

THE TAKEOVER PANEL

ARTHUR BELL & SONS plc ("BELLS")/GLENEAGLES HOTELS PLC ("GLENEAGLES")

The Panel met today to consider an appeal by Bells against a ruling of the executive that there had been an inadvertent breach of Rule 41(3) of the Code when Bells' advisers obtained certain commitments to accept an increased Bells' offer after 3.00 pm on Thursday 26 January. This Rule forbids such action until after "the first closing date" of an offer and in earlier cases this had been interpreted by the executive as meaning midnight on the day in question.

The Panel ruled that the reference in Rule 41(3) is to be interpreted as meaning the specified closing time of an offer (normally 3.00 pm) on the date in question. The commitments obtained by Bells were, therefore, not in breach of the Code.

This ruling has significance for other sections of the Code where reference is made to closing dates and the executive will examine this aspect: an announcement will be made in due course. Meanwhile practitioners are advised to seek the guidance of the executive where similar questions arise.

3 February 1984