

A GLANCE AT TAKEOVER MODELS IN AUSTRALIA, MALAYSIA, SINGAPORE AND THE UNITED KINGDOM

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ABSTRACT

This paper sheds the light on multiple models of takeover offers in the following jurisdictions, Australia, Malaysia, Singapore and the United Kingdom. The paper attempts to examine and investigate these models through a classical process of understanding the basic historical background and the facts about the different models of takeover offers. This study employs a qualitative research methodology in a form of comparative study in which the legislations in these jurisdictions including their guidelines and strategies surrounding these models were examined, in addition to the characteristics of each model over the others. In conclusion, it was observed that there is a great similarity between these models, more specifically between the Malaysian and Singaporean model on one hand, and the United Kingdom (UK) and the Australian models on the other.

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INTRODUCTION

Mergers, acquisitions and takeovers have been a part of the business world for centuries. In today's dynamic economic environment and fast moving markets, companies are often faced with decisions concerning these actions. Mergers and acquisitions regularly include a generous measure of due diligence by the purchaser (The Bidder). Before focusing on the exchange, the purchaser will need to guarantee that it recognizes what it is purchasing and what commitments it is accepting, the nature and degree of the objective organization's (The Target) unexpected liabilities, dangerous contracts, case dangers and protected innovation issues, and considerably more. This is especially valid in privately owned business acquisitions, where the objective organization has not been liable to the investigation of general society markets, and where the purchaser has little (if any) capacity to acquire the data it requires from open sources. A takeover is a major form of acquisitions of one company by another or by new businesses. The fundamental role of takeover regulation is to promote and maintain a vibrant market for corporate control. Furthermore, the rationale for takeovers and mergers is that takeovers have been undertaken to achieve a variety of goals, such as achievement of cooperation with the existing business of a bidder company.

ORIGINS OF MANDATORY AND VOLUNTARY BID OFFERS

MBR's (Mandatory Bid Regulations) originated in the United Kingdom. In 1968, the Bank of England introduced the City Code on Takeovers and Mergers as a response to perceived abuses in the domestic takeover market. It designed the Code to promote two chief goals - the equal treatment of shareholders and the non-frustration of takeover bids by the boards of target companies and structured it in the form of general principles, explained through rules.

Article 5 of the Directive, which took effect in May, 2006, sets out the MBR structure:

(1) Where a natural or legal person, as a result of his/her own acquisition or the acquisition by persons acting in concert with him/her, holds securities of a company which, added to any existing holdings of those securities of his/her and the holdings of those securities of persons acting in concert with him/her, directly or indirectly give him/her a specified percentage of voting rights in that company, giving him/her control of that company, Member States shall ensure that such a person is required to make a bid as a means of protecting the minority shareholders of that company. Such a bid shall be addressed at the earliest opportunity to all the holders of those securities for all their holdings at the equitable price as

defined in paragraph. Additionally, the Directive defines “acting in concert” in Article 2.3(3):

“Persons acting in concert’ shall mean natural or legal persons who cooperate with the offeror or the offeree company on the basis of an agreement, either express or tacit, either oral or written, aimed either at acquiring control of the offeree company or at frustrating the successful outcome of a bid.”

THE REGULATORY FRAMEWORK

Firstly, the main legal framework of merger and acquisition that has been practiced in Malaysia is the Companies Act 1965, the Securities Commission Act 1993, the Malaysian Code on Take-over and Mergers 1998 to which announcement on 17th December 2010 was made by the Securities Commission of several changes to the current Malaysian Code on Take-overs and Mergers 1998. Furthermore, the Securities Commission has a statutory duty to not only regulate the take-overs and mergers of companies but also to ensure that the confidence and protection of the investors are maintained throughout the process. Secondly, in a glance to the Australia Legal Framework in Acquisitions, the takeovers and mergers are regulated by a combination of legislation: Part 5.1 and Chapter 6 of the Corporations Act 2001 (Cth) governmental policy, policy developed by the Australian Securities and Investments Commission (ASIC) (the national companies regulator) and the Takeovers Panel (a specialist tribunal which resolves takeover disputes); and stock exchange rules to a lesser extent the listing rules of the ASX. Continuously, Australia has anti-trust rules set out in the Competition and Consumer Act 2010 (Cth) which are administered by the Australian Competition and Consumer Commission.

