled with other services), but it should not go any further than this.

We also note that the disclosure of fees is something that has been required for some time under the UK Takeover Code, but the general consensus is that this has had little to no impact on the market place.

In light of this, we do not believe there needs to be further transparency on the calculation of sponsor fees and there should not be a requirement for sponsors to make disclosures on their fees.

Q22 Would it also help to be able to differentiate more clearly between the sponsor services and non-sponsor services that may be provided by the same provider? How might this clearer differentiation be achieved?

Please see our answer to Q21 above.

Q23 What more could be done to better align a sponsor's incentives with the long-term interests of an issuer, and the interests of investors, to seek to maximise the benefits to be gained from the sponsor regime? Is there more information regarding the performance of a sponsor and of the performance of an issuer, at IPO and thereafter, that could be used to demonstrate this?

No – we do not believe that greater alignment between a sponsor's incentives and the long-term interests of companies and their investors is necessary.

We do note that some feedback was received in relation to CP21/21 that better alignment was needed between sponsor's fees and the long-term success and performance of the company. For instance, some suggested that sponsor fees could be based on the success of the company at IPO and thereafter.

However, we disagree with these suggestions on the basis that they appear to reinvent the intended purpose of the sponsor. The purpose of a sponsor is to ensure that a company is compliant with rules and regulations and provide advice; its purpose is not, and should never be, to focus on ensuring the company's long-term success or interests. Any suggestion to align a sponsor's incentives to a company's long-term interests appears to be confused between the services provided by a sponsor firm and the services provided by a broking firm.

Furthermore, as senior individuals are required to provide sponsor services, and as stated above, there is considerable cost and reputational risk in performing the role, it is appropriate that a separate, non-contingent fee is paid to the sponsor. We also note that some market participants have suggested that structuring a sponsor's compensation so that it is aligned to the success of the transaction could pose a risk to compromising a sponsor's duties and create conflict of interest issues.

Finally, under the proposals we have put forward in this response for the sponsor regime to remain in its current format for companies on the UK Listed Premium Market and an adviser regime operating on a continuous basis for the new UK Listed Growth Market, there will naturally be a greater alignment of long-term interests. The requirement to appoint an adviser on an ongoing basis on the UK Listed Growth Market would help to engender a longer-term relationship where the long-term interests of the company are taken into account to a greater degree.

Q24 Are there any specific modifications to the role of the sponsor that you think would be needed, if the sponsor regime were applied to all issuers of equity shares in commercial companies under a single segment regime? For example, are there risks that may arise from longer periods of time between sponsor engagement with a company and the provision of assurances to the FCA and, if so, how might they be mitigated?

No – as we do not believe that the single segment regime is the appropriate approach. We do, however, want to see the development a new UK Listed Growth Market. Under this market, the modifications that would need to take place will be the requirement to appoint an adviser on an ongoing basis.

Regarding the second part of the question, we do not consider that there are any risks that would arise from longer periods of time between sponsor engagement with a company and the provision of assurances to the FCA.

Q25 Are there circumstances where the role of a sponsor after initial listing could be reduced, without materially impacting the benefits gained from the sponsor regime? If so, please provide details and explain how investor protections would or would not be impacted.

We believe that there is a greater role that can be played by an adviser on the new UK Listed Growth Market, whereby the adviser is appointed on a continuous basis.

In terms of the role of a sponsor after an initial listing on the UK Listed Premium Market, the main occasions when a sponsor will be needed will be in relation to Class 1 transactions and related party transactions. This is due to the recommendations contained in the UK Secondary Capital Raising Review where the prospectus threshold has been raised.

Q26 Are there other circumstances in which the sponsor regime should be extended/applied more widely? For example, to any other issuers of securities currently listed in the standard listing segment.

Yes – as mentioned above, we believe an adviser should be appointed on a continuous basis following our proposal for the creation of a new UK Listed Growth Market.

Appendix A

The Quoted Companies Alliance *Primary Markets Expert Group*

Samantha Harrison (Chair)	Grant Thornton UK LLP
Azhic Basirov (Deputy Chair)	Global Alliance Partners Financial Limited
Colin Aaronson	Grant Thornton UK LLP
Stuart Andrews	finnCapp PLC
Mark Brady	Spark Advisory Partners Limited
Andrew Buchanan	Peel Hunt LLP
David Coffman	Novum Securities Limited
Richard Crawley	Liberum Capital Ltd
David Foreman	Zeus Capital
Chris Hardie	W.H. Ireland Group PLC
Stephen Keys	Cenkos Securities PLC
Katy Mitchell	W.H. Ireland PLC
Nick Naylor	Allenby Capital
Jeremy Osler	Cenkos Securities PLC
Niall Pearson	Hybridan LLP
Mark Percy	Shore Capital Group Ltd
George Sellar	Peel Hunt LLP
Paul Shackleton	Arden Partners PLC
James Spinney	Strand Hanson
Stewart Wallace	Stifel
David Worlidge	Allenby Capital

The Quoted Companies Alliance *Secondary Markets Expert Group*

Mark Tubby (Chair)	finCapp PLC
Amber Wood (Deputy Chair)	Cenkos Securities Plc
John Beresford-Peirse	Hybridan LLP
Jasper Berry	W.H. Ireland PLC
Richard Bungay	Diurnal Group PLC
Andrew Collins	Charles Russell Speechlys LLP
Sunil Dhall	Peel Hunt LLP
Nick Dilworth	Winterflood Securities Ltd
Fraser Elms	Herald Investment Management Ltd
William Garner	Charles Russell Speechlys
Jon Gerty	Peel Hunt LLP
Mitchell Gibb	Stifel

Keith Hiscock	Hardman & Co.
Sacha Morris	Hybridan LLP
James Lynch	Downing LLP
Jeremy Phillips	CMS
Katie Potts	Herald Investment Management
Simon Rafferty	Winterflood Securities Ltd
James Stapleton	Winterflood Securities Ltd
Stephen Streater	Blackbird PLC
Peter Swabey	ICSA