



Takeovers Code (Active Equity Managers Limited) Exemption Notice 2006

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

		Page
1	Title	1
2	Application	1
3	Interpretation	1
4	Exemption from rule 6(1) of Code	2

Notice

1 Title

This notice is the Takeovers Code (Active Equity Managers Limited) Exemption Notice 2006.

2 Application

This notice applies to acts or omissions occurring on or after 24 November 2006.

3 Interpretation

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

Act means the Takeovers Act 1993

AEL means Active Equities Limited

AEML means Active Equity Managers Limited, the manager of the trust

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

Infinity means Infinity Group Limited

offer means the takeover offer by AEML, acting in its capacity as manager of the trust, for all of the fully paid ordinary shares in AEL as described in the draft offer accompanying the notice of intention to make a takeover offer dated 10 November 2006 and sent to AEL

TeamTalk means TeamTalk Limited

trust means the Active Equities Investment Trust established as a unit trust under a trust deed dated 10 November 2006.

- (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.

4 Exemption from rule 6(1) of Code

AEML is exempted from rule 6(1) of the Code in respect of any increase in the percentage of voting rights in TeamTalk or Infinity held or controlled by AEML as a result of the offer.

Dated at Auckland this 30th day of November 2006.

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

[Seal]

J C King,
Chairperson.

Statement of reasons

This notice applies to acts or omissions occurring on or after 24 November 2006.

The Takeovers Panel (the **Panel**) has granted an exemption to Active Equity Managers Limited (**AEML**), acting in its capacity as manager of the Active Equities Investment Trust (the **trust**), from rule 6(1) of the Takeovers Code (the **Code**) in respect of it becoming the holder or controller of voting rights in TeamTalk Limited (**TeamTalk**) and Infinity Group Limited (**Infinity**) as a result of a

proposed takeover offer for all of the shares in Active Equities Limited (AEL) made on behalf of the trust.

AEL holds or controls 35.66% of the voting rights in TeamTalk and 43.46% of the voting rights in Infinity through its wholly owned subsidiaries. It is proposed that a takeover offer for AEL will be made on behalf of the trust. The purpose of the offer is to convert AEL from a company to a unit trust. The consideration under the takeover offer will be 1 unit in the trust for each AEL share.

Under the trust deed AEML, as manager of the trust, will control the voting rights attached to any securities held by the trust. Accordingly, the acquisition of AEL by AEML on behalf of the trust would result in AEML becoming the holder or controller of more than 20% of the voting rights in TeamTalk and Infinity, as AEL controls, through its wholly owned subsidiaries, more than 20% of the shares in these code companies.

If the offer is successful, AEL will become an asset of the trust, and the shareholders of AEL will become unit holders in the trust in the same proportions as they currently hold shares in AEL. The directors of AEML will be the same as the directors of AEL, and the unit holders will have similar rights as unit holders regarding the management of the trust as those that shareholders of AEL currently have in relation to the management of AEL.

The Panel considers that the exemption from rule 6(1) of the Code is appropriate and consistent with the objectives of the Code for the following reasons:

- the acquisition will not result in an effective change of control of TeamTalk or Infinity;
- the shareholders in TeamTalk or Infinity will not be disadvantaged by not having the opportunity to vote on the proposed transaction as the proposed transaction will have no real effect on those shareholders;
- 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*: 7 December 2006.

This notice is administered by the Takeovers Panel.