Nevertheless, the Singapore Code on Take-overs and Mergers was introduced in 1974, from July 2007; all mergers that have effect in Singapore are subject to regulation under the competition Act 2004 (the Competition Act). And last revised was in 2012. In accordance with the directions given under Section 139 and in exercise of the powers granted under Section 321 of the Securities & Futures Act.). Finally, in United Kingdom the legal framework on Takeovers and Mergers, established in 1968, oversees Companies Act duties, including those laid down in the European Directive on Takeover Bids (2004/25/EC) for public companies. Under the Companies Act 2006, s.979 gives a takeover bidder who has already acquired 90% of a company's shares the right to compulsorily buy out the remaining shareholders. Conversely, s.983 allows minority shareholders to insist their stakes are bought out. The rules come under Part 28 of the Act.

STATISTICS AND ANNUAL REPORT OF MANDATORY OFFER

The general outlook of mandatory offers statistics annual reports in the last 10 years are summarized below (Table 1). For six years within the last ten years, Australia did not record mandatory offers compared to the other countries that recorded huge traffic of business deals in mandatory offers. However, the UK did not recorded mandatory offers in 2006. Malaysia and Singapore have mandatory offers deal throughout the period under review (2005 – 2015). Despite the previous interesting outlook, a sharp decrease heralded mandatory offers in Malaysia and Singapore throughout the period under scrutiny.

Table 1: Mandatory offers

Year	Australia	Malaysia	Singapore	United Kingdom
2005	NA	16	16	4
2006	NA	10	15	NA
2007	NA	11	12	6
2008	NA	12	11	5
2009	NA	3	11	6
2010	1	7	4	2
2011	NA	1	5	4
2012	1	6	11	1
2013	NA	6	6	6
2014	NA	5	8	8
2015	2	8	2	2
Total	4	85	101	44
Ave	1.33	7.73	9.18	4.40

Data Source: Kummer, Christopher www.imaa-institute.org

In terms of the real value of the mandatory offers, in the last 10 years, fluctuations in the real values in conspicuous. Singapore recorded the highest of mandatory offers value in 2012 while Australia companies showed the lowest mandatory offers value in the same year (Table 2). However, the average mandatory offers value in the last 10 years was very high in Singapore. Surprisingly, Malaysia and United Kingdom performed considerably well within the period.

Table 2: Real Values of the Mandatory Offers

Year	Australia	Malaysia	Singapore	United Kingdom
2005	NA	677.51	2,498.86	690.50
2006	NA	2,048.55	1,435.13	NA
2007	NA	1,390.08	610.97	434.41

2008	NA	298.82	3,402.02	89.89
2009	NA	71.45	2,690.77	28.94
2010	0.49	642.15	272.74	30.25
2011	NA	56.92	847.12	1,405.78
2012	1.21	1,239.82	10,108.18	5.34
2013	NA	266.31	757.50	133.66
2014	NA	47.01	659.47	669.73
2015	146.38	260.86	3.13	118.61
Total	148.1	6999.5	23285.9	3607.1
Ave	49.4	636.3	2116.9	360.7

Data Source: Kummer, Christopher www.ima-institute.org

STATISTICS AND ANNUAL REPORT OF VOLUNTARY Offer

Generally, the voluntary offers statistic annual reports in the last 10 years appeared (Table 3). In 2005, Malaysia has the lowest voluntary offers compared to the United Kingdom that recorded the highest voluntary offers in the same year. However, there is no significant different between Australia and UK voluntary offer in 2012. In the following year, Malaysia increased the number of voluntary offers which was more than the number of the company that offer the voluntary offer in the couple year.

