



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP12/85

Thursday, 13 December 2012

Knights Capital Group Limited – Panel Accepts Undertaking, Declines to Conduct Proceedings and Publishes Reasons

The Panel has accepted an undertaking from Australian Executor Trustees Limited (see annexure) and declined to conduct proceedings on an application dated 29 November 2012 from Knights Capital Group Limited in relation to its affairs.

The application concerned whether AET holds its shares in Knights as a bare trustee under s609(2)¹ and, if not, whether acquisitions of shares in Knights contravened s606. The issue arose in the context of resolutions to be put at Knights' 2012 annual general meeting involving the replacement of two non-executive directors with three new directors.

The Panel concluded there was no reasonable prospect that it would make a declaration of unacceptable circumstances after accepting the undertaking offered by AET which resolved the immediate issue. The Panel also referred to ASIC the broader question of the bare trustee exemption in s609(2). The Panel also considered that the application was not timely. Accordingly, the Panel declined to conduct proceedings.

The sitting Panel was Diana Chang, Mark Darras and Anthony Sweetman (sitting President).

The Panel's reasons can be found on the Panel's website at www.takeovers.gov.au.

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¹ Unless otherwise indicated, references are to the *Corporations Act 2001* (Cth)



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Annexure

AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION ACT (CTH)

SECTION 201A UNDERTAKING

KNIGHTS CAPITAL GROUP LIMITED

Pursuant to section 201A of the *Australian Securities and Investments Commission Act 2001* (Cth), Australian Executors Trustees Ltd ACN 007 869 794 in its capacities set out below (**AET**), undertakes to the Takeovers Panel that, at the 2012 annual general meeting of Knights Capital Group Ltd ACN 072 769 174 (**KCG**), AET will, on resolutions 1, 2(a), 2(b), 2(c), 2(d), 2(e) and 3 (each as set out in KCG's notice of meeting dated 1 November 2012), exercise the voting rights attaching to the KCG shares in respect of which it is the registered holder only in accordance with any directions given to it by the underlying beneficial owners of those KCG shares.

Signed by Gary Riordan

General Manager, AET Trustee Services

for and on behalf of Australian Executors Trustees Ltd as trustee for the Kingston Superannuation Trust, as trustee for various small APRA funds collectively known as SAF, as custodian for Portfolio Management Services and as custodian for AET Self Manager Super Funds

Dated 10 December 2012