STATUTORY INSTRUMENTS

1988 No. 2178

MONOPOLIES AND MERGERS

The Merger Reference (Hillsdown Holdings plc and Pittard Garnar plc) Order 1988

Made - - - -	*13th December 1988*
Coming into force	*14th December 1988*
Laid before Parliament	*14th December 1988*

Whereas–

(1) the Secretary of State, in the exercise of powers conferred on him by sections 69(2) and 75 of the Fair Trading Act 1973 (**a**) ("the Act") has today referred to the Monopolies and Mergers Commission for investigation and report the matter of the arrangements which, if carried into effect, would result in the enterprises of Hillsdown Holdings plc ("Hillsdown") and Pittard Garnar plc ("Pittard Garnar") ceasing to be distinct enterprises; and

(2) in the opinion of the Secretary of State the doing of the things mentioned in article 2 of this Order would constitute action which might prejudice the reference or impede the taking of action under the Act which may be warranted by the Commission's report on the reference:

Now, therefore, the Secretary of State, with a view to preventing the doing of the things mentioned in article 2 of this Order, and in exercise of powers conferred on him by sections 74(1)(a) and 75(4) of the Act, hereby orders as follows:

1.—(1) This Order may be cited as the Merger Reference (Hillsdown Holdings plc and Pittard Garnar plc) Order 1988 and shall come into force at 9.00 am on 14th December 1988.

(2) For the purposes of this Order–

(a) "associate" means a person associated (within the meaning of section 77(4) of the Act) with Hillsdown or with any subsidiary of Hillsdown;

(b) "interest in shares" shall include an entitlement, by a person not being the registered holder, to exercise any right conferred by the holding of those shares or an entitlement to control the exercise of any such right;

(c) "subsidiary" has the same meaning as in section 736 of the Companies Act 1985 (**b**); and

(d) "voting shares" means shares in respect of which the holders have the right, either at all times or for the time being, to vote at general meetings of the company in question on all, or substantially all, matters.

2.—(1) It shall be unlawful for Hillsdown, any subsidiary of Hillsdown or any associate–

(a) directly or through any nominee or trustee to acquire any shares or interest in shares of Pittard Garnar in circumstances where Hillsdown, its subsidiaries and

(**a**) 1973 c.41.
(**b**) 1985 c.6.

any associate hold, or after the acquisition would hold, directly or indirectly, 15 per cent or more, or an interest in 15 per cent or more, of any class of voting shares of Pittard Garnar or of any subsidiary of Pittard Garnar, or

(b) to exercise, directly or indirectly, at any general meeting of, or of any class of the members of, Pittard Garnar or any of its subsidiaries, any voting rights conferred by the holding of shares or attaching to any interest in shares if the aggregate of the voting rights exercised by or on behalf of Hillsdown, its subsidiaries and any associate would amount to 15 per cent or more of the total of the voting rights exercisable on the resolution in question, or

(c) to enter into any agreement or arrangement with any other person with a view to or for the purpose of acting together to secure or exercise control of Pittard Garnar or any of its subsidiaries or of any of the enterprises thereof.

(2) Subparagraph (a) of paragraph (1) of this article shall not apply to anything done in pursuance of an agreement to acquire shares or interests in shares made before 9.00 am on 14th December 1988 and legally enforceable against Hillsdown, any of its subsidiaries or any associate.

Lord Young of Graffham
Secretary of State for Trade and Industry

13th December 1988

EXPLANATORY NOTE

(This note is not part of the Order)

Hillsdown Holdings plc, its subsidiaries and its associates are prohibited by this Order from acquiring any shares or interests in shares in Pittard Garnar plc if together they would have 15% or more of any class of voting shares, from exercising 15% or more of voting rights and from making agreements with others to secure control of Pittard Garnar.

The proposed merger of Hillsdown and Pittard Garnar has been referred to the Monopolies and Mergers Commission.

The Order, unless previously revoked, will cease to have effect–

(a) 40 days after the Commission's report is laid before Parliament; or

(b) on the failure of the Commission to report within the period allowed.