

**AMENDMENTS TO PRACTICE STATEMENTS**

**PRACTICE STATEMENT NO 1**

**RULE 20.1 – EQUALITY OF INFORMATION TO SHAREHOLDERS AND  
THE POLICING OF MEETINGS**

*[the current Practice Statement No 1 to be deleted in its entirety]*

## PRACTICE STATEMENT NO 2

### **RULE ~~20.221.3~~ – SITE VISITS AND MEETINGS WITH MANAGEMENT**

Under Rule ~~20.221.3~~ any information given to one offeror or potential offeror must, on request, be given equally and promptly to another offeror or bona fide potential offeror even if that other offeror is less welcome. In the absence of such a requirement, a competing, and in the eyes of the offeree company board perhaps less welcome, offeror might be dissuaded from bidding and the shareholders of the offeree company might therefore be deprived of the opportunity to consider another, potentially more favourable, offer.

In the view of the Executive, Rule ~~20.221.3~~ extends to site visits and meetings with offeree company management in addition to information disclosed by other means. Accordingly, if one offeror or potential offeror has been afforded a site visit or granted access to management with a view to discussing the offeree company's business, an equivalent site visit or meeting with management must be granted to another offeror or bona fide potential offeror if it so requests.

The Executive recognises that it may not be possible to replicate exactly the same site visit or management access for a subsequent offeror as was given to the first offeror, but considers that the offeree company and its financial adviser are responsible for ensuring, as far as practicable, that the subsequent offeror is afforded equivalent access and equality of treatment. In the case of a meeting, and consistent with Note 1 on Rule ~~20.221.3~~, offeree company management would not be required to provide specific items of information to the subsequent offeror at that meeting unless the specific information requested had previously been provided to another offeror or potential offeror. Should there be any dispute as to whether the provisions of Rule ~~20.221.3~~ have been complied with, the relevant financial adviser will be expected to satisfy the Panel that they have been.

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**12 February 2004**

**Amended 12 September 2016**

**PRACTICE STATEMENT NO 3****RULE ~~20.221.3~~ – CONTROLLED AUCTIONS**

Under Rule ~~20.221.3~~ any information given to one offeror or potential offeror must, on request, be given equally and promptly to another offeror or bona fide potential offeror even if that other offeror is less welcome. Note 2 on Rule ~~20.221.3~~ goes on to limit the conditions that an offeree company can attach to the passing of information pursuant to the Rule since the imposition of onerous conditions might dissuade a subsequent offeror from bidding and the shareholders of the offeree company might therefore be deprived of the opportunity to consider another, potentially more favourable, offer.

Note 2 only applies in respect of the passing of information requested by an offeror or potential offeror where that information has already been provided to an earlier offeror or potential offeror. It does not address the position of the first offeror to which information is provided, and the Code does not seek to intervene in relation to the conditions that an offeree company might seek to impose on the first offeror or potential offeror because Rule ~~20.221.3~~ does not apply at that stage.

On occasion, an offeree company might want to approach a number of potential offerors asking them to participate in a controlled auction process to acquire the company. In such a case, each of the potential offerors receiving information as part of the auction process will be considered to be a “first offeror” for the purposes of Note 2 on Rule ~~20.221.3~~, provided that each of them agrees to the conditions on which it will receive the information before that information is passed to any of them. Note 2 does not, therefore, seek to limit the conditions that the offeree company can attach to the passing of information to those potential offerors and the offeree company can agree different conditions with each of the potential offerors concerned.

This will not, however, affect the position of any subsequent offeror who was not approached by the offeree company to participate in the auction or of any potential offeror who was initially approached but who refused to agree to the conditions the offeree company was seeking to impose before information was passed to other potential offerors. Such persons will continue to benefit from the protections in Rule ~~20.221.3~~ and Note 2.

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**12 February 2004**

**Amended 12 September 2016**

## PRACTICE STATEMENT NO 20

### RULE 2 – SECRECY, POSSIBLE OFFER ANNOUNCEMENTS AND PRE-ANNOUNCEMENT RESPONSIBILITIES

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#### 9. Timing of announcements

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9.3 Furthermore, an announcement should not be delayed in order for other information to be included, for example:

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(b) details of the offeree company's and, if appropriate, the offeror's relevant securities in issue (as required under Rule ~~2.102.9~~); or

...

9.4 The information required to be announced under Rule ~~2.102.9~~ includes details of each class of relevant security, and not only details in relation to ordinary shares. The Executive should be consulted if there is any doubt as to whether a security is a class of relevant security that should be included in an announcement made under Rule ~~2.102.9~~.

#### 10. Pre-announcement responsibilities

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10.3 In order that an offeror or offeree company may release an announcement immediately, if required, an appropriate draft announcement should be prepared and approved at an early stage. A financial adviser may wish to obtain its client's approval of a variety of draft announcements to be released depending on the circumstances at the relevant time. All such draft announcements should be complete in all respects, including, for example:

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(d) the information referred to in Rule ~~2.102.9~~.

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**7 March 2008**

**Last amended ~~1 January 2015~~ 12 September 2016**

**PRACTICE STATEMENT NO 22****IRREVOCABLE COMMITMENTS, CONCERT PARTIES AND RELATED MATTERS**

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**4. Disclosure**

- 4.1 If a party to an offer or any person acting in concert with it procures an irrevocable commitment prior to the commencement of the offer period, it must ~~publicly disclose~~ announce the details by no later than 12 noon on the business day following either the commencement of the offer period or (in the case of an offeror) the date of the announcement that first identifies the offeror as such (as appropriate). In addition, if an irrevocable commitment is obtained during the offer period, the details would be required to be ~~disclosed~~ announced by no later than 12 noon on the next business day. Further details in this regard are set out in Note 5(a) on Rule 8 and Rule ~~2.44~~2.10 together with the related Notes.

