

## CHAPTER 3 Mergers

Interpretation (Chapter 3)

461. (1) In this Chapter—

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

“merger” means—

(a) a merger by acquisition,

(b) a merger by absorption, or

(c) a merger by formation of a new company,

within, in each case, the meaning of section 463;

“merging company” means—

(a) in relation to a merger by acquisition or a merger by absorption, a company that is, in relation to that merger, a transferor company or the successor company, and

(b) in relation to a merger by formation of a new company, a company that is, in relation to that merger, a transferor company;

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

“successor company”, in relation to a merger, means the company to which assets and liabilities are to be, or have been, transferred from the transferor company or companies, by way of that merger;

“transferor company”, in relation to a merger, means a company, the assets and liabilities of which are to be, or have been, transferred to the successor company by way of that merger.

(2) 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 merger under this Chapter.