



**Australian Government**

**Takeovers Panel**

# MEDIA RELEASE

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**No: 66/2009**

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## **Multiplex Prime Property Fund 02 - Panel Receives Application**

The Panel has received an application from Multiplex Colt Investments Pty Ltd as trustee for the Multiplex Colt Investments Trust in relation to the affairs of the Multiplex Prime Property Fund. The application concerns the on-market bid by Australian Style Investments Pty Ltd for the Fund announced on 3 September 2009. The Trust is the beneficial owner of 21.6% of the units in the Fund.

Among other things, according to the application "the [Australian Style] Bid has an unacceptable coercive effect on unitholders because:

- (a) the [Australian Style] Bid will entitle the financiers of the Fund to call for the immediate repayment of amounts owing to them and the Fund is not likely to currently have the ability to make such repayments;
- (b) [Australian Style] has not disclosed that it has obtained any commitment from the financiers to not call for the repayment of amounts owing to them or otherwise demonstrated that it has made arrangements to satisfy that repayment; and
- (c) unitholders who do not accept the [Australian Style] Bid will therefore face the prospect of having to satisfy an outstanding call on their partly paid securities (which will likely be accelerated as a consequence of the [Australian Style] Bid) but are likely to receive an amount significantly less than the amount of that call on the winding up of the Fund."

Multiplex Colt also submits that the coercive effect is enhanced because Australian Style may have an ability to withdraw its bid.

Multiplex Colt seeks final orders that Australian Style not acquire any units in the Fund on-market (including under the bid) unless:

2. Australian Style either:

- (a) obtains a commitment from the Fund's financiers not to call for the immediate repayment of the debt as a result of any circumstance arising

out of the bid, to waive existing breaches and relax the loan to value ratio covenants or

- (b) provides the Panel with satisfactory evidence of funding to meet all of its obligations as a result of the bid and
3. Australian Style not rely on a right to withdraw the bid if it votes in favour of a winding up of the Fund.

A sitting Panel has not been appointed at this stage and no decision has been made as to whether to conduct proceedings. The Panel makes no comment on the merits of the application.

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