

RULE 13. CONDITIONS AND PRE-CONDITIONS TO AN OFFER

13.4 FINANCING CONDITIONS AND PRE-CONDITIONS

(a) Subject to Rules 13.4(b) and (c), an offer must not be made subject to a condition or pre-condition relating to financing.

(b) Where the offer is for cash, or includes an element of cash, and the offeror proposes to finance the cash consideration by an issue of new securities, the offer must be made subject to any condition required, as a matter of law or regulatory requirement, in order validly to issue such securities or to have them listed or admitted to trading (see Note). Any such condition must not be waivable and the Panel must be consulted in advance.

(c) In exceptional cases, the Panel may be prepared to accept a pre-condition relating to financing either in addition to another pre-condition permitted by Rule 13.3 or otherwise, for example where, due to the likely period required to obtain any necessary material official authorisation or regulatory clearance, it is not reasonable for the offeror to maintain committed financing throughout the offer period. In such a case:

(i) the financing pre-condition must be satisfied (or waived), or the offer must be withdrawn, within 21 days after the satisfaction (or waiver) of any other pre-condition or pre-conditions permitted by Rule 13.3; and

(ii) the offeror and its financial adviser must confirm in writing to the Panel before announcement of the offer that they are not aware of any reason why the offeror would be unable to satisfy the financing pre-condition within that 21 day period.

(d) If, at any time, the offeror or its financial adviser becomes aware, or considers it likely, that the offeror would be unable to satisfy a financing pre-condition, it must promptly notify the Panel.

NOTE ON RULE 13.4

Conditions necessary for the issue, listing or admission to trading of new securities

Conditions which will normally be considered necessary for the purposes of issuing new securities or having them listed or admitted to trading include:

(a) *a condition relating to the passing of any resolution necessary to create or allot the new securities and/or to allot the new securities on a non-pre-emptive basis (if relevant); and*

(b) *where the new securities are to be admitted to listing or to trading on any investment exchange or market, any condition required to give effect to*

a legal or regulatory requirement relating to the listing and/or admission to trading of those securities (see also Rule 24.10).