



Takeovers Code (Michael Hill International Limited) Exemption Notice 2010

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).

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Notice

- 1 Title**
 This notice is the Takeovers Code (Michael Hill International Limited) Exemption Notice 2010.
- 2 Application**
 This notice applies to acts or omissions occurring on or after 20 August 2009.
- 3 Expiry**
 This notice expires on the close of 28 February 2010.
- 4 Interpretation**
 (1) In this notice, unless the context otherwise requires,—
Act means the Takeovers Act 1993

Code means the Takeovers Code under the Act.

- (2) In this notice, a reference to a person increasing voting control is a reference to the person becoming the holder or controller of an increased percentage of the voting rights in Michael Hill International Limited.
- (3) 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 6(1) of Code

Veritas Hill Limited is exempted from rule 6(1) of the Code in respect of any increase in its voting control that resulted from its appointment on 20 August 2009 as a trustee of the following:

- (a) the trust established by deed of trust dated 1 May 1996 known as the Boxer Hill Trust;
- (b) the trust established by deed of trust dated 30 June 1998 known as the Michael Hill International Share Trust;
- (c) the trust established by deed of trust dated 24 November 1999 known as the Quinten Trust.

Dated at Auckland this 27th day of January 2010.

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

[Seal]

Colin G Giffney,
Deputy Chairperson.

Statement of reasons

This notice applies to acts or omissions occurring on or after 20 August 2009 and expires on 28 February 2010.

Michael Hill International Limited (**MHIL**) is a code company within the meaning of the Takeovers Code (the **Code**).

The Takeovers Panel (the **Panel**) has granted an exemption from rule 6(1) of the Code to Veritas Hill Limited (**Veritas**), a professional trustee company, in respect of any increase in its control of voting rights in MHIL resulting from its appointment as a trustee of the Boxer Hill Trust, the Michael Hill International Share Trust, and the Quinten Trust on 20 August 2009.

Shareholder approval under rule 7(c) of the Code was not sought by Veritas in respect of the appointment as trustee of the Boxer Hill Trust, the Michael Hill International Share Trust, and the Quinten Trust. Accordingly, it appears that Veritas may be in breach of the Code.

The Panel considers that it is appropriate and consistent with the objectives of the Code to grant the exemption because—

- any breach of the Code appears to have been inadvertent:
- the shareholders of MHIL were not disadvantaged in not having the opportunity to vote on the appointment of Veritas as a trustee of the Boxer Hill Trust, the Michael Hill International Share Trust, and the Quinten Trust:
- the appointment related to a reorganisation of private family trusts and the Code is not intended to inhibit the restructuring of family trusts that has no effect on the shareholders of a code company:
- the exemption avoids unnecessary compliance costs that would be incurred if it were not granted.

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

Date of notification in *Gazette*: 11 February 2010.

This notice is administered by the Takeovers Panel.
