

PLC's resolution to re-register as a private company limited by shares or DAC may be cancelled by court

1287. (1) Subject to subsection (2), where a special resolution by a PLC to be re-registered as a private company limited by shares or a designated activity company has been passed, an application to the court for the cancellation of the resolution may be made by—

(a) the holders of not less in the aggregate than 5 per cent in nominal value of the PLC's issued share capital or any class of the PLC's issued share capital (disregarding any shares held by the PLC as treasury shares), or

(b) not less than 50 of the PLC's members.

(2) An application shall not be made under this section by any person who has consented to or voted in favour of the resolution.

(3) An application under this section shall be made within 28 days after the date on which the resolution was passed and may be made on behalf of the persons entitled to make the application by such one or more of their number as they may appoint in writing for the purpose.

(4) If an application is made under this section—

(a) the PLC shall forthwith give notice of that fact to the Registrar, and

(b) within 15 days after the date of the court making its order on the application, or such longer period as the court may at any time direct, the PLC or the resultant company shall deliver to the Registrar a certified copy of the order.

(5) On the hearing of an application under this section, the court shall make an order either cancelling or confirming the resolution.

(6) The powers of the court on an application under this section extend to—

(a) providing that the re-registration, notwithstanding the confirmation, shall not take effect unless such terms and conditions as the court thinks fit and specifies are satisfied,

(b) if it thinks fit, adjourning the proceedings in order that an arrangement may be made to the satisfaction of the court for the purchase of the interests of dissentient members, and

(c) giving such directions and making such order as it thinks expedient for facilitating or carrying into effect any such arrangement.

(7) Without prejudice to the generality of subsection (6), the order of the court may, if the court thinks fit—

(a) provide for the purchase by the PLC or the resultant company of the shares of any of its members and for the reduction accordingly of the PLC's or the resultant company's company capital, and

(b) make such alteration in the PLC's or the resultant company's constitution as may be required in consequence of that provision, and such a purchase may be so ordered notwithstanding anything in section 102.

(8) Where an order under this section requires the PLC or the resultant company not to make any, or any specified, alterations in its constitution, then, notwithstanding anything in this Act, but subject to the provisions of the order, the PLC or the resultant company shall not have power, without the leave of the court, to make any such alteration in contravention of that requirement.

(9) Any alteration in the constitution of a company (whether the PLC or the resultant company) made by virtue of an order under this section, other than one made by resolution of the company, shall be of the same effect as if duly made by resolution of the company, and the provisions of this Act shall apply to the constitution as so altered accordingly.

(10) If a company (whether the PLC or the resultant company) fails to comply with subsection (4), the company and any officer of it who is in default shall be guilty of a category 3 offence.