

Q1 Do you have any comments on the proposed new Rule 2.4 and the proposed new Note 3 on Rule 2.2?

This is a good measure to address the current inequity and tactical advantage afforded to offerors. It is less clear how rumour and speculation are defined, and whether it necessarily involves a specific press reference to a material price movement. It is important that action is taken on price movements that may span several days, and rumours/speculation also includes online sources and social networks. If rumour and speculation is to be determined by price movement, it can not rely on the scale of a movement on a particular day. If it is to be otherwise defined, that should be explained by the Panel.

Q2 Do you have any comments on the proposed new Rule 2.6(a)?

Agree with proposal.

Q3 Do you have any comments on the possible alternative approach to the identification of potential offerors?

Agree with Code Committee's rejection of this approach.

Q4 Do you have any comments on the proposed new Rules 2.6(b), (d) and (e) and Rule 2.3(d)?

Agree with proposals.

Q5 Do you have any comments on the proposed new Note 2 on Rule 2.6?

Agree with proposal.

Q6 Do you have any comments on the proposed new Rule 2.6(c) and Note 1 on Rule 2.6?

Agree with proposals.

Q7 Do you have any comments on the proposed amendments to Rule 2.8 and to the Note on Rules 35.1 and 35.2?

No comments.

Q8 Do you have any comments on the proposed framework to be applied in circumstances where, following a requirement to make an offer being triggered under Rule 2.2(c) or (d), a potential offeror ceases actively to consider making an offer, or on the proposed new Note 4 on Rule 2.2?

Agree, but see Answer 1

Q9 Do you have any comments on the proposed new Rule 21.2?

Agree, but this does not address the moral hazard that the inducement fee might be de minimus relative to the value of the company but other associated conditions of an agreement might benefit directors or other agents. There should be full transparency on this.

Q10 Do you have any comments on the proposed new Note 1 on Rule 21.2?

No comments.

Q11 Do you have any comments on the proposed new Note 2 on Rule 21.2?

Agree with proposal.

Q12 Do you have any comments on the proposed new Note 3 on Rule 21.2?

Agree with proposal.

Q13 Do you have any comments on the proposed new Note 4 on Rule 21.2?

Agree with proposal.

Q14 Do you have any comments on the proposed amendments to Appendix 7?

Agree with amendments.

Q15 Do you have any comments on the proposed new Note 1 on Rule 25.2 or the related amendments?

Agree with proposal.

Q16 Do you have any comments on the proposed new Rules 24.16(a) and 25.8?

Agree with proposal.

Q17 Do you have any comments on the proposed new Note 1 on Rule 24.16?

Agree with proposal.

Q18 Do you have any comments on the proposed new Rule 24.16(b) and Note 2 on Rule 24.16?

Agree with proposal.

Q19 Do you have any comments on the proposed new Rules 24.16(c) and (d)?

Agree with proposal.

Q20 Do you have any comments on the proposed deletion of Rule 24.2(b) and Note 6 on Rule 24.2 and the related amendments?

Agree with proposal.

Q21 Do you have any comments on the proposed new Rule 24.3(a) and the related amendments?

Agree with proposal.

Q22 Do you have any comments on the decision not to require *pro forma* balance sheets to be included in offer documents?

No comments.

Q23 Do you have any comments on the proposed new Rule 24.3(c) regarding the disclosure of ratings and outlooks?

Agree with proposal.

Q24 Do you have any comments on the proposed new Rule 24.3(f)?

Agree with proposal.

Q25 Do you have any comments on the proposed new Rules 26.1 and 26.2 or the related amendments?

Agree with proposal.

Q26 Do you have any comments on the proposed new Rule 24.2?

Agree with proposal.

Q27 Do you have any comments on the proposed new Note 3 on Rule 19.1?

We agree with the proposal, but there is no basis for imposing sanctions or even monitoring such compliance. Further clarification on how “or otherwise” can be documented for subsequent monitoring is not clear. A procedure for monitoring, complaint and sanctions is needed.

Q28 Do you have any comments on the proposed new structure for the obligations in relation to the publication, content and display of documents?

No comment, but note answer 29 below.

Q29 Do you have any comments on the proposed new definition of “employee representative”?

An investment company may have employees or may contract management to an

investment management company. The former would be covered by the proposal, but it is invidious to treat employees of management groups that provide management and secretarial services differently. They should be afforded similar protection as loss of employment can result. Employee rights under a takeover should reflect rights under TUPE. Other agents may be impacted, but rarely will the services provided to the offeree be as significant in relation to the agent's total employment, as may be in the case of an investment management group. The aim of this section should tie in with TUPE.

Q30 Do you have any comments on the proposed new Note 6 on Rule 20.1?

Agree with proposal, subject to Q29 comment.

Q31 Do you have any comments on the proposed new Rules 2.12(a) and (d) and second sentence of Rule 32.1(b)?

Agree with proposal, subject to Q29 comment.

Q32 Do you have any comments on the proposed new Rule 25.9 and amendments to Rule 32.6?

Agree with proposal, subject to Q29 comment.

Q33 Do you have any comments on the proposed new Rule 19.2(a)(iii)?

Agree with proposal, subject to Q29 comment.

Q34 Do you agree that the suggested amendments to section 2(a) of the Introduction to the Code would be consistent with the amendments to the Code proposed in this PCP?

Agree with proposal.

Q35 Do you have any comments on the proposed new definition of "offer period"?

No comments.

Q36 Do you have any comments on the proposed new Rule 13.4?

No comments.