

General meetings of merging companies

473. (1) In this section a reference to a general meeting, without qualification, is a reference to a general meeting referred to in subsection (2).

(2) Subject to subsection (6), the subsequent steps under this Chapter in relation to the merger shall not be taken unless the common draft terms of merger have been approved by a special resolution passed at a general meeting of each of the merging companies, being a meeting held not earlier than 30 days after the date of the publication by the company of the notice referred to in section 470 (2)(b) or, as the case may be, the notice in the daily newspapers referred to in section 470 (5)(b).

(3) Subject to section 474 (2), the notice convening that meeting shall contain a statement of every shareholder's entitlement to obtain on request, free of charge, full or, if so desired, partial copies of the documents referred to in section 471 (1) (and, accordingly, every shareholder has, subject to the foregoing provision, that entitlement).

(4) The directors of each transferor company shall inform—

(a) the general meeting of that company, and

(b) as soon as practicable, the directors of the successor company,

of any material change in the assets and liabilities of that transferor company between the date of the common draft terms of merger and the date of that general meeting.

(5) The directors of the successor company shall inform the general meeting of that company of all changes of which they have been informed pursuant to subsection (4).

(6) Approval, by means of a special resolution, of the common draft terms of merger is not required—

(a) in the case of any transferor company in a merger by absorption, or

(b) in the case of the successor company in a merger by acquisition, if the conditions specified in subsection (7) have been satisfied.

(7) The conditions referred to in subsection (6)(b) are the following:

(a) the notice required to be published under section 470 (2)(b) was published in accordance with section 470 (2)(b) in respect of the successor company before the commencement of the period (in this subsection referred to as the “notice period”) of 30 days before the date of the passing by the transferor company of the resolution referred to in this section (or, where there is more than one transferor company and the dates on which each of them has passed such a resolution are not the same, the earliest date on which such a resolution was passed by one of them);

(b) the members of the successor company were entitled, during the notice period—

(i) to inspect, at the registered office of the successor company, during ordinary hours of business, copies of the documents referred to in section 471 (1), and

(ii) to obtain copies of those documents or any part of them on request;

(c) the right, conferred by subsection (8), to requisition a general meeting has not been exercised during the notice period.

(8) One or more members of the successor company who hold or together hold not less than 5 per cent of the paid-up capital of the company which carries the right to vote at general meetings of the company (excluding any shares held as treasury shares) may require the convening of a general meeting of the company to consider the common draft terms of merger, and section 178 (3) to (7) apply, with any necessary modifications, in relation to the requisition.