APPENDIX B - Information Required in an Application for Approval as Independent Adviser

1 Information from applicant

1.1 Applications should be submitted to the Panel (see the contact details at the end of this Schedule) by the proposed independent adviser and must include the information set out below. This will ensure that all necessary information is provided and delays caused by an incomplete application are avoided.

1.2 Each application should include:

(a) **Transaction background information:**

(i) a brief outline of the Code transaction or series of transactions to which the appointment relates;

(ii) the relevant rule in the Code for the report (i.e., 18, 21, 22, 57) or the relevant exemption;

(iii) the names of the persons instructing the applicant and any other key parties in the relevant transaction or series of transactions; and

(iv) the directors and substantial security holders of each of those parties.

(b) **Applicant's details:**

(i) the applicant's legal name, address, place of business and contact details; and

(ii) details of the directors and shareholders of the applicant (if applicable).

(c) **Qualifications and experience:**

(i) a statement of the qualifications and expertise of the applicant, in the form the applicant expects it to appear in its report;

(ii) names and curricula vitae of the individuals who will be involved in preparing the report;

(iii) evidence of previous relevant experience demonstrating the applicant's suitability for approval;

(iv) if the applicant is a sole practitioner, the Panel may require confirmation from the applicant that, if the applicant is approved, someone of appropriate standing would undertake a peer review of the report. The details of the peer reviewer should also be provided; and

(v) if the Panel is unfamiliar with the applicant's work, the applicant should submit examples of previous work undertaken, as evidence of the applicant's expertise.

(d) **Independence:**

(i) a statement that the applicant has no conflict of interest that could affect the applicant's ability to provide an unbiased report. It is a requirement of the Takeovers Code that the independent adviser include this statement in their report. Accordingly, the Panel will not accept any qualification to this statement; and

(ii) the applicant must disclose:

(A) all past and present relationships (whether financial, economic, professional or otherwise) between the applicant (including any individuals responsible for preparing the report) and the persons instructing the applicant or any other party to the transaction or series of transactions (including the directors and the substantial shareholders (i.e., those shareholders with a relevant interest of 5% or more of the securities) of any such parties). This disclosure should give the nature, extent and duration of the relationship, including the fees earned, the timeframe of the assignments and whether there has been any past, or is any present, involvement with any of the parties as auditor. If there are no such relationships, a statement to this effect;

(B) any advisory activities which the applicant is, or will be, undertaking in relation to this transaction, including details of the basis of remuneration for such activity. Such activities might include, for example, the provision of an independent appraisal report under the Listing Rules. If there are no such activities, a statement to that effect;

(C) any direct or indirect pecuniary or other interest, including any success or contingency fee or remuneration, other than the applicant's fee for providing the report. If there are no such interests, a statement to that effect;

(D) any prior involvement in the transaction (particularly in the formulation of it). If there was no prior involvement in the transaction, a statement to that effect;

(E) if the applicant is preparing an appraisal report under the NZX Listing Rules, this should be stated;

(F) the date on which the applicant was first approached by the person instructing the applicant (the appointor) about the work to which the application relates;

(G) to the best of the applicant's knowledge, whether the appointor utilised a competitive process in choosing the applicant for the work to which the application relates;

(H) whether the applicant and the appointor discussed the valuation methodology to be used in the proposed engagement; and

(I) whether the applicant and the appointor discussed the price and/or any parameters of the valuation.

1.3 The application must also contain the following statements:

(a) a statement certifying that the applicant's professional liability insurance cover is adequate in relation to the size of the transaction;

(b) a statement that the applicant has adequate resources to complete the assignment within the required timeframe;

(c) a statement as to the timeframe within which the applicant would like the Panel to respond; and

(d) if appropriate, the names of any Panel members the applicant considers might be conflicted from making a decision in respect of the matter and why the applicant considers this to be the case.

2 Information from person instructing the applicant (the appointor)

2.1 The appointor must provide the following information in support of the application:

(a) a request in writing that the applicant be approved. The Panel executive will not process the application until it has received this request; and

(b) a statement in writing of the process undertaken to select the applicant. The statement must include, but is not limited to, the following information:

(i) the date on which the appointor approached the applicant in respect of the proposed engagement;

(ii) whether the appointor utilised a competitive process to choose the applicant;

(iii) how many firms were considered by the appointor for the proposed engagement;

(iv) the factors that were taken into account by the appointor in determining whether to appoint the applicant;

(v) whether the appointor and the applicant discussed the valuation methodology to be used in the proposed engagement; and

(vi) whether the applicant and the appointor discussed the price and/or any parameters of the valuation.

3 Use of subcontractors

3.1 If the adviser wishes to engage the services of a subcontractor to prepare some aspect of the report (e.g., an asset valuation), the application must also contain:

(a) the proposed subcontractor's background information, qualifications, experience and independence (see above for the information required); and

(b) a statement from the principal adviser that:

(i) the subcontractor has the necessary expertise and independence to undertake the assignment;

(ii) the subcontractor has been chosen by the primary adviser and not, for example, by the target company or offeror; and

(iii) the work of the subcontractor will be managed by the primary adviser; and

(c) a statement from the proposed sub-contractor that it has no conflict of interest that could affects its ability to provide an unbiased report.

4 Applications

4.1 Applications may be sent to the Panel at the contact details listed at the end of this Schedule.

4.2 The application fee for an approval application is $100 (plus GST), as prescribed under the Takeovers Regulations 2000. These regulations also prescribe the hourly rates chargeable for time spent on the application by Members of the Panel and by professional staff. Applicants will be sent an account at the conclusion of the Panel's work or on a monthly basis.

4.3 The Panel is aware that applications often need to be dealt with expeditiously and will endeavour to meet the applicant's timeframe. Processing time depends on the nature and quality of the application and the resources available within the Panel at the time the application is sent. The Panel's decision will be notified to the applicant as soon as possible after it is made.

4.4 The Panel endeavours to make a decision on an application for approval to act as an independent adviser within three working days of the date on which the Panel receives all the information required for an application. The Panel executive has a delegated authority to approve independent adviser applications in some cases. This will usually reduce the costs and processing times for applications.

4.5 The Panel reserves the right to amend this policy.