



Takeovers Code (Brunel Holdings plc) 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 (Brunel Holdings plc) Exemption Notice 2002.
- 2 **Application**
This notice applies to acts or omissions occurring on or after 18 October 2002.
- 3 **Expiry**
This notice expires on the close of 30 June 2003.
- 4 **Interpretation**
 - (1) In this notice, unless the context otherwise requires,—
 - Act** means the Takeovers Act 1993
 - Brunel** means Brunel Holdings plc, a company incorporated in England and Wales
 - Code** means the Takeovers Code approved by the Takeovers Code Approval Order 2000 (SR 2000/210)

Guinness means Guinness Peat Group plc, a company incorporated in England and Wales.

- (2) In this notice, a reference to a person increasing voting control is a reference to the person becoming the holder or controller of an increased percentage of the voting rights in a code company.
- (3) 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

Brunel is exempted from rule 6(1) of the Code in respect of any increase in its voting control in Turners & Growers Limited, Turners Auctions Limited, and Rubicon Limited as a result of the merger of Guinness with Brunel by means of a scheme of arrangement under section 425 of the United Kingdom Companies Act 1985, as described by Guinness in the circular to its shareholders dated on or about 21 October 2002.

Dated at Auckland this 18th day of October 2002.

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

[L.S.]

J. C. King,
Chairperson.

Statement of reasons of Takeovers Panel

This notice applies to acts or omissions occurring on or after 18 October 2002, and expires on the close of 30 June 2003.

Brunel Holdings plc (**Brunel**) and Guinness Peat Group plc (**Guinness**) propose to merge by way of a scheme of arrangement under the United Kingdom Companies Act 1985. As a result of the proposed merger, Guinness will become a subsidiary of Brunel and, accordingly, Brunel will become the controller of voting securities held by Guinness in Turners & Growers Limited (**Turners &**

Growers), Turners Auctions Limited (**Turners Auctions**), and Rubicon Limited (**Rubicon**).

The Takeovers Panel has granted an exemption from rule 6(1) of the Takeovers Code (the **Code**) to Brunel in respect of any increase in its voting control in Turners & Growers, Turners Auctions, and Rubicon as a result of the merger of Brunel and Guinness.

The Panel considered that it was appropriate and consistent with the objectives of the Code to grant the exemption because—

- the merger transaction between Brunel and Guinness will not result in a change of effective control of the voting rights held in Turners & Growers, Turners Auctions, or Rubicon held by Guinness, because the ultimate shareholding structure of the merged group will not be materially different from the current structure and control of Guinness; and
- the achievement of an increase in the percentage of voting rights controlled by Brunel in Turners & Growers, Turners Auctions, or Rubicon is incidental to a significant merger transaction between Brunel and Guinness, which itself is not directed at the attaining of control of voting rights in those companies; and
- it would be inappropriate to give the non-associated shareholders of Turners & Growers, Turners Auctions, and Rubicon the opportunity to approve the merger when there has been no effective change in the control of voting rights held by Guinness interests; and
- the merger transaction is to be by way of a scheme of arrangement under section 425 of the United Kingdom Companies Act 1985.

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

Date of notification in *Gazette*: 24 October 2002.

This notice is administered by the Takeovers Panel.
