



# Companies Act 1985

## 1985 CHAPTER 6

### <sup>F1</sup>PART XIII A

#### TAKEOVER OFFERS

#### <sup>F1</sup>430A Right of minority shareholder to be bought out by offeror.

- (1) If a takeover offer relates to all the shares in a company and at any time before the end of the period within which the offer can be accepted—
- the offeror has by virtue of acceptances of the offer acquired or contracted to acquire some (but not all) of the shares to which the offer relates; and
  - those shares, with or without any other shares in the company which he has acquired or contracted to acquire, amount to not less than nine-tenths in value of all the shares in the company,<sup>F2</sup> . . .

the holder of any shares to which the offer relates who has not accepted the offer may by a written communication addressed to the offeror require him to acquire those shares.

[ For the purposes of subsection (1), a takeover offer relates to all the shares in a <sup>F3</sup>(1A) company if it is an offer to acquire all the shares in the company within the meaning of section 428.]

- (2) If a takeover offer relates to shares of any class or classes and at any time before the end of the period within which the offer can be accepted—
- the offeror has by virtue of acceptances of the offer acquired or contracted to acquire some (but not all) of the shares of any class to which the offer relates; and
  - those shares, with or without any other shares of that class which he has acquired or contracted to acquire, amount to not less than nine-tenths in value of all the shares of that class,<sup>F4</sup> . . .

the holder of any shares of that class who has not accepted the offer may by a written communication addressed to the offeror require him to acquire those shares.

*Status: Point in time view as at 18/12/2003. This version of this provision has been superseded.*

*Changes to legislation: There are currently no known outstanding effects for the Companies Act 1985, Section 430A. (See end of Document for details)*

[ For the purposes of subsections (1) and (2), in calculating nine-tenths of the value of <sup>F5</sup>(2A) all the shares in the company, or all the shares of any class or classes of shares of the company, any shares held by the company as treasury shares shall be treated as having been acquired by the offeror.]

- (3) Within one month of the time specified in subsection (1) or, as the case may be, subsection (2) the offeror shall give any shareholder who has not accepted the offer notice in the prescribed manner of the rights that are exercisable by him under that subsection; and if the notice is given before the end of the period mentioned in that subsection it shall state that the offer is still open for acceptance.
- (4) A notice under subsection (3) may specify a period for the exercise of the rights conferred by this section and in that event the rights shall not be exercisable after the end of that period; but no such period shall end less than three months after the end of the period within which the offer can be accepted.
- (5) Subsection (3) does not apply if the offeror has given the shareholder a notice in respect of the shares in question under section 429.
- (6) If the offeror fails to comply with subsection (3) he and, if the offeror is a company, every officer of the company who is in default or to whose neglect the failure is attributable, shall be liable to a fine and, for continued contravention, to a daily default fine.
- (7) If an offeror other than a company is charged with an offence for failing to comply with subsection (3) it is a defence for him to prove that he took all reasonable steps for securing compliance with that subsection.]

#### Textual Amendments

- F1** Ss. 428–430F substituted for ss. 428–430 by [Financial Services Act 1986 \(c. 60, SIF 69\)](#), s. 172, [Sch. 12](#)
- F2** Words in [s. 430A\(1\)\(b\)](#) deleted (18.12.2003) by The Companies (Acquisition of Own Shares) (Treasury Shares) No. 2 Regulations 2003 ([S.I. 2003/3031](#)), {reg. 7(1)(a)}
- F3** [S. 430A\(1A\)](#) inserted (18.12.2003) by The Companies (Acquisition of Own Shares) (Treasury Shares) No. 2 Regulations 2003 ([S.I. 2003/3031](#)), {reg. 7(2)}
- F4** Words in [s. 430A\(2\)\(b\)](#) deleted (18.12.2003) by The Companies (Acquisition of Own Shares) (Treasury Shares) No. 2 Regulations 2003 ([S.I. 2003/3031](#)), {reg. 7(1)(b)}
- F5** [S. 430A\(2A\)](#) inserted (18.12.2003) by The Companies (Acquisition of Own Shares) (Treasury Shares) No. 2 Regulations 2003 ([S.I. 2003/3031](#)), {reg. 7(3)}

#### Modifications etc. (not altering text)

- C1** [S. 430A\(1\)\(2\)](#) modified (12.2.1992) by [S.I. 1992/225](#), [reg. 121](#), [Sch. 8 para. 9\(9\)](#).

**Status:**

Point in time view as at 18/12/2003. This version of this provision has been superseded.

**Changes to legislation:**

There are currently no known outstanding effects for the Companies Act 1985, Section 430A.