

## **RULE 24. OFFEROR DOCUMENTS**

### **24.16 FEES AND EXPENSES**

(a) The offer document must contain an estimate of the aggregate fees and expenses expected to be incurred by the offeror in connection with the offer and, in addition, separate estimates of the fees and expenses expected to be incurred in relation to:

- (i) financing arrangements;
- (ii) financial and corporate broking advice;
- (iii) legal advice;
- (iv) accounting advice;
- (v) public relations advice;
- (vi) other professional services (including, for example, management consultants, actuaries and specialist valuers); and
- (vii) other costs and expenses.

(b) Where any fee is variable between defined limits, a range must be given in respect of the aggregate fees and expenses and of the fees and expenses of each relevant category, setting out the expected maximum and minimum amounts payable. See Note 2.

(c) Where the fees and expenses payable within a particular category are likely to exceed the estimated maximum previously disclosed by 10% or more, the offeror must promptly disclose to the Panel revised estimates of the aggregate fees and expenses expected to be incurred in relation to the offer and of the fees and expenses expected to be incurred within that category. The Panel may require such revised estimates to be announced where it considers this to be appropriate.

(d) Where the final fees and expenses actually paid within a particular category exceed the amount publicly disclosed as the estimated maximum payable by 10% or more, the offeror must promptly disclose to the Panel the final amount paid in respect of that category. The Panel may require such final amount to be announced where it considers this to be appropriate.

#### **NOTES ON RULE 24.16**

##### **1. Financing fees and expenses**

*Full details should be given of any fees and expenses payable, or estimated to be payable in relation to:*

- (a) *entering into any financing commitment; and*
- (b) *drawing down any financing.*

*Any commitment fees should normally be disclosed by means of describing the principal amounts of the financing facilities and the annual percentage rate applicable for the period of time between commitment and drawdown. A cross-reference to the description of how the offer is to be financed, as required under Rule 24.3(f), will normally be sufficient.*

## **2. Variable and uncapped fee arrangements**

*Where a fee is variable or is not subject to a maximum amount, this should be stated and an indication of the nature of the arrangement given (for example, whether the amount of the fee is discretionary, relates to the outcome or final value of the offer or will be calculated on a “time cost” or other basis).*

*Where a particular category of fees and expenses includes a variable or uncapped element, the figure or range given should reflect a reasonable estimate of the fees likely to be paid on the basis of the terms of the then current offer.*

*Where a fee arrangement provides for circumstances in which the fee will or may increase, for example where the offer is revised or a competitive situation arises, the higher amount will not be required to be disclosed unless and until such circumstances arise.*

## **3. Fees payable to supervisors appointed under Rule 19.5(i)**

*There is no requirement to disclose an estimate of any fees and expenses expected to be incurred in relation to a supervisor appointed under Rule 19.5(i).*