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- 4.4 Pursuant to Rule 26.2(a), copies of irrevocable commitments procured by a party to an offer or any person acting in concert with it must be published on a website ~~from the time of~~ promptly following the publication of the announcement of a firm intention to make an offer (or, if later, the date of the commitment) and in any event by no later than 12 noon on the following business day.

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**10 July 2008****Last amended ~~1 January 2015~~ 12 September 2016**

**PRACTICE STATEMENT NO 25**  
**DEBT SYNDICATION DURING OFFER PERIODS**

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**3. Application of the Code to debt syndication**

3.1 General Principle 1 of the Code provides that all holders of the securities of an offeree company of the same class must be afforded equivalent treatment. This principle underpins the following provisions of the Code that are potentially relevant to the debt syndication process:

- (a) Rule 20.1 (“Equality of information to shareholders and persons with information rights”), which provides that, except with the consent of the Panel or as provided in the Notes on Rule 20.1, information about parties and opinions relating to an offer or a party to an offer must be made equally available to all offeree company shareholders and persons with information rights as nearly as possible at the same time and in the same manner; and

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**17 June 2009**

**Last amended 19 September 2011 12 September 2016**

**PRACTICE STATEMENT NO 29****RULE 21.2 – OFFER-RELATED ARRANGEMENTS**

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**5. Agreements, arrangements or commitments which impose obligations only on an offeror or any person acting in concert with it**

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5.4 However, the Executive considers that such conditions would not be permissible if they could have the effect of deterring potential competing offerors from making an offer, or of leading to an offeror making an offer on less favourable terms than they would otherwise have done, as this would undermine the purpose and spirit of Rule 21.2. The Executive considers that such conditions would include, for example, conditions that the offeree company:

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- (b) does not provide information to competing offerors beyond the information which is required to be provided in accordance with Rule ~~20.221.3~~;

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**8 October 2015**

**Amended 12 September 2016**

**PRACTICE STATEMENT NO 30****RULE ~~20.221.3~~ – INFORMATION REQUIRED FOR THE PURPOSE OF OBTAINING REGULATORY CONSENTS****1. Introduction**

- 1.1 Under Rule ~~20.221.3~~ of the Takeover Code, any information given to one offeror or potential offeror (the “first offeror”), whether publicly identified or not, must, on request, be given equally and promptly to another offeror or bona fide potential offeror (a “competing offeror”) even if the competing offeror is less welcome.

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- 1.3 This Practice Statement explains how the Executive considers that the requirements of Rule ~~20.221.3~~ may be complied with in such circumstances.

**2. Application of Rule ~~20.221.3~~ to Restricted Information**

- 2.1 Where it is proposed that Restricted Information is to be provided by the offeree company only to the first offeror’s competition or regulatory lawyers or economists on an outside counsel only basis for the purposes described in paragraph 1.2 above, the Executive’s practice is normally to agree that the requirements of Rule ~~20.221.3~~ will be satisfied if, upon the Restricted Information being requested by a competing offeror, it is provided to the competition or regulatory lawyers or economists advising the competing offeror on the same restricted, outside counsel only, basis. If this is done, the Executive will not require the Restricted Information to be provided directly to the competing offeror. In order for the Executive to agree to apply Rule ~~20.221.3~~ in this manner, the Executive will wish to be satisfied that appropriate measures have been implemented in order to ensure that the Restricted Information will not be obtained by the first offeror or its other advisers, as explained in this Practice Statement.

- 2.2 If an offeree company wishes the Executive to agree to apply Rule ~~20.221.3~~ in the manner set out in this Practice Statement, the consent of the Executive must be obtained before any Restricted Information is provided to any adviser to the first offeror.

**3. Relevant factors considered by the Executive**

- 3.1 In considering whether to agree to apply Rule ~~20.221.3~~ in the manner set out in paragraph 2.1 in any specific case, the Executive will consider all relevant factors including, without limitation, the following:

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#### **4. Details to be provided to the Executive**

- 4.1 The following details and confirmations should be given to the Executive in writing in order for it to consider whether to apply Rule ~~20.221.3~~ in the manner set out in this Practice Statement:

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#### **5. Equality of treatment of other offerors**

- 5.1 As explained in paragraph 2.1 above, if the Executive agrees to apply Rule ~~20.221.3~~ in the manner set out in this Practice Statement, the offeree company will be required, on request, promptly to provide the Restricted Information to the competing offeror's regulatory lawyers and/or economists on the same restricted basis (and subject to the competing offeror satisfying the requirements set out in this Practice Statement).
- 5.2 Rule ~~20.221.3~~ only requires the same information as provided to the first offeror to be provided to any competing offeror on request. Accordingly, the offeree company is not required to provide information to the Clean Team advising a competing offeror which was not provided to the Clean Team advising the first offeror (for example, any specific information which may be relevant to the particular competition issues relating to the competing offeror's offer, but which is not relevant to the first offeror's offer), nor is the offeree company required to provide information which was provided to the Clean Team advising the first offeror but not requested by the competing offeror.
- 5.3 In the event that, notwithstanding any arrangements implemented in accordance with this Practice Statement, any of the Restricted Information is provided to, or accessed or deduced by, an offeror or any of its advisers other than the Clean Team, the Executive must be informed promptly. The Executive considers that, in these circumstances, Rule ~~20.221.3~~ would then normally be applied to the relevant Restricted Information in the usual way and such Restricted Information would need to be provided, on request, directly to a competing offeror.

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**8 October 2015**

**Amended 12 September 2016**