Table 3: Voluntary Offers

Year	Australia	Malaysia	Singapore	UK
2005	53	3	9	100
2006	80	17	10	127
2007	65	24	13	121
2008	43	23	18	95
2009	63	9	6	74
2010	52	23	16	53
2011	56	21	19	47
2012	42	15	16	43
2013	33	16	12	27
2014	29	9	18	42
2015	16	7	6	38
Total	532	167	143	767
Average	48	15	13	70

Data Source: Kummer, Christopher www.ima-institute.org

In terms of real value of voluntary offers, in the last ten years, in United Kingdom, there were a huge number of the companies that engaged in voluntary offer value which was more than double of the number of the companies in voluntary offers value in Malaysia. (Table 4). Interestingly, the same numbers of value of voluntary offers happened in both Australia and Malaysia in 2014. On the other hand, UK recorded the highest value of voluntary offers while Singapore recorded the lowest numbers of value of voluntary offers throughout the ten years.

Table 4: Voluntary Offers

Year	Australia	Malaysia	Singapore	UK
2005	21,161.09	1,787.35	1,574.87	83,782.10
2006	40,318.83	8,817.70	1,417.01	126,126.27
2007	19,131.39	8,466.98	4,615.48	270,959.02
2008	22,972.10	1,205.26	2,016.22	55,347.13
2009	5,402.56	2,291.44	471.26	31,032.22
2010	13,226.59	21,367.09	5,529.16	14,393.08
2011	27,535.91	3,398.76	3,299.27	22,492.29
2012	7,335.65	1,198.42	11,887.43	13,965.81
2013	3,889.54	3,627.39	681.58	10,505.67
2014	7,822.42	883.83	6,955.03	18,175.08
2015	7,778.80	604.50	2,704.55	130,998.58
Total	176,575	53,649	41,152	777,777
Average	16,052	4,877	3,741	70,707

Data Source: Kummer, Christopher www.ima-institute.org

MODELS OF TAKEOVER OFFERS

The proceeding section shades the light on the different models of corporate control in the form of takeovers, in the following jurisdictions, the United Kingdom, Singapore, Australia and Malaysia. The first session attempts to present and identify the types of takeovers available in the said jurisdictions. The second session presents the terms and conditions of making a Voluntary and/or a Mandatory offer, and finally to provide a horizontal comparative study of these offers in the said Jurisdictions.

UNITED KINGDOM (UK) MODEL

Types of Takeovers Offers

The Takeovers of public listed companies in UK are subjected to several laws and regulations, these are presented in the City Code on Takeovers and Mergers 1968 (Hereinafter referred to as the “Code”). Besides that there is the EU Directive on Takeover Bids (2004/25/EC) (Hereinafter referred to as the “Directive”). However, the Code is issued and administrated by the Panel which has been designated as the supervisory authority to carry out certain regulatory functions in the UK in relation to corporate control, more specifically in relation to Mandatory and Voluntary offers. In the UK the presence of Mandatory and Voluntary offers are govern by Rules 9 and 10 of the City Code. In addition, any diversifications are ruled by rules 13 and 37 of the codes which grant the code a wider range of flexibility.

Terms & Conditions

The **Mandatory Offer** is conditioned and termed (except with the consent of the panel) in the form of the following conditions under rule 9 of the code:

- a- Any person acquires, wither by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which persons acting in concert with him are interested) carry 30% or more of the voting rights of a company.
- b- Any person, together with persons acting in concert with him, is interested in shares which in the aggregate carry not less than 30% of the voting rights of a company but does not hold shares more than 50% of such voting rights and such person, or any person acting in concert with him, acquire the percentage of shares carrying voting rights in which he is interested.

An offer will not be required under this rule where the control of the offree company is acquired as a result of a voluntary offer made in accordance with the code to all the holders of voting equity share capital and other transferable securities carrying voting rights.

