



New South Wales

Totalizator Amendment (TAB Share Buy-Back) Regulation 2002

under the

Totalizator Act 1997

His Excellency the Lieutenant-Governor, with the advice of the Executive Council, has made the following Regulation under the *Totalizator Act 1997*.

MICHAEL EGAN, M.L.C.,

Treasurer

Explanatory note

The *Totalizator Act 1997* (*the Act*) prohibits a person from having a prohibited shareholding interest in a licensee. A prohibited shareholding interest is an entitlement to voting shares in a licensee that together constitute more than 5% of the total number of voting shares in the licensee. TAB Limited is a licensee within the meaning of the Act.

TAB Limited has issued an offer to shareholders of TAB Limited to buy back their shares. Under the terms of the offer, any shares bought back will be cancelled, thereby reducing the total number of voting shares in TAB Limited.

The object of this Regulation is to provide that a person has an *allowable excess* if the person exceeds the 5% limit solely as a result of the cancellation of the voting shares under the buy-back. An interest in the number of voting shares that constitutes the person's allowable excess is to be disregarded for the purpose of determining whether the person has a prohibited shareholding interest.

This Regulation is made under the *Totalizator Act 1997*, including sections 31 and 117 (the general regulation-making power).

2002 No 329

Clause 1 Totalizator Amendment (TAB Share Buy-Back) Regulation 2002

**Totalizator Amendment (TAB Share Buy-Back)
Regulation 2002**

1 Name of Regulation

This Regulation is the *Totalizator Amendment (TAB Share Buy-Back) Regulation 2002*.

2 Amendment of Totalizator Regulation 1998

The *Totalizator Regulation 1998* is amended as set out in Schedule 1.

Schedule 1 Amendment

(Clause 2)

Clause 4AB

Insert at the end of Part 2:

4AB Exemption from prohibited shareholding interest provisions—TAB Share Buy-Back: section 31 (7)

- (1) If the TAB share buy-back results in a person having a prohibited shareholding interest in TAB, a relevant interest in such number of voting shares as constitutes the person's buy-back allowable excess is to be disregarded for the purpose of determining whether the person has a prohibited shareholding interest (as referred to in section 33 of the Act) in a licensee.
- (2) For the purposes of this clause, a person's *buy-back allowable excess* means the number of voting shares in TAB that a person was entitled to, immediately after the TAB share buy-back, in excess of the number of voting shares that constituted, immediately after the TAB share buy-back, 5% of the total number of voting shares in TAB.
- (3) This clause does not apply to a person who had a prohibited shareholding interest in TAB immediately before the TAB share buy-back.
- (4) A person's buy-back allowable excess is to be calculated as a whole number (rounding up to the next whole number if the excess would otherwise not be a whole number).
- (5) In this clause:
TAB share buy-back means the cancellation of the voting shares in TAB bought back by TAB from shareholders of TAB under the buy-back offer with a record date of 7.00 pm 3 April 2002.

BY AUTHORITY
