



Australian Government

Takeovers Panel

MEDIA RELEASE

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Ross Human Directions Ltd – Panel Receives Application

The Panel has received an application from Corom Pty Ltd in relation to the affairs of Ross Human Directions Ltd (**RHD**). The application concerns the proposed acquisition by Peoplebank Holdings Pty Ltd of RHD by way of scheme of arrangement announced on 19 July 2010.

The applicant, a substantial holder in RHD, submits that unacceptable circumstances arise as a result of (among other things):

1. the RHD board's commitment to recommending that the Peoplebank proposal represents "*compelling value*" without the benefit of an expert's report or other reasonable basis for making the recommendation and alleged misleading statements by the RHD board in relation to the value of RHD
2. the lock-up, break fee and notification provisions of the scheme implementation agreement (**SIA**) and
3. alleged breaches of s606 of the Corporations Act 2001 (Cth).

The applicant submits that entry into the SIA and implementation of the scheme will (among other things) have the following effects:

- control of RHD not passing in an efficient, competitive and informed market and
- RHD shareholders being denied access to adequate information to assess the merits of the Peoplebank proposal.

The applicant seeks interim orders including that RHD not seek any orders under s411 of the Act in relation to the scheme, and that Peoplebank, its associates and RHD not enforce the SIA in relation to (a) restrictions on the disposal or voting of RHD shares held by RHD directors or (b) obligations in relation to recommendations of RHD directors.

The applicant seeks final orders including that the break fee provisions in the SIA be cancelled, RHD be given 60 days to freely solicit and respond to expressions of

interest for the acquisition of RHD, and amendments be made to the SIA to address fiduciary outs.

A sitting Panel has not been appointed at this stage and no decision has been made whether to conduct proceedings. The Panel makes no comment on the merits of the application.

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