

Notice reference number: [Insert ref number]

Notice date: 23/02/2018

What's this about?

Effective date: 26/02/2018

<input checked="" type="checkbox"/> ASX Trade	<input type="checkbox"/> ASX 24	<input type="checkbox"/> ASX TECH				
<input checked="" type="checkbox"/> Trading	<input checked="" type="checkbox"/> Clearing	<input checked="" type="checkbox"/> Settlement	<input type="checkbox"/> ALC	<input type="checkbox"/> ASX NET		
<input checked="" type="checkbox"/> Operations	<input type="checkbox"/> Technology	<input type="checkbox"/> Market Data	<input checked="" type="checkbox"/> Rules	<input checked="" type="checkbox"/> Compliance	<input checked="" type="checkbox"/> Risk	<input type="checkbox"/> Other

Title

APA Group ("APA" or "APA Group") - ASX Settlement Operating Rule 5.18.2 inclusion of entitlements of APA as "FOR" Financial Products

Description

This Notice contains important information about the eligibility to participate in the APA Pro Rata Accelerated Institutional Tradeable Retail Renounceable Entitlement Offer ("Entitlement Offer") of new APA stapled securities and should be read carefully by Participants.

The following class of Financial Products has been included in Schedule 1 of the ASX Settlement Operating Rules as a FOR Financial Product effective 26 February 2018.

Issuer	Financial Product	ASX Code
APA Group	Entitlements – Excluded Investor	APARA

What do I need to do and by when?

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Only "Eligible Persons" (as defined in the attachment to this Notice) are entitled to exercise a **Retail Entitlement** (as that term is defined in the Retail Offer Booklet to be dispatched to Eligible Persons on Friday, 2 March 2018), which are scheduled to commence trading under ASX code APARA on a deferred settlement basis on Monday, 26 February 2018 ("**APA's Financial Products**"). Eligible Persons that purchase APA's Financial Products will need to complete a specific Appendix E – Entitlement and Acceptance Form that can be obtained from www.apa.com.au or by calling the APA Group Investor Information Line on 1800 992 312 (toll free within Australia) or +61 1800 992 312 (from outside Australia) from 7.30am to 7.30pm (Sydney time) Monday to Friday (excluding public holidays) during the Retail Entitlement Offer period.

APA reserves the right to reject any Appendix E – Entitlement and Acceptance Form that it believes comes from a person who is not an Eligible Person.

APA's Financial Products will trade generally on ASX; however, if APA's Financial Products are purchased in a transaction on ASX by a person that is not an Eligible Person (each, an "**Excluded Investor**"), such Excluded Investors will not be entitled to exercise their right to subscribe for fully paid stapled securities in APA ("**Securities**") to be issued in the capital of APA under the Entitlement Offer ("**New Securities**"). Further, any "**Excluded U.S. Investor**", as that term is defined in the attachment to this Bulletin, will not be entitled to acquire, hold or trade any of APA's Financial Products.

APA's Financial Products which are not or are not able to be exercised will be sold through a retail shortfall bookbuild and any proceeds in excess of the offer price of \$7.70 ("**Retail Premium**") (being the price at which Retail Entitlements are sold under the retail shortfall bookbuild) will be remitted proportionally to holders of those APA's Financial Products at the close of the Entitlement Offer. The Retail Premium, if any, are expected to be paid on or about Tuesday, 27 March 2018.

In order to ensure that foreign ownership restrictions can be monitored and that Excluded U.S. Investors do not acquire, hold or trade APA's Financial Products and Excluded Investors do not exercise any right to subscribe for New Securities, ASX Settlement has agreed:

- (a) to classify APA's Financial Products as FOR Financial Products under the ASX Settlement Operating Rules and to include APA's Financial Products in Schedule 1 of the ASX Settlement Operating Rules Procedures; and
- (b) to implement certain additional procedures as contemplated in Guidance Note 13 of the ASX Settlement Operation Rules (*Financial Products subject to Foreign Ownership Restrictions*) in relation to APA's Financial Products.

