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STATUTORY INSTRUMENTS

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**2006 No. 1183**

**The Takeovers Directive (Interim  
Implementation) Regulations 2006**

**PART 2**

**The Takeover Panel**

**CHAPTER 4**

**Contravention of rules etc.**

**Failure to comply with rules about bid documentation**

**10.**—(1) This regulation applies where there is a takeover bid to which the offer document rules apply.

(2) Where an offer document published in respect of the bid does not comply with offer document rules, an offence is committed by—

- (a) the person making the bid; and
- (b) where the person making the bid is a body of persons, any director, officer or member of that body who caused the document to be published.

(3) A person commits an offence under paragraph (2) only if—

- (a) he knew that the offer document did not comply, or was reckless as to whether it complied; and
- (b) he failed to take all reasonable steps to secure that it did comply.

(4) Where a response document published in respect of the bid does not comply with response document rules, an offence is committed by any director or other officer of the company for which the bid is made, who—

- (a) knew that the response document did not comply, or was reckless as to whether it complied; and
- (b) failed to take all reasonable steps to secure that it did comply.

(5) Where an offence is committed under subsection (2)(b) or (4) by a company or other body corporate (“the relevant body”)—

- (a) subsection (2)(b) has effect as if the reference to a director, officer or member of the person making the bid included a reference to a director, officer or member of the relevant body;
- (b) subsection (4) has effect as if the reference to a director or other officer of the company referred to in subsection (1) included a reference to the director, officer or member of the relevant body.

(6) A person guilty of an offence under this regulation is liable—

- (a) on conviction on indictment, to a fine;
- (b) on summary conviction, to a fine not exceeding the statutory maximum.

- (7) Proceedings for an offence under this regulation are not to be brought—
- (a) in England and Wales except by or with the consent of the Secretary of State or the Director of Public Prosecutions;
  - (b) in Northern Ireland except by or with the consent of the Department of Enterprise, Trade and Investment or the Director of Public Prosecutions for Northern Ireland.
- (8) Nothing in this regulation affects any power of the Panel in relation to the enforcement of its rules.

#### **Enforcement by the court**

- 11.**—(1) If, on the application of the Panel, the court is satisfied—
- (a) that there is a reasonable likelihood that a person will contravene a rule-based requirement, or
  - (b) that a person has contravened a rule-based requirement or a disclosure requirement,
- the court may make any order it thinks fit to secure compliance with the requirement.
- (2) Except as provided by paragraph (1), no person—
- (a) has a right to seek an injunction, or
  - (b) in Scotland, has title or interest to seek an interdict or an order for specific performance,
- to prevent a person from contravening (or continuing to contravene) a rule-based requirement or a disclosure requirement.

#### **No action for breach of statutory duty etc.**

- 12.**—(1) Contravention of a rule-based requirement or a disclosure requirement does not give rise to any right of action for breach of statutory duty.
- (2) Contravention of a rule-based requirement does not make any transaction void or unenforceable or affect the validity of any other thing.

#### **Interpretation of Chapter 4**

- 13.** In this Chapter—
- “contravene” includes fail to comply;
  - “contravention” includes failure to comply;
  - “disclosure requirement” means a requirement imposed under regulation 6;
  - “offer document” means a document required to be published by Rules 30.1 and 32.1 of the Code;
  - “offer document rules” means rules set out in Rules 24 and 27 of the Code to the extent that they are referred to in section 10(e) of the Introduction to the Code;
  - “officer” includes director, manager or secretary;
  - “response document” means a document required to be published by Rules 30.2 and 32.6(a) of the Code;
  - “response document rules” means rules set out in Rules 25 and 27 of the Code to the extent that they are referred to in section 10(e) of the Introduction to the Code;
  - “rule-based requirement” means a requirement imposed by or under rules.