



AT/BPC

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

By email to: supportgroup@thetakeoverpanel.org.uk

31 August 2012

Dear Sir/Madam

TAKEOVER PANEL CONSULTATION PAPER (ref PCP2012/3)

The Institute of Chartered Accountants of Scotland (ICAS) welcomes the opportunity to comment on these consultation papers. We are a professional body for over 19,000 members who work in the UK and in more than 100 countries around the world. Our members represent different sizes of accountancy practice, financial services, industry, the investment community and the public sector. Almost two thirds of our working membership work in business, many leading some of the UK's and the world's great companies.

Our Charter requires its committees to act primarily in the public interest, and our responses to consultations are therefore intended to place the public interest first. Our Charter also requires us to represent our members' views and to protect their interests, but in the rare cases where these are at odds with the public interest, it is the public interest which must be paramount.

Companies subject to the Takeover Code (ref PCP2012/3)

Although the paper is noticeably shorter than the consultation paper on profit forecasts, the changes suggested in relation to the proposed expansion of the Panel's jurisdiction are arguably more significant. The removal of the residency test for companies incorporated in the UK, Channel Islands or the Isle of Man is a material amendment and will be of significance to many companies on AIM as well as unlisted public companies whose management are based overseas. However, we believe that the removal of the residency test is appropriate and provides better clarity to both shareholders and the broader market as to whether the Code applies to certain companies or not, which can only be for the benefit of all. We do not believe there to be significant risk in the Panel being unable to effectively undertake its regulatory responsibilities on those companies with more limited association to the UK, Channel Islands or the Isle of Man.

We hope this is helpful.

Yours faithfully

Alice Telfer
Assistant Director, Business Policy