



NZX Regulation Decision

Finzsoft Solutions Limited (FIN)

Application for a waiver from NZX Main Board Listing Rule
7.12.2

19 February 2015



Waiver from NZX Main Board Market Listing Rule

7.12.2

Decision

1. On the conditions set out in paragraph 2 below, and on the basis that the information provided by FIN is complete and accurate in all material respects, NZX Regulation (“**NZXR**”) grants FIN a waiver from the requirement under NZX Main Board Listing Rule (“**Rule**”) 7.12.2 to the extent that this Rule requires that an Appendix 7 be provided for the Dividend at least 10 business days before the Record Date to determine the entitlement to the Dividend.
2. The waiver in paragraph 1 above is provided on the conditions that:
 - a. the notification of the Record Date for the entitlement to the Dividend is made before 9a.m. on the date three Business Days before that Record Date; and
 - b. that FIN announce the Record Date for the entitlement to the Dividend in the usual form set out in Appendix 7 to the Rules.
3. The material information on which this decision is based is set out in Appendix One to this decision. This waiver will not apply if that information is not, or ceases to be, full and accurate in all material respects.
4. Rule 7.12.2 to which this decision relates is set out in Appendix Two.

Reasons

5. In coming to the decision to provide the waiver set out in paragraph 1 above, NZXR has considered that:
 - a. FIN recently received a notice of the intention by Silverlake to make a full Takeover offer for all equity securities in FIN. The Takeover offer is intended to include the purchase of all rights, benefits and entitlements which attach to the shares. However, FIN advises that it is intended that the Dividend is expressly excluded from the offer as a permitted dividend;
 - b. Rule 7.12.2 requires a dividend is announced to the market in the form of an Appendix 7 at least 10 business days prior to the Record Date for the entitlement to the dividend. This time period ensures that current and potential shareholders have sufficient time to trade on and off the share register as desired;
 - c. the Dividend is a benefit to investors. While a shorter time frame between the announcement and Record Date will provide less time for trading on and off the share register, it will make it more likely that shareholders receive the Dividend prior to Silverlake purchasing the shares under the Takeover offer. Payment of the Dividend before change of control of FIN will also mean that imputation credits can be utilised in relation to the Dividend;



- d. the conditions of the waiver provide that the notification of the Dividend must be announced so that there is at least one full day's trading prior to the Ex Date for the Dividend, to allow investors a shortened time to trade on and off the share register once the Dividend has been announced, should they wish;
- e. there is precedent for this decision, including the Gullivers Travel Group Limited waiver in June 2006.

Confidentiality

- 6. FIN has requested that the application for a waiver from Rule 7.12.2 and NZXR's decision be kept confidential until the Dividend has been announced to the market.
- 7. In accordance with Footnote 1 to Rule 1.11.2, NZXR grants FIN's request.



Appendix One

1. Finzsoft Solutions Limited ("**FIN**") is a Listed Issuer with its ordinary shares quoted on the NZX Main Board.
2. On 28 January FIN received a Takeover Notice pursuant to Rule 41(1) of the Takeovers Code from Silverlake HGH Limited ("**Silverlake**"). This notice provided that Silverlake intends to make a full takeover under the Takeovers Code to acquire all of the equity securities in FIN (the "**Takeover**"). The offer document for the Takeover can be provided by Silverlake to investors anytime up to 27 February 2015.
3. Silverlake has a lock up agreement in place for shares in FIN held by Holliday Group Holdings (ICT Investments) Limited ("**Holliday**"). These shares represent 65.92% of FIN's issued shares. Under the lock up agreement Holliday agrees to accept the Takeover offer no later than one business day after it receives the offer document for the Takeover. Silverlake must the pay for the shares no later than seven days after the later of:
 - a. the date Silverlake receives the shareholders' acceptance of the offer; and
 - b. the date upon which the Takeover offer becomes unconditional.
4. Based on the terms of the Takeover offer, the offer will become unconditional on the receipt by Silverlake of acceptances which confer on it 65% or more of the voting rights in FIN. Accordingly, the 65% acceptance condition to the Takeover offer will be satisfied once Holliday accepts the Takeover offer.
5. Once payment is made by Silverlake for the Holliday shares a change of control will occur in those shares and in respect of FIN.
6. FIN wishes to pay a partially imputed dividend of up to \$1 million (the "**Dividend**") to shareholders. Under the intended terms of the Takeover offer, the Dividend would be excluded from the Takeover offer as a permitted dividend. The Dividend would therefore go to those shareholders who are on the register at the Record Date for the entitlement to the Dividend.
7. FIN wishes to pay the Dividend as soon as possible in order that the payment is made, where possible, prior to any acceptance of any Takeover offer, so that:
 - a. the imputation credits are not lost with the change of control of FIN; and
 - b. the Dividend is received by current shareholders, rather than the offeror.



Appendix Two

Rule 7.12.2

Where any benefit is to be paid or distributed on Quoted Securities (including dividends, interest or bonus issues) or any Conversion of Securities or call on Securities is to take place, the Issuer shall give to NZX, forthwith after any Director's recommendation and at least 10 Business Days before the Record Date to determine entitlements or obligations, full details of the benefit, Conversion or call, including the information in the table below. That information shall be supplied in the form set out in Appendix 7.

