

THE TAKEOVER PANEL

CODE COMMITTEE

Instrument 2016/3

Amendments to the Introduction to the Takeover Code

Pursuant to sections 942, 943 and 944 of the Companies Act 2006, Articles 2, 3 and 4 of the Companies (Takeovers and Mergers Panel) (Jersey) Law 2009, and sections 340A, 340B and 340C of the Companies (Guernsey) Law, 2008, and in exercise of the functions conferred on it by the Panel in paragraph 2 of its Terms of Reference, the Code Committee hereby makes this instrument containing rules.

The Introduction to the Takeover Code is amended, with effect from 12 September 2016, in accordance with the Appendix to this instrument.

In the Appendix, underlining indicates new text and striking-through indicates deleted text.

Guy Elliott
Chairman of the Code Committee
for and on behalf of the Code Committee

14 July 2016

APPENDIX

4 THE PANEL AND ITS COMMITTEES

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(d) Membership and representation restrictions

No person who is or has been a member (~~or an alternate of a member~~) of the Code Committee may simultaneously or subsequently be a member (or an alternate of a member) of the Hearings Committee or the Takeover Appeal Board (the “Board”).

When acting in relation to any proceedings before the Hearings Committee or the ~~Takeover Appeal Board~~, the Panel shall do so only by an officer or member of staff (or a person acting as such) who must not be a member of the Code Committee, the Hearings Committee or the Board.

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6 INTERPRETING THE CODE

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(a) Interpreting the Code — guidance

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Panel Statements published by the Hearings Committee (~~see section 7(e) below~~), statements ~~of published by the Takeover Appeal Board~~ (~~see section 8(b) below~~) and publications of the Code Committee may also contain guidance on the interpretation, application or effect of the Code.

(b) Interpreting the Code — rulings of the Executive and the requirement for consultation

When a person or its advisers are in any doubt whatsoever as to whether a proposed course of conduct is in accordance with the General Principles or the rules, or whenever a waiver or derogation from the application of the provisions of the Code is sought, that person or its advisers must consult the Executive in advance. In this way, they can obtain a ~~conditional ruling (on an ex parte basis)~~ or an ~~unconditional ruling~~ as to the basis on which they can properly proceed and thus minimise the risk of taking action which might, in the event, be a breach of the Code. To take legal or other professional advice on the interpretation, application or effect of the Code is not an appropriate alternative to obtaining a ruling from the Executive.

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The nature of the Executive’s rulings will depend on whether or not the Executive is able to hear the views of other parties involved. If the Executive is not able to hear the

views of other parties involved, it may give a conditional ruling (on an ex parte basis), which may be varied or set aside when any views of the other parties have been heard; if the Executive is able to hear the views of other parties involved, it may give an unconditional ruling. Save where the Executive varies or sets aside a ruling, a ~~An~~ unconditional ruling is binding on those who are made aware of it unless and until overturned by the Hearings Committee or the ~~Takeover Appeal Board, or unless the Hearings Committee or the Board otherwise directs.~~ In addition, such persons must comply with any ~~conditional~~ ruling given by the Executive for the purpose of preserving the status quo pending the unconditional ruling.

Rulings of the Executive, including any grant or refusal to grant a waiver or derogation from the application of any rules, may be referred to the Hearings Committee for review as set out in ~~section 7 below Appendix 9.~~

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11 DISCIPLINARY POWERS

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(a) Disciplinary action

The Executive may itself deal with a disciplinary matter where the person who is to be subject to the disciplinary action agrees the facts and the action proposed by the Executive. In any other case, where it considers that there has been a breach of the Code or of a ruling of the Executive, the Hearings Committee and/or the Board, the Executive may commence disciplinary proceedings before the Hearings Committee. The person concerned is informed in writing of the alleged breach and of the matters which the Executive will present to the Hearings Committee. Disciplinary actions are conducted in accordance with the Rules of Procedure of the Hearings Committee, which are available on the Panel's website.

(b) Sanctions or other remedies for breach of the Code

If the Hearings Committee finds a breach of the Code or of a ruling of the ~~Panel Executive, the Hearings Committee and/or the Board,~~ it may:

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