



Australian Government

Takeovers Panel

MEDIA RELEASE

No: TP13/51

Wednesday, 23 October 2013

STI-Global Limited – Panel Receives Application

The Panel has received an application from Sasser Family Holdings, Inc in relation to the affairs of STI-Global Limited. The application concerns a share sale agreement and proxy arrangements entered into between Messers Kevin Reichelt and Donald Searle and companies related to them.

Details of the application, as submitted by the applicant, are below.

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

Details

STI-Global is an unlisted public company with more than 50 members. Donald Searle has a relevant interest of 13.69% in STI-Global, held directly and through RIQ Pty Ltd. Kevin Reichelt is a director of, and has a relevant interest of 12.28% in, STI-Global, held directly and through Redheart Investments Pty Ltd.

On 23 August 2013, Donald Searle appointed Kevin Reichelt as his proxy and RIQ authorised Kevin Reichelt as a corporate representative in relation to the shares held by them.

On 26 August 2013, an agreement was entered into under which Redheart Investments would acquire Donald Searle and RIQ's 13.69% interest in STI-Global over a two year period. The agreement also irrevocably appointed Kevin Reichelt as proxy for Donald Searle and as representative for RIQ for all future meetings of STI-Global's shareholders, prior to completion.

The applicant submitted that as a result Kevin Reichelt's and Redheart Investments' interests in STI-Global increased from 12.28% to 25.98% in contravention of s606 of the Corporations Act.

A meeting of STI-Global's shareholders on 11 October 2013 to consider board spill resolutions proposed by Sasser Family Holdings was adjourned and is scheduled to be held on 31 October 2013.

The applicant seeks interim orders deferring the 31 October 2013 meeting until 3 weeks after the day on which the Panel makes final orders.

The applicant seeks final orders effectively cancelling the share sale agreement and proxy arrangements.

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