



Takeovers Code (Class Exemptions) Notice (No 2) 2001 Amendment Notice 2015

Pursuant to section 45 of the Takeovers Act 1993, the Takeovers Panel, being satisfied of the matters set out in section 45(6) of that Act, gives the following notice.

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Notice

- 1 Title**

This notice is the Takeovers Code (Class Exemptions) Notice (No 2) 2001 Amendment Notice 2015.
- 2 Commencement**

This notice comes into force on 1 June 2015.
- 3 Principal notice**

This notice amends the Takeovers Code (Class Exemptions) Notice (No 2) 2001 (the **principal notice**).
- 4 New clauses 25A and 25B inserted**

After clause 25, insert:

25A Exemption for transfers involving group headed by 1 natural person

- (1) This clause applies if 1 natural person (the **principal**) holds or controls all the voting rights in 1 or more bodies corporate.
- (2) Every person who is a member of the relevant group (*see* subclause (6)) is exempted from rule 6(1) of the Code in respect of any increase in the person's voting control.
- (3) The exemption is subject to conditions A and B.
- (4) Condition A is that the person's increase in voting control results from a transfer from a member of the relevant group to another member of the relevant group of voting securities in—
 - (a) a code company; or
 - (b) a member of the relevant group.
- (5) Condition B is that the principal has control of the voting securities in the code company before and after the transfer referred to in subclause (4).
- (6) In this clause, **relevant group** means the principal and the 1 or more bodies corporate referred to in subclause (1).

25B Exemption for transfers involving group headed by 2 or more persons including at least 1 natural person

- (1) This clause applies if—
 - (a) 2 or more persons (the **principals**), taken together, hold or control all the voting rights in 1 or more bodies corporate; and
 - (b) at least 1 principal (*see* subclause (6)) is a natural person.
- (2) Every person who is a member of the relevant group (*see* subclause (6)) is exempted from rule 6(1) of the Code in respect of any increase in the person's voting control.
- (3) The exemption is subject to conditions A and B.
- (4) Condition A is that the person's increase in voting control results from a transfer from a member of the relevant group to another member of the relevant group of voting securities in—
 - (a) a code company; or
 - (b) a member of the relevant group that is not a principal.
- (5) Condition B is that—
 - (a) the principals, taken together, have control of the voting securities in the code company before and after the transfer referred to in subclause (4); and
 - (b) that transfer does not cause any change in any principal's share of that control.
- (6) In this clause,—

principal means a person included in the principals

relevant group means the principals and the 1 or more bodies corporate referred to in subclause (1).

Dated at Auckland this 21st day of May 2015.

David Jones,
Chairperson.

Statement of reasons

This notice, which comes into force on 1 June 2015, amends the Takeovers Code (Class Exemptions) Notice (No 2) 2001 (the **principal notice**).

This notice inserts *new clauses 25A and 25B* into the principal notice. *New clauses 25A and 25B* grant new exemptions from compliance with rule 6(1) of the Takeovers Code covering intra-group transactions where the group is headed by a natural person or by a number of persons including at least 1 natural person. Such transactions are not covered by the existing exemption covering intra-group transactions in clause 25 of the principal notice, which relates only to groups headed by a body corporate.

The Takeovers Panel considers that the new exemptions are appropriate because they facilitate normal intra-group transactions. The exemptions are consistent with the objectives of the Takeovers Code because the attaching conditions ensure that there is no change in the ultimate control of the voting rights.

Issued under the authority of the Legislation Act 2012.

Date of notification in *Gazette*: 28 May 2015.

This notice is administered by the Takeovers Panel.