It is worth mentioning here, that under this form of takeover offer, occasionally the chain principle may occur this is defined below:

The Chain Principle: a person or group of persons acting in concert acquiring shares resulting in a holding of over 50% of the voting rights of a company will thereby acquire or consolidate control, as defined in the code , of a second company because the first company itself is interested , in a controlling block of shares in the second company , or is interested in

shares, which, when aggregated with those which the person or group is already interested in, secure or consolidate control of the second company. The panel will not normally require an offer to be made under this rule in these circumstances unless either of the following appears:

The interest in shares which the first company has in the second company is significant in relation to the first company. In assessing this, the panel will take into account a number of factors including, the assets, profits and market values of the respective companies. Relative values of 50% or more will normally be regarded as significant. Securing control of the second company might reasonably be considered to be a significant purpose of acquiring control of the first company. In addition to the above, it's important to mention that the panel should be consulted in all cases which may come within the scope of this principle to establish whether, in the circumstances, any obligation arises under this **Rule (9)**.

Finally, and except with the consent of the panel the following consents are very relevant to this type of offer: a- Offers made under Rule 9 must be conditional only upon the offeror having received acceptances in respect of shares which, together with shares acquired or agreed to be acquired before or during the offer, will result in the offeror and any person acting in concert with it holding shares carrying more than 50 % of the voting rights.

b- No acquisition of any interest in shares which would give rise to a requirement for an offer under this rule may be made if the making or implementation of such offer would or might be dependent on the passing of a resolution at any meeting of shareholders of the offeror or upon any other conditions, consents or arrangements.

Consideration (CMA and the European Commission)

- An offer made under this rule (9) must in respect of each class of share capital involved, be in cash or be accompanied by a cash alternative at not less than the highest price paid by the offeror or any person acting in concert with it for any interest in shares of that class during the 12 months prior to the announcement of that offer. The panel should be consulted where more than one class of share capital is involved.
- If, after an announcement of an offer made under this rule for a class of share capital and before the offer closes for acceptance, the offeror or any person acting in concert with it acquires any interest in shares of that class at above the offer price, it shall increase its offer for that class to not less than the highest price for the interest in shares so acquired, immediately after the acquisition.

- In some circumstances the panel may determine that the highest price calculated should be adjusted. The cash offer or the cash alternative must remain open after the offer has become unconditional as to acceptances for not less than 14 days after the date on which it would otherwise have expired.

The **Voluntary Offer** is conditioned and termed (except with the consent of the panel) in the form of the following conditions under **Rule 10** of the code: It must be a condition of any offer for voting equity share capital or for other transferable securities carrying voting rights which, if accepted in full, would result in the offeror holding shares carrying over 50% of the voting rights of the offeree company that the offer will not become or be declared unconditional as to acceptances unless the offeror has acquired or agreed to acquire shares over 50% of the voting rights.

SINGAPORE MODEL

Types of Takeovers

In this model there is also the availability of both Mandatory and Voluntary offers. The monitoring and control of procedures regarding them is held by the two main regulatory bodies in Singapore, these are the Securities Industry Council (SIC) The Monetary Authority of Singapore (MAS) and The Singapore Exchange Securities Trading Limited (SGX).

Terms & Conditions

In Singapore the Mandatory and Voluntary offers are regulated with Rules no 14 and 15 of the code, and conditions related to them are quite similar to the British model. The following table presents the conditions triggering the mandatory offer in normal circumstances and when the mandatory offers is triggered within the voluntary offer course.

Table 5: The trigger of a Mandatory offer during a Voluntary offer

Mandatory Offer Triggers	Mandatory Offer Triggers During A Voluntary Offer
Any person acquiring whether by a series of transactions over a period of time or not, shares which carry 30 % or more of the voting rights of a company.	If the offeror in a voluntary offer or any person acting in concert with it incurs an obligation under this rule the offer by acquiring voting rights otherwise than through the acceptance of the voluntary offer, the council must be consulted. Once such an obligation is incurred, an offer in compliance with this rule (14.1) must

Any person who, together with persons acting in concert with him, holds not less than 30% but not more than 50% of the voted rights and such person or any person acting in concert with him, acquires in any period of 6 months additional shares carrying more than 1 % of the voting rights.

be announced immediately.

