

From: [Nicholls, Darren \(Capita Asset Services\)](#)
To: [Support Group](#)
Subject: Consultation no. PCP2016/1 - The communication and distribution of information during an offer
Date: 31 March 2016 18:04:20

Dear Sir, Madam,

We are happy to be given the opportunity to provide a response to the above named consultation.

Capita is a major service registrar in the UK with a significant amount of expertise in the administration and processing of takeover events for its clients.

We have reviewed the consultation and provide the following responses to the questions raised;

Q1 Should the proposed new Rule 20.1(a) apply to information and opinions relating to an offer or a party to an offer?

Yes.

Q2 Should material new information or significant new opinions relating to an offer or a party to an offer which an offeror or the offeree company publishes, or which it provides to shareholders, other relevant persons or the media, be required to be published via a RIS at the same time?

Yes.

With regards to the amendments being made to the code in relation to this point should there be consistency in the changes made to Rules 2.10, 20.1 and 26.1?

Q3 Should documents provided by an offeror or the offeree company to shareholders or other relevant persons, and written communications provided to and published by the media, be required to be published on a website?

Yes to ensure that all information is widely available to the market as well as shareholders. We assume it refers to the offeree/offers own website?

Information should be appropriately indexed to ensure ease of reference.

Material should remain available for the duration of the offer period.

Please clarify that the media outlet publishing the written article on their website will not suffice. Even if links to the article are provided on the Offeree/Offerors own website. (In practice this is unlikely to be the preferred publication method given (lack of) control and potential third party commentary).

Q4 Do you have any comments on the proposed new Note 7 on Rule 20.1 with regard to employee communications or the proposed new Note 8 on Rule 20.1 with regard to presentations and other documents?

Note as drafted seems fine. Only material information should be published.

Q5 Do you have any comments on the proposed new Note 6 on Rule 20.1 with regard to the provision of information prior to the commencement of an offer period or prior to the announcement of a firm or revised offer?

No. Note as drafted seems reasonable in the context of Rule 20.1.

Q6 Should all announcements required to be made under the Code be required to be published via a RIS and, if the relevant RIS is not open for business, be distributed to not less than two national newspapers in the UK and two newswire services operating in the UK?

Yes. All means should be used to make information readily available to the market/shareholders.

Q7 Should the Panel have the ability to require a copy of an announcement (or a document which includes the contents of the announcement) to be sent to the offeree company's shareholders, employee representatives and pension scheme trustees?

Information relating to the offer should be made available to the offeree shareholders/ employees etc. Could this be made available on the offeror/offeree website?

Q8 Do you have any other comments on the amendments to the Code proposed in Section 2 of the PCP?

No.

Q9 Should a reference in the proposed new Rule 20.2 to a meeting include any telephone call or meeting held by electronic means?

Yes the form of the meeting should not be relevant.

Q10 Should the proposed new Rule 20.2 apply to meetings attended by (a) a representative of, or adviser to, an offeror or the offeree company and (b) a shareholder in, or other person interested in relevant securities of, an offeror or the offeree company, or any investment manager, investment adviser or investment analyst?

Yes.

Q11 Should the proposed new Rule 20.2 apply to (a) all meetings which take place during the offer period and (b) meetings which take place prior to the commencement of the offer period, but only if the meeting relates to a possible offer or if it would not be taking place but for the possible offer?

Yes.

Q12 Do you have any other comments on the scope of the proposed new Rule 20.2?

No.

Q13 Should the proposed new Rule 20.2 provide that (a) any meeting to which the Rule applies must be supervised by an appropriate financial adviser or corporate broker to the offeror or offeree company (as appropriate) and (b) no material new information or significant new opinion relating to the offer or a party to the offer may be provided during the meeting?

Can see no reason why not.

Q14 Should a supervisor of a meeting to which the proposed new Rule 20.2 applies be required to confirm the names and functions of the individuals who attended the meeting in addition to the matters required to be confirmed under the current

Note 3 on Rule 20.1?

For transparency they should be confirmed.

Q15 Do you have any comments on the proposed Note 1 on the new Rule 20.2 in relation to meetings which take place prior to the commencement of an offer period or prior to the announcement of a firm or revised offer?

No.

Q16 Do you have any comments on the proposal to give the Panel the ability to grant dispensations from the provisions of the proposed new Rule 20.2 in relation to meetings following the announcement of a recommended firm offer?

No.

Q17 Should the requirement for a confirmation in writing to be provided to the Panel by not later than 12 noon on the business day following a meeting be disapplied in the case of meetings attended only by one or more financial advisers or corporate brokers and one or more relevant third parties?

No. All meetings should be subject to this requirement.

Q18 Do you have any comments on the proposed treatment of meetings attended only by one or more advisers to an offeror or the offeree company (other than a financial adviser or corporate broker) and one or more "sell-side" investment analysts (as described in paragraph 3.39(b) of this PCP)?

No.

Q19 Do you have any comments on the proposed new Rule 20.2?

No.

Q20 Should the new Rule 20.3 in relation to the use of videos be introduced as proposed?

Yes.

Q21 Should the new Rule 20.4 in relation to the use of social media be introduced as proposed?

Yes. Social media should only be used to broadcast the accessibility of publically available information.

Q22 Should the amendments to Rule 26 in relation to the publication of documents on a website be made as proposed?

Yes. All details/information should be made available to shareholders as soon as practicable following publication.

With regards to the amendments being made to the code in relation to this point should there be consistency in the changes made to Rules 2.10, 20.1 and 26.1?

Q23 Should Rule 19.4 (Advertisements) be amended (and renumbered as Rule 20.5) as proposed?

Yes.

Q24 Should Rule 19.2 (Responsibility) and Note 1 on Rule 3.2 be amended, and Note 5 on Rule 19.1 (Use of other media) be deleted, as proposed?

Yes.

Q25 Should Rule 19.5 (Telephone campaigns) be amended (and renumbered as Rule 20.6) as proposed?

This appears to be fine tuning to existing requirements. What happens today when telephone calling to retail shareholders on behalf of the offeror are outsourced to a third party? Will the Panel be consulted for its consent?

Could Rule 20.6 be updated to allow for the Offeror/Offerees' agent, who has a thorough understanding of the requirements, to conduct a campaign?

Q26 Do you have any comments on the minor and consequential amendments to the Code proposed in Section 6 of this PCP?

No.

Please do not hesitate to come back to me if you require any further clarification on the above responses.

Regards

Darren Nicholls

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