

Takeovers Amendment Bill

Government Bill

As reported from the committee of the whole
House

This bill was formerly part of the Regulatory Reform Bill as reported from the Commerce Committee. The committee of the whole House has further amended the bill and divided it into the following bills:

- Agricultural Compounds and Veterinary Medicines Amendment Bill comprising the enacting words, clauses 1 and 2, and Part 1
- Animal Products Amendment Bill comprising Part 2
- Companies Amendment Bill (No 2) comprising Part 3
- Conservation Amendment Bill comprising Part 4
- Films, Videos, and Publications Classification Amendment Bill comprising Part 5 and the Schedule
- Fisheries Amendment Bill comprising Part 6
- Friendly Societies and Credit Unions Amendment Bill comprising Part 7
- Radiocommunications Amendment Bill comprising Part 8
- Registered Architects Amendment Bill comprising Part 9
- Statistics Amendment Bill comprising Part 10
- this bill comprising Part 11
- Unit Trusts Amendment Bill comprising Part 12

- Wine Amendment Bill comprising Part 13
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Hon John Banks

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Contents

| | Page |
|---|------|
| 1 Title | 1 |
| 2 Commencement | 2 |
| | |
| 109 Principal Act amended | 2 |
| 110 Interpretation | 2 |
| 111 New section 2A inserted | 2 |
| 2A Meaning of code company | 2 |
| 112 Powers of division | 3 |
| 114 Consequential amendments to Takeovers Code | 3 |
| 115 Interpretation | 3 |
| 116 New rule 3A inserted | 3 |
| 3A Meaning of code company | 3 |
| 116A Consequential amendments to Companies Act 1993 | 4 |
| | |

The Parliament of New Zealand enacts as follows:

1 Title

This Act is the Takeovers Amendment Act **2012**.

2 Commencement

This Act comes into force on the day after the date on which it receives the Royal assent.

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109 Principal Act amended

This Part amends the Takeovers Act 1993 and makes consequential amendments to the takeovers code set out in the Schedule of the Takeovers Code Approval Order 2000. 5

110 Interpretation

Section 2(1) is amended by repealing the definition of **code company** and substituting the following definition: 10

“**code company** has the meaning given to it in **section 2A**”.

111 New section 2A inserted

The following section is inserted after section 2:

“2A Meaning of code company

“(1) **Code company** means a company that— 15

“(a) is a party to a listing agreement with a registered exchange and that has securities that confer voting rights quoted on the registered exchange’s securities market; or

“(b) was within **paragraph (a)** at any time during a period specified in the takeovers code (being a period not exceeding 12 months before any date or the occurrence of any event referred to in the code); or 20

“(c) has 50 or more shareholders and 50 or more share parcels. 25

“(2) However, if, as a result of a transaction or an event regulated under the code, a company that previously satisfied **subsection (1)(c)** ceases to have 50 or more shareholders and 50 or more share parcels, that company continues to be a code company for the purposes of Part 7 of the code. 30

“(3) In this section, **shareholder** means a shareholder holding a security that confers a voting right.”

112 Powers of division

Section 7C is amended by adding the following subsections:

- “(3) A resolution signed or assented to in writing (whether sent by post, delivery, or electronic communication) by all members of a division is as valid and effectual as if it had been passed at a meeting of that division duly called and constituted. 5
- “(4) The resolution may consist of several documents containing the same resolution, each signed or assented to in writing by 1 or more members.”

114 Consequential amendments to Takeovers Code

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Sections 115 and 116 amend the Takeovers Code (the **code**) set out in the Schedule of the Takeovers Code Approval Order 2000.

115 Interpretation

- (1) Rule 3(1) is amended by revoking the definition of **code company** and substituting the following definition: 15
 “**code company** has the meaning given to it in **rule 3A**”.
- (2) Rule 3(3) is revoked.

116 New rule 3A inserted

The following rule is inserted after rule 3: 20

3A Meaning of code company

- “(1) **Code company** means a company that— 25
- “(a) is a party to a listing agreement with a registered exchange and that has securities that confer voting rights quoted on the registered exchange’s securities market; or
- “(b) was within **paragraph (a)** at any time during the period of 12 months before a date or the occurrence of an event referred to in this code; or
- “(c) has 50 or more shareholders and 50 or more share parcels. 30
- “(2) However, if, as a result of a transaction or an event regulated under this code, a company that previously satisfied **sub-clause (1)(c)** ceases to have 50 or more shareholders and 50

or more share parcels, that company continues to be a code company for the purposes of Part 7.

“(3) In this rule, **shareholder** means a shareholder holding a security that confers a voting right.

“(4) The definition of **code company** in this rule specifies the period of time to be specified by the code for the purposes of the definition of code company in the Act.” 5

116A Consequential amendments to Companies Act 1993

- (1) This section amends the Companies Act 1993.
- (2) Paragraph (j) of Schedule 4 is amended by omitting “section 10 2” and substituting “**section 2A**”.
- (3) The last paragraph of the notes to Schedule 4 is omitted.

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Legislative history

22 August 2012

Divided from Regulatory Reform Bill (Bill 269–2)
by committee of the whole House as Bill 269–3K