If there is no changes in the offer price, it will be sufficient, following the announcement, simply to notify the company shareholders in writing of the new total holding of the offeror, of the fact that the acceptance condition in the form required by rule (14.2) is the only condition remaining, and of the period for which the offer will remain open following posting the documents. (see also note 4 on rule 20.1)

In addition, to the conditions mentioned in the table it's an obligation of the bidder to make an announcement with 30 minutes of obtaining to make an offer or revising the offer, to request suspension of trading and another announcement when lifting the suspension off.

The Voluntary offer conditions in the Singapore model which are ruled under the (rule 15.2) states that the offer price for the target shares must be at least the highest price paid by the bidder for the target shares during the offer period and within the three months before its commencement. In any takeover bid there are some required conditions, prohibited conditions and some usual conditions these are discussed briefly below:

The required conditions here that every takeover offer must be conditional on a minimum level of acceptance for both types whether voluntary or mandatory; which leads to the offeror holding 50% of the total shares and this couldn't be discussable or disclaimer. The prohibited conditions stated that the mandatory offer should not be subjected to any condition other than the minimum level of acceptance. The SIC do not usually permit a voluntary offer to be subjected to any condition other than in the scenario where the subjective judgments by the bidder create a sort of uncertainty. On top of the above, the usual conditions here may include common conditions in relation to the voluntary offer such as, in the case of privatization the valid acceptances are not less than 90% of the shares, exceeding any resolutions or implementation of the offer shall be made in a general meeting by the bidder, in the case of securities exchange offer the admission of new shares is bided to the listing of SGX-ST. Finally, any necessary regulatory filings and clearances shall be made and obtained.

Voluntary Offers Conditional on High Level Acceptances

The council will allow voluntary offers conditional on high level acceptances subject to the following: a- The offeror must state clearly in the offer document the level of acceptances upon which the offer is conditional i.e. an offer cannot be declared unconditional as to acceptances unless it receives the stipulated level of acceptances.

b- The offeror has to satisfy the council that it is acting in good faith in imposing such high level of acceptances.

Consideration

Offers made under this Rule (15) must, in respect of each class of equity share capital involved, be in cash or securities or a combination thereof at not less than the highest price paid by the offeror or any person acting in concert with it for voting rights of the offeree company during the offer period and within 3 months prior to its commencement.

The Chain Of Principle : which in this scenario is when a person or group of persons acting in concert to acquire statutory control of a company will thereby acquire or consolidate effective control , as defined in the code , of a second company because the first company itself holds , either directly or indirectly through intermediate companies , a controlling interest in the second company , or holds voting rights which, when aggregated with those already held by the person or group , secure or consolidate effective control of the second company . On a final note, the council should be consulted in all cases which may come within the scope of this note (76) to establish whether, in the circumstances, any obligation arises under this rule.

AUSTRALIAN MODEL

Types of Takeovers

The Australian corporate markets have been known for their high activity rate as in recent years many corporate takeovers have occurred. The two main regulatory bodies in Australia are the **ASIC** (Australian Securities Investment Commission) which has the primary responsibility for the administration of the Cooperation Act 2001 (chapter6) and the **Takeover Panel**, Finally, the Courts, Securities Market, Foreign Investment, Completion Anti Trust and Industry Specific Legislation are also involved in the cooperate control processes. There are mainly two types of takeovers exciting in the Australian markets these are Off Market and On Market Bids. All takeover bids have similar conditions and rules and these are summarized as follows: All offers must be equal, the bid price shouldn't be lower than other bids that were presented within the last 4

months, the offer period shouldn't be less than a month and shouldn't exceed a year, and there is no allowance of special deals for any target companies.

