



**The Quoted
Companies Alliance**

19 June 2010

The Herald

City Briefing – SME market rules reformed

Campaigners have welcomed changes that will reduce the costs involved in seeking a stock market listing for small companies.

Following a vote in the European Parliament on Thursday, the Prospectus Directive was amended so that the fundraising threshold above which a prospectus has to be produced double, from €2.5m (£2.1m) to €5m.

A proportionate disclosure regime was introduced for offers to existing shareholders, SMEs and companies with reduced market capitalisations.

The investor threshold above, which a prospectus has to be produced, was also increased from 100 to 150 people.

Time Ward, chief executive of the Quoted Companies Alliance, said: “This is a win for the small and madcap sectors. Doubling the threshold will mean more money can be raised.”