

### In the matter of Pinnacle VRB Ltd No. 7 [2001] ATP 10

#### Catchwords

*Discretion of Panel to commence proceedings – allegation of misleading media reports – insignificant complaint – complaint easily remedied*

*Australian Securities and Investments Commission Regulations, r 20*

**On 3 May 2001, we declined to commence proceedings in relation to an application by Reliable Power Inc for a declaration of unacceptable circumstances in relation to the takeover bid made by Reliable on 20 March 2001 for Pinnacle VRB Limited. We considered that the issue complained of was insignificant and fully capable of being addressed in Reliable’s imminent supplementary bidder’s statement.**

#### **REASONS FOR DECISION**

1. The sitting Panel in this matter comprises Karen Wood (President), Brett Heading (sitting Deputy President) and Alice McCleary.
2. These are our reasons for declining, under Regulation 20 of the ASIC Regulations, to commence proceedings in relation to an application by Reliable Power Inc (*Reliable*) on 30 April, 2001 for a declaration of unacceptable circumstances. The application was in relation to the takeover bid made by Reliable on 20 March 2001 for Pinnacle VRB Limited (*Pinnacle*).
3. Reliable alleged that an article published on the internet site of StockHouse International (<http://www.stockhouse.com>) on 27 April 2001, was misleading in relation to the Panel’s decision in the Pinnacle 4 application.
  - (a) Reliable asserted that the heading of the article “*US Takeover Bid Thrown Out Says Pinnacle Director*” is misleading;
  - (b) Reliable alleged that a Director of Pinnacle, Mr David Lenigas, is reported in the article as saying Reliable’s bid has been “thrown out”.
4. The Panel considers:
  - (a) The complaint is insignificant;
  - (b) The article’s content is clear and not misleading as to the status of Reliable’s bid;
  - (c) The Panel’s release of 1 May, 2001, made the status of the bid clear;
  - (d) The article’s content dispels any misconception which might arise from the heading;
  - (e) Pinnacle is not responsible for the headings of StockHouse’s articles; and

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- (f) If Reliable wishes to correct whatever misconceptions it thinks exist, it has an appropriate venue and opportunity, in its supplementary bidder's statement which is due to be dispatched in the very near future.

**Karen Wood**

**President of the Sitting Panel**

**Decision dated 03 May 2001**

**Reasons published 03 May 2001**