

35. Dealings by connected exempt principal traders

35.1 Prohibited dealings

An exempt principal trader connected with an offeror or the offeree company must not carry out any dealings with the purpose of assisting the offeror or the offeree company, as the case may be.

Note to Rule 35.1:

Suspension of exempt status

Any dealings by an exempt principal trader connected with an offeror or the offeree company with the purpose of assisting an offeror or the offeree company, as the case may be, or any dealings outside the specified activities for which it has received exemption, will constitute a serious breach of the Takeovers Code. Accordingly, if the Executive determines that a principal trader has carried out such dealings, it will be prepared to rule that the principal trader should cease to enjoy exempt status for such period of time as the Executive may consider appropriate in the circumstances.

35.2 Dealings between offerors and connected exempt principal traders

An offeror and any person acting in concert with it must not deal as principal with an exempt principal trader connected with the offeror in relevant securities (as defined in Rule 22) of the offeree company during the offer period. To ensure compliance with this Rule 35.2, it may be necessary either for the offeror and any person acting in concert with it to refrain from dealing in relevant securities or for the principal trader to refrain from dealing as a principal in relation to such securities. The Executive must be consulted if a connected exempt principal trader believes that it has grounds to deal in relevant securities where such dealings cannot reasonably be expected to assist the offeror.

35.3 Assenting securities

Securities owned by an exempt principal trader connected with an offeror must not be assented to the offer until the offer becomes or is declared unconditional as to acceptances.

35.4 Voting

Securities owned by an exempt principal trader connected with an offeror or the offeree company must not be voted in the context of an offer.

Note to Rule 35:

Disclosure of dealings

See Rule 22.4.