



## Takeovers Code (E-cademy Holdings Limited) Exemption Notice 2001

Pursuant to section 45 of the Takeovers Act 1993, the Takeovers Panel gives the following notice (to which is appended a statement of reasons of the Takeovers Panel).

### Contents

1	Title	5	Exemption from rule 16(b) and (d) of Code
2	Application	6	Exemption from rule 7(d) of Code
3	Expiry	7	Conditions
4	Interpretation		

### Notice

#### 1 Title

This notice is the Takeovers Code (E-cademy Holdings Limited) Exemption Notice 2001.

#### 2 Application

This notice applies to acts or omissions occurring on or after 16 November 2001.

#### 3 Expiry

This notice expires on the close of 31 July 2003.

#### 4 Interpretation

(1) In this notice, unless the context otherwise requires,—

**Act** means the Takeovers Act 1993

**agreement** means the agreement between Beconwood Securities and E-cademy dated 18 October 2001 that provides for the issue of the options and of the 280 million voting securities in E-cademy to Beconwood Securities and Beconwood Superannuation

**Beconwood Securities** means Beconwood Securities Pty Limited

**Beconwood Superannuation** means Beconwood Superannuation Pty Limited

**Code** means the Takeovers Code approved by the Takeovers Code Approval Order 2000 (SR 2000/210)

**E-cademy** means E-cademy Holdings Limited

**meeting** means the meeting of E-cademy's shareholders to be held in December 2001 to consider whether or not to approve, for the purposes of rule 7(d) of the Code, the allotment of voting securities to Beconwood Securities and Beconwood Superannuation on the exercise of the options

**notice of meeting** means the notice of the meeting that has been sent to E-cademy's shareholders

**options** means the 280 million options to acquire voting securities in E-cademy.

- (2) Any term or expression that is defined in the Act or the Code and used, but not defined, in this notice has the same meaning as in the Act or the Code.

#### **5 Exemption from rule 16(b) and (d) of Code**

E-cademy is exempted from rule 16(b) and (d) of the Code in respect of the notice of meeting.

#### **6 Exemption from rule 7(d) of Code**

Beconwood Securities and Beconwood Superannuation are exempted from rule 7(d) of the Code in respect of any increase in their percentage of the voting rights in E-cademy that arises from the allotment of voting securities on the exercise of the options to the extent that that provision requires the notice of meeting to be in accordance with rule 16(b) and (d) of the Code.

#### **7 Conditions**

The exemptions in clauses 5 and 6 are subject to the conditions that—

- (a) the notice of meeting contains particulars of the voting securities to be allotted on the exercise of the options, including—

- (i) the maximum number of voting securities that could be allotted to both Beconwood Securities and Beconwood Superannuation on the exercise of all of the options;
  - (ii) the percentage of the aggregate of all existing securities (including the 280 million voting securities that will initially be allotted under the agreement) and the maximum number of voting securities that could be allotted to both Beconwood Securities and Beconwood Superannuation on the exercise of all of the options that that maximum number represents;
  - (iii) the maximum percentage of all voting securities that could be held or controlled by both Beconwood Securities and Beconwood Superannuation (including the 280 million voting securities that will initially be allotted under the agreement) after completion of the allotment of that maximum number of voting securities;
  - (iv) full particulars of the options, including the exercise price and the period during which the options are exercisable; and
- (b) there is no change in the effective control of either Beconwood Securities or Beconwood Superannuation between the date of the meeting and the date on which any allotment of securities is made to either of them on the exercise of any of the options.

Dated at Wellington this 4th day of December 2001.

The Common Seal of the Takeovers Panel was affixed in the presence of:

[L.S.]

D. M. D. Rawstorne,  
Member.

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### Statement of reasons of Takeovers Panel

This notice applies to acts or omissions occurring on or after 16 November 2001 and expires on the close of 31 July 2003.

The Takeovers Panel has granted exemptions to—

- E-cademy Holdings Limited (**E-cademy**) in respect of rule 16(b) and (d) of the Code; and
- Beconwood Securities Pty Limited (**Beconwood Securities**) and Beconwood Superannuation Pty Limited (**Beconwood Superannuation**) in respect of rule 7(d) of the Code.

The Takeovers Panel considers that it is appropriate to grant the exemptions because—

- the issuing of options is an accepted means of raising equity capital in New Zealand and the Takeovers Panel should facilitate these arrangements by exemption; and
- if the shareholders in E-cademy approve the maximum possible increase in the percentage of voting rights held by both Beconwood Securities and Beconwood Superannuation as a result of the allotment to them under the initial offer and on the exercise of any of the options, then, by implication, they can be taken to have also approved that Beconwood Securities and Beconwood Superannuation may increase their percentage of voting rights by a lesser amount.

The Takeovers Panel considers that the exemption is consistent with the objectives of the Code because the non-associated shareholders of E-cademy will have an opportunity to vote on the immediate and potential allotment of voting securities to Beconwood Securities and Beconwood Superannuation.

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Issued under the authority of the Acts and Regulations Publication Act 1989.

Date of notification in *Gazette*: 6 December 2001.

This notice is administered by the Takeovers Panel.

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