

CHAPTER 7 Summary Approval Procedure

Interpretation (Chapter 7)

200. (1) In this Chapter—

“common draft terms of merger” means the common draft terms of merger referred to in section 466 (1);

“declaration” means a declaration referred to in section 202 (1)(b);

“merger” means a merger under Chapter 3 of Part 9;

“merging companies” has the same meaning as it has in Chapter 3 of Part 9;

“restricted activity” means an activity that is specified in—

(a) section 82 (financial assistance for acquisition of shares);

(b) section 84 (reduction in company capital);

(c) section 91 (variation of company capital on reorganisations);

(d) section 118 (prohibition on pre-acquisition profits or losses being treated in holding company's financial statements as profits available for distribution);

(e) section 239 (prohibition of loans, etc., to directors and connected persons);

(f) section 464 (merger may not be put into effect save in accordance with the relevant provisions of this Act); or

(g) section 579 (procedure for and commencement of members' voluntary winding up);

the carrying on of which is expressed by a provision of this Act to be either—

(i) prohibited unless carried on in accordance with the Summary Approval Procedure; or

(ii) authorised subject to a specified requirement that the Summary Approval Procedure be employed or, in the case of section 84, 91 or 464, that the Summary Approval Procedure be employed if the alternative procedure specified in section 84 (2)(b), 91 (4)(b) or, as the case may be, 464(1)(b) is not employed;

“Summary Approval Procedure” shall be read in accordance with section 202;

“written means for passing the resolution” means—

(a) other than in the case of a merger, the means under section 193 or 194 (4) for passing a special resolution;

(b) in the case of a merger, the means under section 193 for passing a unanimous resolution.

(2) A reference in the definition of “restricted activity” in subsection (1) to an activity—

(a) subject to paragraph (b), includes a reference to a procedure, transaction or arrangement;

(b) in the case of the activity falling within paragraph (g) of that definition, is a reference to the commencement of a members' voluntary winding up.