

27 January 2006

ICAEW REP 08/06

The Secretary to the Code Committee
The Panel on Takeovers and Mergers
10 Paternoster Square
London
EC4M 7DY

Dear Madam/Sir

**Re: PCP 2005/4 Proposed abolition of the Rules Governing
Substantial Acquisitions of Shares**

The Corporate Finance Faculty of the Institute of Chartered Accountants in England and Wales welcomes the opportunity to comment on Takeover Panel PCP 2005/4 – “Proposed abolition of the Rules Governing Substantial Acquisitions of Shares” published on 2 November 2005. We have reviewed the proposals and set out below our responses to the questions posed in the consultation paper.

Question 1 – Do you agree that the SARs should be abolished?

We are persuaded by the Code Committee's arguments in favour of abolition of the SARs.

Question 2 – Do you agree that, if the SARs are abolished, the provisions of the Code and the SARs relating to tender offers should be retained?

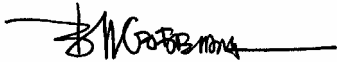
We agree with the proposal to retain the Tender Offer provisions.

Question 3 – Do you agree with the text of the proposed new Appendix 5 and with the other proposed amendments to the Code?

We agree with one suggested change. We suggest that paragraph 4.4 should require any circulars from the board of the offeree company to be lodged also with the person who has published the tender offer.

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

Yours faithfully

A handwritten signature in black ink, appearing to read 'Vera Sabeva', followed by a horizontal line.

Vera Sabeva
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