

**Reprint  
as at 1 April 2014**



**Takeovers Code (Sanford Limited)  
Exemption Notice 2013**

(SR 2013/148)

Takeovers Code (Sanford Limited) Exemption Notice 2013: revoked, on 1 April 2014, by clause 3.

Pursuant to section 45 of the Takeovers Act 1993, the Takeovers Panel gives the following notice (to which is appended a statement of reasons of the Takeovers Panel).

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**Notice**

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**Note**

Changes authorised by subpart 2 of Part 2 of the Legislation Act 2012 have been made in this official reprint.

Note 4 at the end of this reprint provides a list of the amendments incorporated.

**This notice is administered by the Takeovers Panel.**

**1 Title**

This notice is the Takeovers Code (Sanford Limited) Exemption Notice 2013.

**2 Application**

This notice applies to acts or omissions occurring on or after 31 March 2013.

**3 Revocation**

This notice is revoked on the close of 31 March 2014.

**4 Interpretation**

- (1) In this notice, unless the context otherwise requires,—

**2904 Trust** means the trust established for charitable purposes by deed of trust dated 28 March 2000 and known as The 2904 Charitable Trust

**Act** means the Takeovers Act 1993

**CAZNA** means CAZNA (2904) Limited

**Code** means the Takeovers Code under the Act

**JAG Trust** means the trust established by deed of trust dated 29 June 2000 and known as The JA Goodfellow Trust

**Sanford** means Sanford Limited

**share transfer** means a transfer of 37 073 ordinary shares in Sanford from Judith Ann Goodfellow to William Douglas Goodfellow, in his capacity as trustee of the JAG Trust.

- (2) In this notice, a reference to a person increasing voting control is a reference to the person becoming the holder or controller of an increased percentage of voting rights in Sanford.
- (3) Any term or expression that is defined in the Act or the Code and used, but not defined, in this notice has the same meaning as in the Act or the Code.

**5 Exemption from rule 6(1) of Code in respect of appointment of new trustee**

CAZNA is exempted from rule 6(1) of the Code in respect of any increase in its voting control as a result of it being appointed as the new trustee of the 2904 Trust.

**6 Exemption from rule 6(1) of Code in respect of share transfer**

William Douglas Goodfellow is exempted from rule 6(1) of the Code in respect of any increase in his voting control as a result of the share transfer.

**7 Conditions of exemption in clause 6**

The exemption in clause 6 is subject to the conditions that—

- (a) the JAG Trust continues for or mainly for the benefit of Judith Ann Goodfellow, William Douglas Goodfellow, William Bruce Goodfellow, and Peter John Goodfellow; and
- (b) the share transfer—
  - (i) reflects a bona fide reorganisation of Judith Ann Goodfellow's investment in Sanford; and
  - (ii) does not have as one of its purposes the purpose of enabling the JAG Trust to increase its voting control otherwise than in compliance with the Code.

Dated at Auckland this 9th day of May 2013.

The Common Seal of the Takeovers Panel was affixed in the presence of:

[Seal]

D O Jones,  
Chairperson.

### Statement of reasons

This notice applies to acts or omissions occurring on or after 31 March 2013 and is revoked on the close of 31 March 2014.

Sanford Limited (**Sanford**) is a code company within the meaning of the Takeovers Code (the **Code**) because it is party to a listing agreement with NZX. Amalgamated Dairies Limited (**ADL**) and its associates hold or control 60.08% of the voting rights in Sanford. ADL and its associates (the **group**) are ultimately owned or controlled by or for the benefit of the Goodfellow family and their connected entities. Certain entities within the group, and members of the Goodfellow family (in their individual capacities), hold voting rights in Sanford.

The group intends to undergo a reorganisation that will affect 2 trusts that hold shares in Sanford (the **reorganisation**).

The 2904 Charitable Trust (the **2904 Trust**) is a trust established for charitable purposes and holds and controls 4 574 870 Sanford shares (representing 4.89% of the voting rights in Sanford).

In the reorganisation, CAZNA (2904) Limited (**CAZNA**) will replace the New Zealand Guardian Trust Company Limited as a trustee of the 2904 Trust. The 2904 Trust is not a family trust and, therefore, cannot rely on the Takeovers Code (Trustees of Family Trusts) Exemption Notice 2012.

Judith Ann Goodfellow holds and controls 37 702 Sanford shares (representing 0.04% of the voting rights in Sanford). As part of the reorganisation, Judith Ann Goodfellow will transfer those shares to William Douglas Goodfellow, in his capacity as trustee of the JAG Trust. The JAG Trust is for the benefit of Judith Ann Goodfellow, William Douglas Goodfellow, and their sons William Bruce Goodfellow and Peter John Goodfellow.

The Takeovers Panel (the **Panel**) has granted exemptions to—

- CAZNA from rule 6(1) of the Code in respect of any increase in its voting control in Sanford as a result of its appointment as the new trustee of the 2904 Trust; and
- William Douglas Goodfellow from rule 6(1) of the Code in respect of the transfer of shares from Judith Ann Goodfellow to him in his capacity as trustee of The JA Goodfellow Trust (the **JAG Trust**).

The Panel considers that the exemption granted to CAZNA in respect of the 2904 Trust is appropriate and consistent with the objectives of the Code because—

- the appointment of CAZNA as trustee of the 2904 Trust relates to a change of the trustee of a charitable trust in accordance with its trust deed, and the Code is not intended to inhibit the governance arrangements of charitable trusts if those arrangements have no real effect on the shareholders of Sanford; and
- the shareholders of Sanford are not disadvantaged by not having an opportunity to vote on the appointment of CAZNA as a trustee of the 2904 Trust because the change has no real effect on those shareholders; and
- the exemption avoids unnecessary compliance costs that would be incurred if it were not granted.

The Panel considers that the exemption granted to William Douglas Goodfellow in respect of the JAG Trust is appropriate and consistent with the objectives of the Code because—

- the transfer from Judith Ann Goodfellow to her husband, William Douglas Goodfellow, in his capacity as trustee of the JAG Trust, is a private transaction between Judith Ann Goodfellow and her family trust established for the benefit of that shareholder, William Douglas Goodfellow, and their sons; and
- the transfer is a one-off transaction of a small percentage of shares as part of a reorganisation of a family's investment in Sanford that has no real effect on the shareholders of Sanford; and
- the Code was not intended to regulate private transactions that have no real effect on other shareholders; and
- the shareholders of Sanford will not be disadvantaged in not having the opportunity to vote on the transfer because the transfer has no real effect on those shareholders.

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## Reprints notes

### **1     *General***

This is a reprint of the Takeovers Code (Sanford Limited) Exemption Notice 2013 that incorporates all the amendments to that notice as at the date of the last amendment to it.

### **2     *Legal status***

Reprints are presumed to correctly state, as at the date of the reprint, the law enacted by the principal enactment and by any amendments to that enactment. Section 18 of the Legislation Act 2012 provides that this reprint, published in electronic form, has the status of an official version under section 17 of that Act. A printed version of the reprint produced directly from this official electronic version also has official status.

### **3     *Editorial and format changes***

Editorial and format changes to reprints are made using the powers under sections 24 to 26 of the Legislation Act 2012. See also <http://www.pco.parliament.govt.nz/editorial-conventions/>.

### **4     *Amendments incorporated in this reprint***

Takeovers Code (Sanford Limited) Exemption Notice 2013 (SR 2013/148): clause 3

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