



## Takeovers Code (Offers Unconditional as to Level of Acceptance) Exemption Notice 2002

Pursuant to section 45 of the Takeovers Act 1993, the Takeovers Panel gives the following notice (to which is appended a statement of reasons of the Takeovers Panel).

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### Notice

#### 1 Title

This notice is the Takeovers Code (Offers Unconditional as to Level of Acceptance) Exemption Notice 2002.

#### 2 Commencement

This notice comes into force on 26 March 2002.

#### 3 Interpretation

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

**Act** means the Takeovers Act 1993

**Code** means the Takeovers Code approved by the Takeovers Code Approval Order 2000 (SR 2000/210)

**unconditional as to level of acceptance**, in relation to an offer, means either that there are no conditions in the offer requiring a minimum level of acceptance or that any such conditions have been satisfied.

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

#### **4 Exemption for full offers unconditional as to level of acceptance**

Every offeror that has made a full offer unconditional as to level of acceptance is exempted from rule 29(1) of the Code to the extent that the rule applies to variations of an offer that are solely for the purpose of extending the offer period.

Dated at Auckland this 26th day of March 2002.

The Common Seal of the Takeovers Panel was affixed in the presence of:

[L.S.]

D. O. Jones,  
Deputy Chairperson.

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#### **Statement of reasons of Takeovers Panel**

The Takeovers Panel has granted a class exemption to offerors who make a full offer under the Code—

- that is unconditional as to the level of acceptance at the time the offer is made (the offeror already holds over 50% of the voting securities of the target company and does not impose a minimum acceptance condition on the offer); or
- that becomes unconditional as to the level of acceptance at some time during the offer period (the minimum acceptance condition is satisfied).

The Code currently provides, in rules 24(3) and 29(3), that offers unconditional as to level of acceptance may be extended without the 14 days' notice otherwise required by rule 29(1), provided, through the application of rule 24(3), the offer period is already greater than 90 days or the extension takes the offer period into the 60-day additional offer period available to these offers. This exemption provides for consistent treatment for all full offers that are unconditional as to the levels of acceptance.

This exemption is appropriate because it provides a uniform period for the extension of an offer period for a full offer that is already unconditional as to the level of acceptance and for which no other

party is likely to make a competing Code offer for the target company. This should promote speedier completion of the offers to the benefit of offerors, offerees, target companies, and the market generally.

This exemption is consistent with the objectives of the Code because the Code already recognises that, in some circumstances, offers that are unconditional as to the level of acceptance may be extended without notice. This exemption provides for consistent treatment of these offers, regardless of when they become unconditional in that respect.

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Issued under the authority of the Acts and Regulations Publication Act 1989.  
Date of notification in *Gazette*: 28 March 2002.  
This notice is administered by the Takeovers Panel.

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