



Thursday, 7 September 2006

Australian Pipeline Trust – Panel Orders

The Takeovers Panel advises that it has made final orders in response to the application dated 21 August 2006 from Australian Pipeline Limited (in its capacity as responsible entity of Australian Pipeline Trust) and Australian Pipeline Trust (together **APT**) under sections 656A and 657C of the Corporations Act in relation to the acquisitions of APT units by Alinta Limited on and from 16 August 2006 (**Acquisitions**).

The Panel made a declaration of unacceptable circumstances in relation to the Acquisitions on 3 September 2006 ([TP06/82](#)).

On 5 September 2006, the Panel received an application from Alinta Limited for review of the decision made by the sitting Panel in the APT proceedings.

The Panel has not decided whether to commence proceedings in relation to the review sought by Alinta Limited, and makes no comment on the merits of the review application.

The Panel has stayed those parts of its orders which relate to vesting of the Acquisitions and sale by ASIC. The Panel considered that this is appropriate until the Panel appointed in relation to the review application referred to above has had time to consider the application. However, those parts of the Panel's orders which maintain the status quo while the review Panel is considering the application before it are operative immediately.

A copy of the final orders is attached.

Nigel Morris
Director, Takeovers Panel
Level 47, 80 Collins Street
Melbourne, VIC 3000
Ph: +61 3 9655 3501
nigel.morris@takeovers.gov.au



**Corporations Act
Section 657D
Final Orders**

In the matter of Australian Pipeline Trust

Pursuant to section 657D of the Corporations Act 2001 (**Act**) and pursuant to a declaration of unacceptable circumstances made by the Panel on 3 September 2006, the Takeovers Panel HEREBY ORDERS:

Divestment order

1. that the legal title to and beneficial ownership of the Sale Units be vested in the Australian Securities and Investments Commission (**ASIC**) by the transfer of the Sale Units from Alinta to ASIC, for ASIC to:
 - (a) sell the Sale Units; and
 - (b) subject to any requirement arising under a Tax Law, account to the persons who, immediately before the making of this order, were the registered holders of the relevant Sale Units for the proceeds of sale, net of the costs, fees and expenses of the sale and any costs, fees and expenses incurred by ASIC, or which ASIC reasonably incurs, or estimates it will incur, in complying with these orders (even where those costs, fees or expenses are incurred in relation to any earlier unsuccessful attempt to sell the Sale Units). If ASIC considers there to be a reasonable doubt as to whether a requirement has arisen under a Tax Law, ASIC is not required to so account for that proportion of the proceeds relating to the apparent requirement until it has determined whether a requirement has, in fact, arisen;
2. that Alinta and its agents do all things necessary to give effect to the transfer under order (1);
3. that ASIC retain an investment bank or licensed stock broker (**Appointed Seller**) which:
 - (a) ASIC considers to be appropriately licensed to conduct the sale; and
 - (b) provides to ASIC a statutory declaration that, having made proper inquiries, the Appointed Seller is not aware of any interest, past, present, or prospective which could conflict with the proper performance of the Appointed Seller's functions in relation to the disposal of the Sale Units;
4. that ASIC will instruct the Appointed Seller:
 - (a) to sell the Sale Units by a bookbuild or into an unconditional takeover bid for all units in APT (**Unconditional Bid**);
 - (b) to seek to maximise the sale price of the Sale Units;

- (c) that none of the Parties may acquire or buy any of the Sale Units other than pursuant to an acceptance by the Appointed Seller into an Unconditional Bid;
 - (d) that unless the Appointed Seller sells Sale Units by accepting into an Unconditional Bid, it obtain from any prospective purchaser of Sale Units a statutory declaration or statement in accordance with rule 7.1(c) of the Panel's Rules for Proceedings that it is not associated with any of the Parties;
5. without limiting ASIC's ability to seek further orders, that ASIC seek further orders from the Panel if the Appointed Seller is unable to dispose of the all of the Sale Units within 6 weeks from the date of engagement of the Appointed Seller, without, in its reasonable opinion acting as expert, unduly depressing the market price of APT units;

Acquiring, disposing and voting restriction orders

6. Alinta not to:
- (a) acquire any relevant interest in any further APT units;
 - (b) purchase any units in APT;
 - (c) dispose of any relevant interest in any Sale Units, other than in a manner approved by the Panel;
 - (d) enter into, buy, dispose of, terminate or otherwise deal with any cash settled equity swap or other synthetic, economic or derivative transaction connected or relating to any APT units or the price of APT units;
 - (e) exercise any rights attaching to any Sale Unit, including voting any of those Sale Units at a general or extraordinary meeting of APT unitholders;
 - (f) agree or give any right to require it to do anything referred to in paragraphs (6)(a) to (e) above;
7. that each Party and ASIC have the liberty to apply for further orders in relation to the matters covered by orders (1), (2), (3), (4), (5) and (6);

Period for which orders have effect

8. that the orders in paragraphs (1) to (5) are stayed until further order by the Takeovers Panel; and
9. that the orders in paragraph (6) remain in effect until the earlier of:
- (a) completion of the sale of the Sale Units by the Appointed Seller; or
 - (b) further order by the Takeovers Panel.

Nothing in these orders prevents Alinta making a takeover bid for all APT units.

Schedule 1 - Glossary

Alinta means Alinta Limited, its related entities and its associates.

AGL means the Australian Gas Light Company.

APT means Australian Pipeline Trust.

associate has the meaning given to that term by sections 12, 15 and 16 of the Act with the modification that in sub-paragraph 12(2)(a)(ii) the expression “a body corporate” is replaced by the expression “an entity” and “entity” has the meaning given in section 64A;

Parties means Alinta and AGL and their associates.

Sale Units means Alinta's 10.25% holding in APT acquired on and between 16 and 21 August 2006, and APT units acquired by Alinta under the placement bookbuild conducted by APT on 31 August 2006 and 1 September 2006.

Tax Law means the *Income Tax Assessment Act 1936* (Cth), the *Income Tax Assessment Act 1997* (Cth) or any other law of the Commonwealth relating to taxation law.

Dated 7 September 2006

Nerolie Withnall

President of the Sitting Panel