



Australian Government

Takeovers Panel

MEDIA RELEASE

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PaperlinX SPS Trust - Panel Declines to Conduct Proceedings

The Panel has declined to conduct proceedings on an application dated 13 January 2014 from Coastal Capital International, Ltd. in relation to the affairs of PaperlinX SPS Trust (see [TP14/05](#)).

PaperlinX SPS Trust is the subject of a takeover bid by PaperlinX Limited. SPS Trust has on issue hybrid securities known as Step-up Preference Securities (SPSs). Coastal Capital sought a declaration and orders requiring further disclosure, preventing PaperlinX exercising any rights in respect of SPSs it acquires under its bid and requiring PaperlinX to exchange the SPSs for preference shares in PaperlinX.

The Panel declined to conduct proceedings, concluding that there was no reasonable prospect that it would make a declaration of unacceptable circumstances because, among other things:

- the circumstances identified by Coastal Capital did not appear to be coercive to SPS holders
- it is not clear why the documents that Coastal Capital seeks to be disclosed are required now, given the length of time the SPS Trust has been listed, and
- there does not appear to be anything expressly prohibiting PaperlinX making the bid, or warranting the Panel interfering with the bid. SPS holders are free to accept or reject the bid as they wish.

The sitting Panel was Robin Bishop, Ewen Crouch and Sophie Mitchell (sitting President). The Panel will publish its reasons on its website (www.takeovers.gov.au) in due course.

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