

# THE TAKEOVER PANEL

## Ashbourne Investments Limited ("Ashbourne")

## Argentine Southern Land Company, Limited ("ASL")

On 12th June, 1975 an offer document was issued by Great Western Corporation SA ("GWC") offering to purchase the whole of the issued share capital of ASL at 60p per Stock Unit in cash. This offer was recommended for acceptance by the board of ASL who were advised by Baring Bros. & Co.Limited. The offer was conditional, inter alia, upon valid acceptances being received by 3 p.m. on Thursday, 3rd July, 1975 (or such later date as GWC might decide being not later than 3 p.m. on Monday, 11th August, 1975) in respect of not less than 90% of the issued Stock Units of ASL or such lesser percentage as GWC might decide, provided that this condition would not be satisfied unless GWC had acquired or agreed to acquire more than 50% of the issued Stock Units.

Ashbourne held 998,004 Stock Units of ASL (representing 24.88% of ASL). On 16 June, Crest International Securities Limited ("Crest") asked the executive of the Panel to rule that Rule 38 of the Code applied to Ashbourne and that by virtue of this Rule the approval of Ashbourne shareholders in general meeting was required before the board of Ashbourne could accept the GWC offer in respect of Ashbourne's holding in ASL.

On 17th June the executive ruled that, even if Rule 38 applies to Ashbourne at the present time, special circumstances exist so that there would be no need for the Ashbourne board to obtain the approval of shareholders in general meeting before the GWC offer was accepted.

Crest appealed to the full Panel. At a hearing on 24th June, the Panel gave very careful consideration to arguments put forward by Crest. The Panel has reached the conclusion that the ruling of the executive should stand and that accordingly no general meeting of Ashbourne is required by the Code before Ashbourne can accept the offer made by GWC.

26th June, 1975.