

The Secretary to the Code Committee  
The Takeover Panel  
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**The Investment Association**

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**Date: 31 October 2017**

Dear Secretary to the Code Committee

**RE: Takeover Panel Consultation Paper – Statements of Intention and Related Matters**

The Investment Association (IA) is the trade body that represents UK investment managers, whose 220 members collectively manage over £6.9 trillion on behalf of clients.

We are delighted to provide input to the Takeover Panel's consultation on amendments to the Takeover Code.

The IA is supportive of initiatives that ensure the UK takeover process is a well-functioning one. We therefore welcome the Takeover Panel's proposals as they address the lack of specificity of certain statement of intentions made by offerors and aim to provide greater transparency and improved timeline during the takeover process as well as accountability in the post offer period.

In particular, we are supportive of:

- The proposed requirement for a specific statement of intention to be made with regard to the offeree company's research & development functions, any material changes to the balance of skills or functions of the offeree company's employees and management, as well as strategic plans on the location of headquarters and functions.
- The earlier proposed time for the publication of statements of intention allowing more time for an informed debate between the stakeholders on the merits of the offer.
- The improved timing for the offeree company to prepare and respond to the offer, if there is no offeree Board consent at the time of the firm offer announcement.
- The higher accountability to the Panel for post-offer intention statements made by the offeror company, as well as the requirement to always publish written reports on post-offer undertakings submitted to the Panel by offeror or offeree company.

The IA does not consider that these proposals will add significantly to the costs and regulatory burdens being faced by the offeror, and therefore sees little downside to the proposed changes.

We hope that this feedback is helpful. Please do not hesitate to contact me if you require any further information or views.



Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Galina Dimitrova', with a horizontal line underneath.

**Galina Dimitrova**

**Director, Investments & Capital Markets**