

## SCHEDULE 2

### PRE-COMPLETION TRANSACTIONS

#### PART 1

##### INTRODUCTION AND KEY CONCEPTS

###### *Meaning of “pre-completion transaction”*

- 3 (1) A transaction is a pre-completion transaction if—
- (a) as a result of the transaction a person other than the original buyer (“the transferee”) becomes entitled to call for a transfer to the transferee of the whole or part of the subject-matter of the original contract, and
  - (b) immediately before the transaction took place a person (other than the transferee but not necessarily the original buyer) was entitled under the original contract to call for a transfer of the whole or that part of that subject-matter.
- (2) A transaction that gives effect to a person’s acquisition of the whole or part of the subject-matter of the original contract is not a pre-completion transaction.
- (3) The grant or assignment of an option is not a pre-completion transaction.
- (4) The fact that a transaction has the effect of discharging the original contract does not prevent that transaction from being a pre-completion transaction.