

THE TAKEOVER PANEL

HEARINGS COMMITTEE

Terms of Reference

1. Establishment and authority

1.1 The Panel on Takeovers and Mergers (the “Panel”) hereby establishes a committee of the Panel, to be known as the Hearings Committee (the “Committee”).

1.2 The Panel hereby delegates certain functions (as set out in paragraph 2 below) to the Committee.

1.3 The Committee, or the chairman of a hearing, is hereby authorised by the Panel:

- (a) to obtain external legal or other independent professional advice; and
- (b) to secure the attendance at proceedings, or at meetings of its members, of third parties, including members of the Panel Executive, with the relevant experience and expertise,

if it or he or she considers this to be necessary for the fulfilment of its or his or her functions, at the Panel’s expense.

2. Purpose and functions of the Committee

2.1 The purpose and functions of the Committee are:

- (a) to hear, determine and make rulings in disciplinary proceedings and in proceedings relating to the interpretation, application or effect of the City Code on Takeovers and Mergers (the “Code”) in accordance with the Committee’s Rules of Procedure (the “Rules of Procedure”), whether such proceedings are convened at the Committee’s own motion or are instigated by the Panel Executive or by a party to a takeover or any other person affected by a ruling of the Panel

Executive and with a sufficient interest in the matter (all such proceedings being referred to below as “hearings”);

- (b) to take all necessary and appropriate steps to give effect to its rulings and the decisions of the Takeover Appeal Board, including directing the Panel Executive, where appropriate, to apply to a court to seek enforcement of a ruling;
- (c) to review, from time to time, the procedures for the conduct of its hearings set out in the Rules of Procedure, and all ancillary matters relating thereto, and to make recommendations to the Code Committee of the Panel as to any necessary or appropriate amendments to the Rules of Procedure; and
- (d) to do anything that it considers necessary or expedient for the purposes of, or in connection with, its functions.

3. Composition of the Committee

3.1 Membership of the Committee shall comprise:

- (a) the Chairman of the Panel, who shall be the Chairman of the Committee;
- (b) at least one Deputy Chairman of the Panel, any of whom shall be a Deputy Chairman of the Committee;
- (c) the members of the Panel appointed by the Panel under paragraph 4(a)(iii) of the Introduction to the Code and designated by the Panel as members of the Committee. The Panel may appoint one or more alternates for such members of the Committee. One alternate may act as a member of the Committee in a relevant member’s place when he or she is unavailable; and
- (d) the members of the Panel appointed by the bodies listed in paragraph 4(a)(iv) of the Introduction to the Code. Each of these bodies may appoint one or more alternates for its appointee(s). One alternate

may act as a member of the Committee in the relevant member's place when he or she is unavailable.

- 3.2 The Chairman and the Deputy Chairmen shall not have alternates.
- 3.3 The number of members of the Committee shall be determined by the Panel from time to time, provided that at no time shall there be more than 24 members (excluding any alternates).
- 3.4 In performing their functions on the Committee, the members of the Committee (and their alternates) shall act independently and shall exercise their own judgement as to how to perform their role as members of the Committee and how to vote.
- 3.5 The terms of appointment of the members of the Committee (and their alternates), including tenure, resignation and removal, shall be governed by the terms of their appointment to the Panel.
- 3.6 No person who is or has been a member of the Code Committee may simultaneously or subsequently be a member (or an alternate of a member) of the Committee.
- 3.7 No member of the Committee (or an alternate of a member) may, at the same time, be a member of the Takeover Appeal Board.
- 3.8 The names of the members of the Committee and their alternates shall be made available on the Panel's website.
- 3.9 The validity of any acts or proceedings of the Committee shall not be affected by any vacancy among the membership of the Committee or by any defect in the appointment of any Committee member (or any alternate).

4. Hearings

- 4.1 The Committee shall conduct hearings in accordance with the Rules of Procedure.

5. Meetings of the Committee (other than hearings)

- 5.1 The business of the Committee, other than hearings, shall be transacted at duly convened meetings of the Committee or by way of written resolution. Meetings may be held by telephone or audio-visual communication.
- 5.2 The Chairman may, at his or her discretion, convene meetings of the Committee at such time and in such a manner as he or she considers appropriate in order to conduct any matters that fall within its functions other than hearings. The Chairman shall determine, from time to time, the applicable procedures by which the business of the Committee shall be conducted.
- 5.3 Any member of the Committee may request that the Chairman call a meeting of the Committee.
- 5.4 The quorum for transaction of business at a meeting of the Committee (other than a hearing) shall be five.
- 5.5 In the absence of the Chairman, one of the Deputy Chairmen shall chair a meeting (other than a hearing), failing which the remaining members present shall elect one of themselves to chair the meeting.
- 5.6 All decisions and resolutions of the Committee (other than in relation to a hearing) shall be made by a majority vote of those members present at a meeting of the Committee. In the event of a deadlock, the chairman of the meeting shall have a casting vote.
- 5.7 A resolution or decision in writing signed or approved by letter or electronic communication by or on behalf of a majority of the members of the Committee shall be as valid and effectual as if it had been passed at a quorate meeting of the Committee duly convened and held. Any such resolution may be contained in one document or in several documents in the same terms, each signed or agreed via electronic communication by one or more of the members.

5.8 Appropriate minutes of all meetings of the Committee (other than hearings), recommendations made and resolutions passed shall be kept.

5.9 Copies of the minutes of the meetings shall be circulated to all members of the Committee.

6. Other matters

6.1 The Committee shall arrange for periodic reviews of its terms of reference and constitution, at least every three years, and recommend any changes which it considers necessary or appropriate to the Panel for approval.

Adopted by the Panel on 13 July 2016 with effect from 12 September 2016