The following conditions apply to APA's Financial Products:

Foreign Person

A "Foreign Person" is an "Excluded Investor" as that term is defined in the attachment to this Bulletin.

Level of Foreign Ownership

The relevant Foreign Person ownership level is **zero**.

This means that no Excluded Investor, as that term is defined, may exercise any right to subscribe for New Securities for any APA's Financial Products they purchase or hold. Further, no Excluded U.S. Investor, as that term is defined, may acquire, hold or trade APA's Financial Products.

APA, as Issuer of the Financial Products, has agreed to be bound by the additional obligations of an Issuer of FOR Financial Products under Rule 5.18 of the ASX Settlement Operating Rules.

APA's Financial Products are being offered and will be traded on the ASX market in reliance on the safe harbour provisions of Regulation S under the US Securities Act of 1933 as amended. The status of FOR Financial Products under the ASX Operating Rules will be applied to APA's Financial Products.

Where a holder is currently designated as "F" or "M", that person cannot exercise any right to subscribe for New Securities for any of APA's Financial Products they purchase or hold.

Where the holder is currently designated as "F", and wishes to hold APA's Financial Products, but is not an Excluded U.S. Investor, a new holder record should be established for that holder designated as "D" for the purposes of holding APA's Financial Products.

Where a holder is currently designated as "F" or "M", and is an Excluded U.S. Investor, that person cannot acquire, hold or trade any of APA's Financial Products.

Participants should liaise with clients intending to purchase or hold APA's Financial Products and make all necessary enquiries to ensure that those clients who are Excluded Investors are made aware that they cannot exercise any right to subscribe for New Securities and that those clients who are Excluded U.S. Investors are made aware that they cannot acquire, hold or trade any of APA's Financial Products. Failure to do so may result in client loss. Similarly, Participants may be liable for any failure to establish a new Holder Record designated as "D" or effect a change of residency indicator where it is necessary.

APA's Financial Products cannot be acquired or held by an Excluded U.S. Investor in holdings designated as "F" or "M" under any circumstances, as they may be subject to divestment action by APA as set out under the ASX Settlement Operating Rules. **[Click here for more information and definitions.](#)**

[Need more information?](#)

Issued by

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Disclaimer

Notice Attachment

Attachment - Definitions of "Eligible Person", "Excluded Investor" and "Excluded U.S. Investor"

An "**Excluded Investor**" means any person who, as determined by APA at its absolute discretion, is not an Eligible Person, and for the avoidance of doubt includes an Excluded U.S. Investor.

An "**Eligible New Investor**" means any person who, as determined by APA at its absolute discretion, is in:

- **Australia;**
- **New Zealand;**
- **Canada (British Columbia, Ontario or Quebec provinces)** (or is acquiring the Entitlements or New Securities for any person who is in the provinces of British Columbia, Ontario or Quebec), where each relevant person is an "accredited investor" within the meaning of NI 45-106 – *Prospectus and Registration Exemptions*;
- **Austria, Belgium, Denmark, Germany, Luxembourg or the Netherlands** (or is acquiring the Entitlements or New Securities for any person who is in Austria, Belgium, Denmark, Germany, Luxembourg or the Netherlands), where each relevant person is a "qualified investor" within the meaning of the Prospectus Directive (Directive 2003/71/EC) as amended and implemented in the applicable country;
- **France** (or is acquiring the Entitlements or New Securities for any person who is in France), where each relevant person is a "qualified investor" (*investisseurs qualifiés*) acting for their own account, as defined in and in accordance with Articles L.411-2-II-2, D.411-1, L.533-16, L.533-20, D.533-11, D.533-13, D.744-1, D.754-1 and D.764-1 of the French Monetary and Financial Code and any implementing regulation;
- **Hong Kong** (or is acquiring the Entitlements or New Securities for any person who is in Hong Kong), where each relevant person is a "professional investor" as defined under the Securities and Futures Ordinance of Hong Kong, Chapter 571 of the Laws of Hong Kong;
- **Ireland** (or is acquiring the Entitlements or New Securities for any person who is in Ireland), where each relevant person is a "qualified investor" as defined in the Irish Prospectus (Directive 2003/71/EC) Regulations 2005, as amended;
- **Italy** (or is acquiring the Entitlements or New Securities for any person who is in Italy), where each relevant person is a "qualified investor" as defined in Article 100 of Decree No. 58 by reference to Article 34-ter of CONSOB Regulation no. 11971 of 14 May 1999, as amended;
- **Japan** (or is acquiring the Entitlements or New Securities for any person who is in Japan), where each relevant person: is a Qualified Institutional Investor, as defined under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, "FIEL");
- **Korea** (or is acquiring the Entitlements or New Securities for any person who is in Korea), where each relevant person is a "qualified professional investor" as defined in the Financial Investment Services and Capital Markets Act of Korea;
- **Malaysia** (or is acquiring the Entitlements or New Securities for any person who is in Malaysia), where each relevant person is a person prescribed under Part I of Schedule 6 of the Malaysian Capital Markets and Services Act;
- **Norway** (or is acquiring the Entitlements or New Securities for any person who is in Norway), where each relevant person is a "professional client" as defined in Norwegian Securities Regulation of 29 June 2007 no. 876;
- **Singapore** (or is acquiring the Entitlements or New Securities for any person who is in Singapore), where each relevant person: is an "institutional investor" or a "relevant person" (as such terms are defined in the Securities and Futures Act of Singapore ("SFA"));

