



NZX Regulation Decision

Infratil Limited (IFT)

Application for a waiver from NZX Debt Market Listing
Rule 5.2.3

1 October 2015



Waiver from NZX Debt Market Listing Rule 5.2.3

Decision

1. Subject to the conditions set out in paragraph 2 below, and on the basis that the information provided by IFT is complete and accurate in all material respects, NZXR grants IFT a waiver from Rule 5.2.3 in respect of the IFT210s for a period of 12 months from their Quotation date, to the extent that this Rule requires the IFT210s to be held by at least 100 Members of the Public holding at least 25% of the IFT210s.
2. The waiver in paragraph 1 above is granted subject to the following conditions:
 - a. IFT clearly and prominently discloses this waiver, its conditions and their implications in the Terms Sheet for the IFT210s, and any offer document relating to an offer of the IFT210s made during the period of this waiver;
 - b. IFT clearly and prominently discloses this waiver, its conditions and their implications in its half-year report and its annual report for the year the waiver is relied on;
 - c. liquidity is disclosed as a risk in the Terms Sheet for the IFT210s; and
 - d. IFT notifies NZXR as soon as practicable if there is a material reduction to the total number of Members of the Public holding at least a Minimum Holding of the IFT210s and/or the percentage of IFT210s held by Members of the Public holding at least a Minimum Holding.
3. The information on which this decision is based is set out in Appendix One to this decision. This waiver will not apply if that information is not or ceases to be full and accurate in all material respects.
4. The Rule to which this decision relates is set out in Appendix Two to this decision.
5. Capitalised terms that are not defined in this decision have the meanings given to them in the Rules.

Reasons

6. In coming to the decision to provide the waiver set out in paragraph 1 above, NZXR has considered that:
 - a. IFT expects that the spread of the IFT210s will increase to meet the spread requirements of Rule 5.2.3 within 12 months of the Quotation date. IFT may meet the spread requirements at the point of Quotation. Due to the timing of the release of the Ruling in relation to the time of the proposed transaction, IFT will not be in a position to accurately ascertain beneficial ownership of the IFT210s following allocation in a manner that allows IFT to confirm those spread requirements will be met at the time of Quotation;
 - b. Debt Securities are not generally subject to the same degree of trading activity as Equity Securities;
 - c. the conditions contained in paragraph 2(a), (b) and (c) above, will ensure that prospective investors, as well as those wishing to trade in the IFT210s, are aware that the IFT210s may not satisfy the requirements of Rule 5.2.3 and therefore can take this information into account when making their investment decision;

- d. the condition contained in paragraph 2(d) requires IFT to provide information that will allow NZXR to monitor any material reduction in the spread of the IFT210s over the period of this waiver;
- e. the waiver is granted for a period of 12 months. This gives NZXR the opportunity to reconsider the spread of the IFT210s in 12 months time if IFT considers that a waiver is still required; and
- f. there is precedent for this decision.

Confidentiality

- 7. IFT has requested that the application for a waiver from Rule 5.2.3, and NZXR's decision, be kept confidential until the Terms Sheet has been released.
- 8. In accordance with footnote 1 to Rule 1.11.2 NZXR grants IFT's request.



Appendix One

1. Infratil Limited (“**IFT**”) is a Listed Issuer with bonds quoted on the NZX Debt Market.
2. IFT intends to make an offer of unsecured, unsubordinated, fixed rate bonds (“**IFT210s**”), to be quoted on the NZX Debt Market.
3. IFT will publish a terms sheet on or prior to the date that the offer opens, setting out the key terms and conditions of the IFT210s (“**Terms Sheet**”).
4. In accordance with the Ruling on NZX Debt Market Listing Rule (“**Rule**”) 5.2.3 issued by NZX Regulation (“**NZXR**”) on 29 September 2015 (the “**Ruling**”), the IFT210s are required to be held by at least 100 Members of the Public holding at least 25% of the number of Securities of that Class issued, with each Member of the Public holding at least a Minimum Holding, and those requirements are maintained.
5. The Ruling was released on 29 September 2015. The proposed timing for the offer of the IFT210s is for the offer to open on 1 October 2015. Due to the timing of the release of the Ruling in relation to the time of the proposed transaction, IFT will not be in a position to accurately ascertain beneficial ownership of the IFT210s following allocation in a manner that allows IFT to confirm those spread requirements will be met at the time of Quotation.
6. IFT considers that it is possible that the IFT210s may not satisfy the spread requirements of Rule 5.2.3 when the IFT210s are initially quoted on the NZX Debt Market. However, it is intended the spread requirements will be satisfied on or before 12 months of the date of initial Quotation.



Appendix Two

Rule 5.2 Quotation of Securities

5.2.3 A Class of Securities will generally not be considered for Quotation on the NZSX or NZDX unless those Securities are held by at least 500 Members of the Public holding at least 25% of the number of Securities of that Class issued, with each Member of the Public holding at least a Minimum Holding, and those requirements are maintained, or NZX is otherwise satisfied that the Issuer will maintain a spread of Security holders which is sufficient to ensure that there is a sufficiently liquid market in the Class of Securities.

Ruling on NZX Debt Market Listing Rule 5.2.3 – 29 September 2015

For the purposes of Rule 5.2.3, a Class of Debt Securities will generally not be considered for Quotation on the NZDX unless those Securities are held by at least 100 Members of the Public holding at least 25% of the number of Securities of that Class issued, with each Member of the Public holding at least a Minimum Holding, and those requirements are maintained.

