

# THE TAKEOVER PANEL

## THE BIRMINGHAM SMALL ARMS COMPANY LIMITED ("BSA")

The Panel has carried out an investigation into dealings in the Ordinary Stock units of BSA on 14th March 1973. These dealings were accompanied by a sharp fall in the market price of the BSA Stock during the morning of that day prior to the suspension of dealings on the Stock Exchange at 1.45 p.m.

In the view of the Panel it is clear that the fall in the market price was precipitated by sales at the commencement of business of 10, 000 Stock units at 18p and 5, 000 Stock units at 16½p. These sales in a thin market led to a fall in the price of BSA Stock which in turn brought in further sellers, all for small amounts of Stock. The total of Stock units sold from the commencement of dealings on 14th March to the suspension of dealings at 1.45 p.m. on that day amounted to some 65, 000.

The Panel found no evidence to suggest that any of the dealings on 14th March involved a breach of Rule 30 of the City Code or that any such dealings were entered into by persons in possession of material price sensitive information in relation to BSA.

12th September 1973.