- **Sweden** (or is acquiring the Entitlements or New Securities for any person who is in Sweden), where each relevant person is a "qualified investor" (as defined in Swedish Financial Instruments Trading Act (1991:980) (*Sw. lag (1991:980) om handel med finansiella instrument*));
- **Switzerland** (or is acquiring the Entitlements or New Securities for any person who is in Switzerland), where each relevant person is: (i) an institutional investor subject to Swiss or foreign prudential supervision such as a bank, securities dealer, insurance institution or fund management company; or (ii) an institutional investor with professional treasury operations;
- **the United Arab Emirates (excluding the Dubai International Financial Centre)** (or is acquiring the Entitlements or New Securities for any person who is in the United Arab Emirates (excluding the Dubai International Financial Centre)), where each relevant person acknowledges that any communications received in relation to the Entitlement Offer occurred from outside the United Arab Emirates; or
- **the United Kingdom** (or is acquiring the Entitlements or New Securities for any person who is in the United Kingdom), where each relevant person is: (i) a "qualified investor" within the meaning of Section 86(7) of the United Kingdom Financial Services and Markets Act 2000; and (ii) within the categories of persons referred to in Article 19(5) (investment professionals) or Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the United Kingdom Financial Services and Markets Act 2000 (Financial Promotions) Order 2005, as amended,

provided that in each case, such person is not in the United States and is not acting for the account or benefit of a person in the United States (to the extent such person will be holding Entitlements or New Securities for the account or benefit of a person in the United States).

An "**Eligible Person**" is a person who, as determined by APA at its absolute discretion:

- is an Eligible Retail Securityholder; or
- is an Eligible New Investor.

An "**Eligible Retail Securityholder**" is a person who, as determined by APA at its absolute discretion:

- is a registered holder of a Security in APA as at the Record Date (being 7.00pm (Sydney time) on Monday, 26 February 2018);
- has a registered address on the APA share register in Australia or New Zealand;
- is not in the United States and is not acting for the account or benefit of a person in the United States (to the extent such person holds Securities for the account or benefit of a person in the United States);
- was not invited to participate (other than as nominee, in respect of other underlying holdings) under the institutional component of the Entitlement Offer, and was not treated as an ineligible institutional securityholder under the institutional component of the Entitlement Offer; and
- is eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

An "**Excluded U.S. Investor**" means a holder of APA's Financial Products (or a person who seeks to be entered on the register as a holder of APA's Financial Products) who is in the United States or who is acting for the account or benefit of a person in the United States.

"**United States**" means the United States of America, its territories and possessions, any State of the United States and the district of Columbia.