

## **Association of Corporate Treasurers' comments on the Proposed Changes to the Regulated Activities Order**

We have followed the intended comments on the Proposed Changes being submitted by the Law Society's Company Law Committee.

Rather than duplicate comments, we would like to record our support for the comments of the Society's Committee.

We would refer directly to only one point, concerning frequency of dealing likely under the new régime. The need for changes to recognize to recognise that this may increase significantly is fundamental to the consultation of course.

However it is possible that for some companies the frequency could in the long-run be very high. The reason for this is that most large companies are frequently approached by shareholders with very few shares for advice on how to dispose of them. Normally companies would direct enquirers to appropriate services - usually a broker who offers a low cost service dealing once or twice a week at a set time). Under the new régime they may offer to buy-in the shares directly. For large companies, especially for the former nationalised industries, the number of these transactions could be large (although the total volume from them would be small).

### **The Association**

The Association of Corporate Treasurers was formed in 1979 to encourage and promote the study and practice of finance and treasury management and to educate those involved in the field.

Today, it is an organisation of professionals in corporate finance, risk and cash management operating internationally. It has over 3,000 fellows, members and associate members, mainly UK based. With more than 1,200 students in more than 40 countries, its education and examination syllabuses are recognised as the global standard setters for treasury education.

Members of the Association work in many fields and in companies of all sizes. A number of members are on the boards of major companies in both executive and non-executive capacities. Others are involved in entrepreneurial stage, business start-ups.

The majority of fellows, however, are professionals working as senior executives below the board level in large public companies, responsible for the treasury and corporate finance functions.

John Grout