



Securities Act (Hightex Group plc) Exemption Notice 2006

Pursuant to the Securities Act 1978, the Securities Commission gives the following notice (to which is appended a statement of reasons of the Securities Commission).

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Notice

- 1 **Title**
This notice is the Securities Act (Hightex Group plc) Exemption Notice 2006.

- 2 **Commencement**
This notice comes into force on its notification in the *Gazette*.

- 3 **Expiry**
This notice expires on the close of 31 July 2011.

4 Interpretation

- (1) In this notice, unless the context otherwise requires,—

Act means the Securities Act 1978

admission document means a document sent by Hightex to the New Zealand resident holders of West 175 securities describing the terms of the merger

AIM Market means the AIM market of the London Stock Exchange plc

Hightex means Hightex Group plc, a company incorporated in England and Wales

Hightex Americas means Hightex Americas LLC, a company incorporated in Delaware and a wholly-owned subsidiary of Hightex

merger means the merger of West 175 and Hightex Americas to be effected under a statutory process according to the law of California and the law of Delaware that includes the exchange of specified securities for West 175 securities

Regulations means the Securities Regulations 1983

specified securities means securities issued by Hightex as part of the merger

West 175 means West 175 Media Group Inc, a company incorporated in California.

- (2) Any term or expression that is defined in the Act or the Regulations and used, but not defined, in this notice has the same meaning as in the Act or the Regulations.

5 Exemptions

Hightex and every person acting on its behalf are exempted from sections 37, 37A, 38A, and 51 to 54B of the Act and the Regulations (except regulation 8) in respect of the specified securities.

6 Conditions relating to quotation of specified securities on market

The exemptions in clause 5 are subject to the conditions that—

- (a) an application has been made by Hightex for quotation of the specified securities on the AIM Market and, at the time of the offer of the specified securities to the New

Zealand resident holders of West 175 securities, Hightex has complied with all the requirements of the AIM Market relating to the application with which it is required to comply at that time; or

- (b) it is a term of the offer of the specified securities that Hightex will (after the merger is completed) apply for quotation of the specified securities on the AIM Market and comply with all the requirements of the AIM Market relating to the application with which it is required to comply at that time.

7 Condition relating to specified securities as consideration

The exemptions in clause 5 are subject to the condition that the specified securities offered by Hightex under the merger are offered as the whole or any part of the consideration for the acquisition or cancellation of all or any of the securities of which West 175 is the issuer.

8 Conditions relating to compliance with relevant law

The exemptions in clause 5 are subject to the conditions that—

- (a) the merger complies with—
 - (i) the law of California and the law of Delaware; and
 - (ii) any applicable codes, rules, or other requirements relating to the merger in California and Delaware; and
- (b) the admission document complies with—
 - (i) the law of England and Wales; and
 - (ii) any applicable codes, rules, or other requirements relating to an admission document in the AIM Market.

9 Condition that admission document only distributed to holders of West 175 securities

The exemptions in clause 5 are subject to the condition that the admission document is only distributed in New Zealand to existing holders of West 175 securities.

Dated at Wellington this 28th day of July 2006.

The Common Seal of the Securities Commission was affixed in the presence of:

[Seal]

J Diplock,
Chairperson.

Statement of reasons

This notice comes into force on its notification in the *Gazette* and expires on 31 July 2011.

The notice applies to securities in Hightex Group plc, a company incorporated in England and Wales, offered to the New Zealand resident holders of shares in the Californian company West 175 Media Group Inc. The offer of those securities is exempted from sections 37, 37A, 38A, and 51 to 54B of the Securities Act 1978 and the Securities Regulations 1983 (except regulation 8). The exemptions are subject to conditions.

The Securities Commission considers it is appropriate to grant the exemption because—

- in circumstances where the issuer is complying with the statutory disclosure regime under the laws of a reputable home jurisdiction, insistence on additional disclosure under New Zealand legislation is likely to result in duplication, and may result in New Zealand shareholders being denied the opportunity to participate in the offer; and
- there are only a small number of New Zealand resident shareholders in West 175 Media Group Inc. Full compliance with securities legislation requirements would impose costs that may be prohibitive to the offer being made to New Zealand shareholders; and
- the conditions of the exemptions require that the merger complies with the laws of California and Delaware, the places where the merging companies are incorporated, and that the offer of the specified securities complies with the law of the England and Wales, the place where the issuer of the securities is incorporated. The laws of both United States of America and the United Kingdom are recognised for the

purposes of the class exemption notice, which is the Securities Act (Overseas Companies) Exemption Notice 2002. This exemption is consistent with that class notice. The conditions of exemption also require that the specified securities will be quoted on a stock exchange in the United Kingdom.

Issued under the authority of the Acts and Regulations Publication Act 1989.

Date of notification in *Gazette*: 31 July 2006.

This notice is administered by the Securities Commission.
