



PANEL BULLETIN 6

RULE 20.1 AND REPRESENTATIVE DIRECTORS

[Rule 20.1](#) of the Takeover Code requires equality of information to shareholders in an offeree company.

The relevant provisions state as follows:

“20.1 EQUALITY OF INFORMATION TO SHAREHOLDERS AND PERSONS WITH INFORMATION RIGHTS

(a) Except with the consent of the Panel or as provided in the Notes on Rule 20.1, information 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.

(b) Except with the consent of the Panel, and subject to the Notes on Rule 20.1, if any material new information or significant new opinion relating to an offer or a party to an offer is:

...

(ii) provided by or on behalf of an offeror or the offeree company to any shareholder in, or other person interested in any relevant securities of, an offeror or the offeree company, or to any fund manager or investment analyst;

...

that material new information or significant new opinion must, at the same time, be published in an announcement in accordance with Rule 30.1.

(c) Except with the consent of the Panel, and in addition to the requirements of Rule 20.1(b):

(i) any presentation or other document relating to an offer or a party to an offer provided to, or used in any meeting (including any telephone call or meeting held by electronic means) with, any person referred to in paragraph (b)(ii) ... must be published on a website promptly after it is so provided or used; ...

regardless of whether it contains any material new information or significant new opinion.”.

In the context of an offer or possible offer, it is necessary to consider the application of **Rule 20.1** where a director of the offeree company (a “**representative director**”) has been appointed by (or otherwise represents the interests of) a shareholder in the offeree company (an “**appointing shareholder**”) and:

- (a) the offeree company provides information to the representative director; and
- (b) the representative director (or the offeree company itself) provides information to the appointing shareholder (or to any person within the appointing shareholder's organisation).

If an offeree company has one or more representative directors, the Executive recommends that the advisers to the offeree company should draw the potential application of **Rule 20.1** to the provision of information relating to the offer or the offeree company to the attention of the offeree board and, in particular, the representative director(s) at the earliest possible opportunity, including where information is shared in the ordinary course in accordance with established practice.

In any event, the Executive recommends that the application of **Rule 20.1** should be considered before any information relating to an offer or the offeree company is provided by a representative director (or the offeree company) to an appointing shareholder (or any other person within the appointing shareholder's organisation).

In addition, the Executive recommends that the advisers to the offeree company should consult the Executive to discuss the application of **Rule 20.1** to information relating to an offer or the offeree company provided to any representative directors, including whether it may be appropriate in certain circumstances for the Executive to consent to a derogation from the requirements of **Rule 20.1**.

15 January 2024

Panel Bulletins are published by the Panel Executive from time to time to remind practitioners and market participants of the operation of specific provisions of the Takeover Code in the light of issues of which the Executive becomes aware. Panel Bulletins do not entail any changes to the interpretation or application of the Code.