

RULE 38. DEALINGS BY CONNECTED EXEMPT PRINCIPAL TRADERS

38.1 PROHIBITED DEALINGS

An exempt principal trader connected with an offeror or the offeree company must not carry out any dealings with the purpose of assisting the offeror or the offeree company, as the case may be.

NOTE ON RULE 38.1

Suspension of exempt status

Any dealings by an exempt principal trader connected with an offeror or the offeree company with the purpose of assisting an offeror or the offeree company, as the case may be, will constitute a serious breach of the Code. Accordingly, if the Panel determines that a principal trader has carried out such dealings, it will be prepared to rule that the principal trader should cease to enjoy exempt status for such period of time as the Panel may consider appropriate in the circumstances.

38.2 DEALINGS BETWEEN OFFERORS AND CONNECTED EXEMPT PRINCIPAL TRADERS

(a) An offeror and any person acting in concert with it must not deal as principal with an exempt principal trader connected with the offeror in relevant securities of the offeree company during the offer period. Dealings through an anonymous order book system are, however, permitted provided that neither party to the transaction is aware of the identity of the other party.

(b) It will generally be for the advisers to the offeror (including a corporate broker) to ensure compliance with Rule 38.2(a) rather than the principal trader.

38.3 ASSENTING SECURITIES AND DEALINGS IN ASSENTED SECURITIES

An exempt principal trader connected with the offeror must not assent offeree company securities to the offer or purchase such securities in assented form until the offer is unconditional.

NOTE ON RULE 38.3

Schemes of arrangement

See Section 12 of Appendix 7.

38.4 VOTING

Securities owned by an exempt principal trader connected with an offeror or the offeree company must not be voted in the context of an offer.

NOTE ON RULE 38.4

Schemes of arrangement

See Section 12 of Appendix 7.