



Takeovers Code (St Laurence Property & Finance Limited) Exemption Notice 2003

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 (St Laurence Property & Finance Limited) Exemption Notice 2003.
- 2 **Application**
This notice applies to acts or omissions occurring on or after 12 November 2003.
- 3 **Expiry**
This notice expires on the close of 31 March 2004.
- 4 **Interpretation**
 - (1) In this notice, unless the context otherwise requires,—
 - Act** means the Takeovers Act 1993
 - Capital parcel** means a parcel of 500 shares and 1 mortgage bond issued by Capital Office Fund Limited
 - Code** means the Takeovers Code approved by the Takeovers Code Approval Order 2000 (SR 2000/210)

Mt Wellington parcel means a parcel of 1 000 shares and 1 mortgage bond issued by Mt Wellington Industrial Fund Limited

St Laurence means St Laurence Property & Finance Limited.

- (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.

5 Exemption

St Laurence is exempted from rule 22 of the Code in respect of—

- (a) an offer to be made by St Laurence for all of the Capital parcels; and
- (b) an offer to be made by St Laurence for all of the Mt Wellington parcels.

Dated at Auckland this 24th day of November 2003.

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

[L.S.]

J. C. King,
Chairperson.

Statement of reasons

The Takeovers Panel has exempted St Laurence Property & Finance Limited (**St Laurence**) from compliance with rule 22 of the Takeovers Code (the **Code**).

Rule 22 of the Code provides (among other things), that if rule 8(4) of the Code applies, an offeror must obtain a report from an independent adviser certifying that, in the adviser's opinion, rule 8(4) of the Code has been complied with. Rule 8(4) of the Code applies if non-voting securities are included in a full offer and provides that the consideration and terms offered for non-voting securities must be fair and reasonable in comparison with the consideration and terms offered for voting securities.

The exemption applies to proposed simultaneous takeover offers (the **offers**) by St Laurence for all of the parcels of shares and mortgage bonds issued by Capital Office Fund Limited (**Capital**) and all of the parcels of shares and mortgage bonds issued by Mt Wellington Industrial Fund Limited (**Mt Wellington**).

The shares and mortgage bonds that make up each relevant parcel are stapled and cannot be transferred independently of each other.

The Panel considers that the shares included in each parcel are voting equity securities and the mortgage bonds in each parcel are non-voting equity securities for the purposes of the Code.

The consideration proposed to be offered by St Laurence is related to each parcel and does not distinguish between the components of the parcel.

The exemption from rule 22 of the Code in respect of the offers means that St Laurence does not have to obtain a report from an independent adviser certifying that the terms and conditions offered for the shares in each parcel are fair and reasonable in comparison to the terms and conditions offered for the mortgage bonds in each parcel.

The Panel considers that it is appropriate to grant the exemption because—

- all security holders in Capital or Mt Wellington to whom the offers are being made hold a parcel or parcels of shares and mortgage bonds that cannot be separated and these shares and mortgage bonds do not have a value that is independent of the value of the parcel of which they form part; and
- those security holders cannot decide to sell only the shares or only the mortgage bonds that the security holder holds.

The Panel considers that the exemption from rule 22 of the Code is consistent with the objectives of the Code because it will not result in shareholders not being treated fairly or being prevented from ultimately deciding for themselves the merits of the offers.

Issued under the authority of the Acts and Regulations Publication Act 1989.
Date of notification in *Gazette*: 27 November 2003.
This notice is administered by the Takeovers Panel.