Terms & Conditions

As for the security holders the condition are as follows : there are no self triggering for off market bids, the bidder must announce a statement containing the offers terms and related data inquire. In addition, the target company must also issue a statement identifying the different set of recommendations by their board of directors. Finally the bidder is enforced to comply with the acquisition if it contains a relevant interest of 90% of the target company securities. The two different forms of takeover bids are presented below to distinguish the similarities and differences between them although there are few points which are shared between them, to ease the processes within the market especially for the purpose of shares transferability.

Table 6: Off-Market & On-Market

	Off -Market Bids	On- Market Bids
Control	Bidder controls the process at all stages	
Target Support	Not essential but a friendly bid which enjoys the support of the target is preferable.	
Court Approval	No formal court or regulatory assent required .takeover panel has the oversight role.	
Conditions	May be conditional	Must be unconditional
Consideration	May be cash and / or securities	Must be cash
Announcement	Can announce bid subject to conditions and approvals.	All regulatory approvals required before announcement
Time To End Date	Uncertain-likely to be at least 3 moths but no fixed date, bid maybe extended for up to a year.	Uncertain – likely to be at least 2 moths but no fixed date, bid maybe extended for up to a year.
Threshold To Reach 100%	90% threshold to trigger right to compulsory acquisition of securities in bid class.	
Differentiation Between Holders	All security holders must be treated equally – collateral benefits likely to induce acceptances not allowed.	
Flexibility Of Structure	Initial flexibility constrained by corporations Act requirements but relatively straightforward to increase offer price and modify offer terms during bid period.	

Interloper Vulnerability	Flexibility for the bidder to vary offer terms in response to interloper	
Disclosure Requirements	Similar. Target commonly commissions a fair and reasonable report by an independent expert, although technically not required.	Similar. independent expert report unlikely given timing
Other Deal Risks	Minimum acceptance conditions may be imposed to mitigate risks of falling to acquire control	As bid is unconditional, risk of ending below 50% or marooned between 50% -90%

Source: modified from [http://ict-industry-reports.com/wp-content/uploads/sites/4/2013/07/2012-A-Guide-to-Takeovers-in-Australia-Mallesons 2012.pdf](http://ict-industry-reports.com/wp-content/uploads/sites/4/2013/07/2012-A-Guide-to-Takeovers-in-Australia-Mallesons%202012.pdf) (accessed 5/12/2015).

Consideration

The consideration must be equal to, or more than the amount or value of the highest consideration for the securities which the bidder or its associates have provided in the four months before the date of the bid. Except in very limited circumstances, all target security holders must offer the same consideration per security. A bidder must pay for securities no later than one month after the offer is accepted or becomes unconditional whichever is the later and, in any event, not later than 21 days after the offer closes.

MALAYSIAN MODEL

Types of Takeover Offers

The companies' takeovers in Malaysia are primarily regulated under the (CMSA) And the Malaysian Code on Takeovers and Mergers 2010. In the Malaysian corporate control market the main regulatory bodies are as follows:

The Securities Commission which its major role is administration of the CMSA (Capital Market and Service Act 2007) and the Code, and the **Stock exchange**. In the Malaysian corporate market there is the presence of both mandatory and voluntary offers; the following session will present them briefly, in addition, to other thresholds conditions and terms.

Terms & Conditions

Firstly, the mandatory offer which have some specific trigger points these occur in the following circumstances;

- When the bidder, with the person acting in concert acquire more than 33% of the company's shares. The bidder, together with persons acting in concert holds 33% to 50% of the total shares and obtains more than 2 % within a period of six months.

Consideration

- The offer price must be the highest price paid, or agreed to be paid, by the bidder or any person acting in concert with the bidder for any voting shares or voting rights in the last six months prior to the beginning of the offer period. The consideration may be cash or by securities exchange .In the case of a mandatory offer, there must be a cash alternative. When the bidder, with the person acting in concert acquire more than 33% of the company's shares. The bidder, together with persons acting in concert holds 33% to 50% of the total shares and obtains more than 2 % within a period of six months. Unconditional or, in a conditional offer, within 10 days of the date of valid acceptances. For securities exchange, the settlement period is 14 days.

