



Corporations Amendment (Takeovers) Act 2007

No. 64, 2007

**An Act to amend the *Corporations Act 2001*, and for
related purposes**

Note: An electronic version of this Act is available in ComLaw (<http://www.comlaw.gov.au/>)

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No. 64, 2007

An Act to amend the *Corporations Act 2001*, and for related purposes

[Assented to 15 April 2007]

The Parliament of Australia enacts:

1 Short title

This Act may be cited as the *Corporations Amendment (Takeovers) Act 2007*.

2 Commencement

- (1) Each provision of this Act specified in column 1 of the table commences, or is taken to have commenced, in accordance with column 2 of the table. Any other statement in column 2 has effect according to its terms.

Commencement information		
Column 1	Column 2	Column 3
Provision(s)	Commencement	Date/Details
1. Sections 1 to 3 and anything in this Act not elsewhere covered by this table	The day on which this Act receives the Royal Assent.	15 April 2007
2. Schedule 1	The 28th day after the day on which this Act receives the Royal Assent.	13 May 2007

Note: This table relates only to the provisions of this Act as originally passed by both Houses of the Parliament and assented to. It will not be expanded to deal with provisions inserted in this Act after assent.

- (2) Column 3 of the table contains additional information that is not part of this Act. Information in this column may be added to or edited in any published version of this Act.

3 Schedule(s)

Each Act that is specified in a Schedule to this Act is amended or repealed as set out in the applicable items in the Schedule concerned, and any other item in a Schedule to this Act has effect according to its terms.

Schedule 1—Amendment of the takeovers provisions

Corporations Act 2001

1 Section 9

Insert:

substantial interest has a meaning affected by section 602A.

2 After section 602

Insert:

602A Substantial interest concept

- (1) A reference in this Chapter to a *substantial interest* in a company, listed body or listed managed investment scheme is not to be read as being limited to an interest that is constituted by one or more of the following:
 - (a) a relevant interest in securities in the company, body or scheme;
 - (b) a legal or equitable interest in securities in the company, body or scheme;
 - (c) a power or right in relation to:
 - (i) the company, body or scheme; or
 - (ii) securities in the company, body or scheme.
- (2) A person does not have a *substantial interest* in the company, body or scheme for the purposes of this Chapter merely because the person has an interest in, or a relationship with, the company, body or scheme of a kind prescribed by the regulations for the purposes of this subsection.
- (3) The regulations may provide that an interest of a particular kind is an interest that may constitute a substantial interest in a company, listed body or listed managed investment scheme for the purposes of this Chapter.

3 Paragraph 657A(2)(a)

Omit “of the circumstances”, substitute “that the Panel is satisfied the circumstances have had, are having, will have or are likely to have”.

4 Paragraph 657A(2)(b)

Repeal the paragraph, substitute:

- (b) are otherwise unacceptable (whether in relation to the effect that the Panel is satisfied the circumstances have had, are having, will have or are likely to have in relation to the company or another company or in relation to securities of the company or another company) having regard to the purposes of this Chapter set out in section 602; or
- (c) are unacceptable because they:
 - (i) constituted, constitute, will constitute or are likely to constitute a contravention of a provision of this Chapter or of Chapter 6A, 6B or 6C; or
 - (ii) gave or give rise to, or will or are likely to give rise to, a contravention of a provision of this Chapter or of Chapter 6A, 6B or 6C.

5 Paragraph 657D(1)(a)

Repeal the paragraph, substitute:

- (a) each person to whom the proposed order would be directed; and

6 Paragraph 657D(2)(a)

Repeal the paragraph, substitute:

- (a) if the Panel is satisfied that the rights or interests of any person, or group of persons, have been or are being affected, or will be or are likely to be affected, by the circumstances—protect those rights or interests, or any other rights or interests, of that person or group of persons; or

7 At the end of section 657EA

Add:

- (5) Despite section 657B, the Panel can only make a declaration under section 657A after conducting a review under this section if the declaration is made within:
 - (a) 3 months after the circumstances in relation to which the declaration is made occur; or

(b) 1 month after the application for review was made; whichever ends last. The Court may extend the period on application by the Panel.

8 At the end of Chapter 10

Add:

Part 10.8—Transitional provisions relating to the Corporations Amendment (Takeovers) Act 2007

1478 Application of amendments of the takeovers provisions

- (1) The amendments made by Schedule 1 to the *Corporations Amendment (Takeovers) Act 2007* apply in relation to an application under section 657C (including any review under section 657EA of the decision made on the application) if:
 - (a) the application under section 657C is made on or after the commencement of that Schedule; or
 - (b) the application under section 657C was made before the commencement of that Schedule but the Panel has not finally disposed of the application before the commencement of that Schedule.

For the purposes of paragraph (b), the Panel does not finally dispose of an application under section 657C until the Panel has disposed of any review under section 657EA of the decision made on the application.

- (2) To avoid doubt, the amendments apply in relation to the application even if the circumstances to which the application relates arose before the commencement of Schedule 1 to the *Corporations Amendment (Takeovers) Act 2007*.

*[Minister's second reading speech made in—
House of Representatives on 14 February 2007
Senate on 1 March 2007]*

(25/07)