



The City of London Law Society



The Law Society

**Response of the Law Society of England and Wales
and the City of London Law Society to the
consultation GC16/3: Primary Market Bulletin No. 13**

May 2016



Preface

- 1 The Law Society of England and Wales ("The Society") is the professional body for the solicitors' profession in England and Wales, representing over 160,000 registered legal practitioners. The Society represents the profession to Parliament, government and regulatory bodies and has a public interest in the reform of the law.
- 2 The CLLS represents approximately 17,000 City lawyers through individual and corporate membership, including some of the largest international law firms in the world. These law firms advise a variety of clients from multinational companies and financial institutions to Government departments, often in relation to complex, multijurisdictional legal issues. The CLLS responds to a variety of consultations on issues of importance to its members through its 19 specialist committees.
- 3 The Capital Markets Joint Working Party is made up of senior and specialist corporate lawyers from both the Law Society and the CLLS who have a particular focus on issues relating to capital markets and this response has been prepared by this Working Party.
- 4 The Society and the CLLS welcome the opportunity to respond to this consultation.

Response

UKLA Technical Note – Reverse takeover and uncapped consideration

We do not consider that the proposed note is clear. A reverse takeover is one where, inter alia, a percentage ratio is 100 per cent or more, as provided in LR 5.6.4R. We assume that the intention of the note is to clarify that, where there is uncapped consideration but otherwise the percentage ratios are 5% or more but less than 25%, the transaction will be class 1 and not a reverse takeover and that, where there is uncapped consideration but otherwise the percentage ratios are less than 5%, the transaction will merely be class 2 and not a reverse takeover. We think that it would be helpful to explain this point more fully.

Proposed Procedural Notes and Other Technical Notes

We do not have any comments on the proposed changes to the Procedural Notes and other Technical Notes referred to in Primary Market Bulletin No.13.

FOR FURTHER INFORMATION

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