Duration of Offer: The takeover offer must be open for acceptances for a period of a period of at least 21 days.

Voluntary Offer

The conditions which are related to the Voluntary Offer, which in its nature there is more flexibility and less obligatory condition are presented in the following lines: The bidder can assign his own conditions, additionally to the acceptance condition (which, in this case can be higher than 50% plus 1% with the consent of the SC). On the other hand there is a set of restrictions to this precise of conditions so the conditions won't be defeating their execution depends on the points following :The belief, view or any state of mind in regards to the person acting in concert with the bidder. Secondly, whether there is an occurrence of specific events and is it controlled or caused by an action of the bidder or any person in concert with him.

Table 7: Control of Threshold & Implications

Threshold %	Conditions & Terms
5%	Substantial shareholding level which requires the holder to disclose its shares to the company.
10 % & Over	the holder may block the offers
25% & Over	the holder maybe special resolutions of the company
33% & Over	can trigger the mandatory offer
50% & Over	in this case the mandatory offer must be conditional
75%	the holder should ensure specific resolutions

Over 75%	the minimum public float required for companies listed within the stock exchange may not be satisfied
90 %	The trading of the stock exchanges activities should be held. grant the ability to compulsory acquire the rest of the shares in the targeted company

COMPARATIVE STUDY BETWEEN THE DIFFERENT MODELS

The four pioneer models offered in this paper have their differences and similarities, they agree on an important aspect which is the continuous development and amendments to improve the quality of movement in the corporate market and to add a better economical factors and positive influence of the operation involved within the takeover process. Besides , the takeover regulators' and bodies related to them are trying to find the most suitable balance between making the takeover operations of equal and fair treatment to all the different parties involved and offering a solid legal framework for the market.

The UK code on the other hand states that when the threshold limit of 30% is obtained, then as in rule 9 that when an offeror approaches the Offerees and the resultant speculation causes undue share price movement in the latter stock, an open offer for the remaining shares shall be arranged. In the UK model, the mandatory bid rule allows the purchase of a controlling stake in advance of the formal takeover bid, thus limiting the uncertainty faced by the bidder. The inability for bidders in Australia to acquire greater than 20% in advance of a takeover bid means that takeover bids must be launched before the bidder holds a controlling stake, which leads to a more risky market environment. and expensive to be involved in a takeover, but on the other hand the target share holders are well protected. The Australian system of corporate control regulation is arguably the most restrictive in the world as stated by *Elaine Huston*. The Australian regulations specify a low triggering threshold but do not allow pro-data partial bids.

The Singapore code doesn't set any open offer limitations and the trigger points are of a simple nature. The open offer shall be made when 30% of the threshold is crossed or exceeded as per (rule 14.1). It is worth noting that there is similarity between the Malaysian model and the Singaporean model in great deal of conditions and terms this can be accounted to the historical roots and links. The Singapore code is considered to care in great deal regarding the fair and equal treatment of the share holders adjective between it and all the codes in the jurisdiction studied here. But the Malaysian code differentiate slightly that its objective is more focused on efficient competitive and well informed markets and shareholders. A common feature in the jurisdictions studies is

the requirements of announcements, considerations, duties of board of directors, shareholders and defense mechanisms in regards of hostile takeover forms, the slight differences are in the procedures or periods of the offers.

CONCLUSION

The models offered were chosen carefully from four pioneer jurisdictions which are UK, Singapore, Australia and Malaysia. the four models were investigated to give a deeper understand of the way their legal frame work is operating and the advancement in their forms and to what extent do they affect the market they are part off and their levels of control, acceptance and flexibility in accordance to the different parties involved in them. The UK and Singapore models were observed to identify some similarities and differences equally the Austrian and Malaysian models.

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