

PART 9 REORGANISATIONS, ACQUISITIONS, MERGERS AND DIVISIONS

CHAPTER 1 Schemes of Arrangement

Interpretation (Chapter 1)

449. (1) In this Chapter—

“arrangement”, in relation to a company, includes a reorganisation of the share capital of the company by the consolidation of shares of different classes or by the division of shares into shares of different classes or by both those methods;

“debenture trustees”, in relation to a company, means the trustees of a deed securing the issue of debentures by the company;

“new company” shall be read in accordance with section 455 (1)(b)(ii); “old company” shall be read in accordance with section 455 (1)(b)(ii); “scheme circular” shall be read in accordance with section 452 (1)(a);

“scheme meeting” means a meeting of creditors (or any class of creditors) or of members (or any class of members) for the purpose of their considering, and voting on, a resolution proposing that the compromise or arrangement concerned be agreed to;

“scheme order” means an order of the court under section 453 (2)(c) sanctioning a compromise or arrangement referred to in section 450;

“special majority” means a majority in number representing at least 75 per cent in value of the creditors or class of creditors or members or class of members, as the case may be, present and voting either in person or by proxy at the scheme meeting.

(2) A reference in this Chapter to a compromise or arrangement that is proposed between a company and its creditors (or any class of them) or its members (or any class of them) includes a reference to circumstances in which a compromise or arrangement is proposed between a company and both—

(a) its creditors (or any class of them), and

(b) its members (or any class of them),

and, accordingly, the powers under this Chapter are exercisable, and the duties under this Chapter are to be carried out, in the latter circumstances as in the former.