



25 February 2011

Our ref: ICAEW Rep 20/11

European Securities and Markets Authority (ESMA)
11-13 avenue de Friedland
F-75008 Paris
France

Online submission to www.esma.europa.eu

Dear Sirs

ESMA CALL FOR EVIDENCE ON EC REQUEST FOR TECHNICAL ADVICE ON POSSIBLE DELEGATED ACTS CONCERNING THE PROSPECTUS DIRECTIVE (2003/71/EC) AS AMENDED BY THE DIRECTIVE 2010/73/EU

ICAEW welcomes the opportunity to comment on the call for evidence on the *EC Request for technical advice on possible delegated acts concerning the Prospectus Directive (2003/71/EC) as amended by the Directive 2010/73/EU* published by ESMA in January 2011. ICAEW is listed in the European Commission's Interest Representative Register (ID number: 7719382720-34).

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The ICAEW's Corporate Finance Faculty is a network of some 5,000 corporate finance professionals, including sponsors, nominated advisers and reporting accountants. Our comments, which are based on views from this network, concentrate on specific sections in the call for evidence.

Proportionate disclosure regime (section 3.3 in call for evidence)

We support a proportionate disclosure regime for further issues where statutory pre-emption rights are applied as well as for all further offers by SMEs.

A reasonable example of a proportionate disclosure regime is the set of requirements in Schedule 2 of the AIM Rules for Companies.

Review of the provisions of the Prospectus Regulation (section 4 in call for evidence)

We would support a reduction to the latest two financial years of the audited historical financial information in further issues, in the interest of reducing burdens on companies. ESMA may wish to consider permitting the audit report to be provided in relation to the final period only, such that the requirement could be satisfied by the inclusion of a single set of accounts.

In the interest of investor protection we believe that the requirement of the latest three financial years should be retained for initial public offers.

Please contact me should you wish to discuss any of the points raised in this response.

Yours sincerely

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