



**The Quoted
Companies Alliance**

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QCA urges UK markets rethink

The new standard listing has come under fire from the Quoted Companies Alliance, the voice for the UK's small quoted companies.

The QCA criticises the lack of corporate governance for standard listings on the Main Market and points out that there is no requirement for a sponsor and shareholder approval is not needed for takeovers. This is not the only concern of the QCA and it is calling on the government to set up a working group to design an appropriate structure for UK equity markets.

The QCA believes that a series of measures are threatening the structure

and operation of the UK markets. Others include potential changes to the EU Prospectus Directive that could hamper the ability of AIM companies to raise funds and the confusing array of tax benefits for investing in smaller companies, which differ depending on the market they are traded on. For example, the QCA reckons that not being able to buy AIM shares in an ISA is an impediment to their liquidity.

"Nobody has looked at these changes in the light of the overall function and operation of equity markets as a whole," says Tim Ward, the chief executive of the QCA.