

CHAPTER 17 Divisions

Interpretation (Chapter 17)

1149. (1) In this Chapter—

“company” includes a body corporate to which section 1312 (1) (application of certain provisions of Act to unregistered companies) relates;

“director”, in relation to a company which is being wound up, means liquidator;

“division” means—

(a) a division by acquisition; or

(b) a division by formation of new companies;

within, in each case, the meaning of section 1151;

“share exchange ratio” means the number of shares or other securities in any of the successor companies that the draft terms of division provide to be allotted to members of the transferor company for a given number of their shares or other securities in the transferor company;

“successor company” shall be read in accordance with section 1151 (1);

“transferor company” shall be read in accordance with section 1151 (1).

(2) A reference in this Chapter to a company involved in a division shall—

(a) in the case of a division by acquisition, be read as a reference to a company that is, in relation to that division, the transferor company or a successor company (other than a new company formed for the purpose of the acquisition concerned);

(b) in the case of a division by formation of new companies, be read as a reference to a company that is, in relation to that division, the transferor company.

(3) References in this Chapter to the acquisition of a company are references to the acquisition of the assets and liabilities of the company by way of a division under this Chapter.