



Companies Act 2006

2006 CHAPTER 46

PART 28

TAKEOVERS ETC

CHAPTER 2

IMPEDIMENTS TO TAKEOVERS

Supplementary

970 Communication of decisions

- (1) A company that has passed an opting-in resolution or an opting-out resolution must notify—
 - (a) the Panel, and
 - (b) where the company—
 - (i) has voting shares admitted to trading on a regulated market in an EEA State other than the United Kingdom, or
 - (ii) has requested such admission,the authority designated by that state as the supervisory authority for the purposes of Article 4.1 of the Takeovers Directive.
- (2) Notification must be given within 15 days after the resolution is passed and, if any admission or request such as is mentioned in subsection (1)(b) occurs at a later time, within 15 days after that time.
- (3) If a company fails to comply with this section, an offence is committed by—
 - (a) the company, and
 - (b) every officer of it who is in default.

Status: This is the original version (as it was originally enacted).

- (4) A person guilty of an offence under this section is liable on summary conviction to a fine not exceeding level 3 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 3 on the standard scale.

971 Interpretation of this Chapter

- (1) In this Chapter—

“offeror” and “takeover bid” have the same meaning as in the Takeovers Directive;

“offer period”, in relation to a takeover bid, means the time allowed for acceptance of the bid by—

- (a) rules under section 943(1) giving effect to Article 7.1 of the Takeovers Directive, or

- (b) where the rules giving effect to that Article which apply to the bid are those of an EEA State other than the United Kingdom, those rules;

“opted-in company” means a company in relation to which—

- (a) an opting-in resolution has effect, and

- (b) the conditions in section 966(2) and (4) continue to be met;

“opting-in resolution” has the meaning given by section 966(1);

“opting-out resolution” has the meaning given by section 966(5);

“the Takeovers Directive” means Directive [2004/25/EC](#) of the European Parliament and of the Council;

“voting rights” means rights to vote at general meetings of the company in question, including rights that arise only in certain circumstances;

“voting shares” means shares carrying voting rights.

- (2) For the purposes of this Chapter—

- (a) securities of a company are treated as shares in the company if they are convertible into or entitle the holder to subscribe for such shares;

- (b) debentures issued by a company are treated as shares in the company if they carry voting rights.

972 Transitory provision

- (1) Where a takeover bid is made for an opted-in company, section 368 of the Companies Act [1985 \(c. 6\)](#) (extraordinary general meeting on members' requisition) and section 378 of that Act (extraordinary and special resolutions) have effect as follows until their repeal by this Act.

- (2) Section 368 has effect as if a members' requisition included a requisition of a person who—

- (a) is the offeror in relation to the takeover bid, and

- (b) holds at the date of the deposit of the requisition shares amounting to not less than 75% in value of all the voting shares in the company.

- (3) In relation to a general meeting of the company that—

- (a) is the first such meeting to be held after the end of the offer period, and

- (b) is held at a time when the offeror holds shares amounting to not less than 75% in value of all the voting shares in the company,

section 378(2) (meaning of “special resolution”) has effect as if “14 days' notice” were substituted for “21 days' notice”.

- (4) A reference in this section to voting shares in the company does not include—
- (a) debentures, or
 - (b) shares that, under the company's articles of association, do not normally carry rights to vote at its general meetings (for example, shares carrying rights to vote that, under those articles, arise only where specified pecuniary advantages are not provided).

973 Power to extend to Isle of Man and Channel Islands

Her Majesty may by Order in Council direct that any of the provisions of this Chapter extend, with such modifications as may be specified in the Order, to the Isle of Man or any of the Channel Islands.