

Purchase of minority shares

476. (1) Where the special resolution referred to in section 473 has been passed by each of the merging companies (or such of them as are required by that section to pass such a resolution), a minority shareholder in a transferor company may, not later than 15 days after the relevant date, request the successor company in writing to acquire his or her shares in the transferor company for cash.

(2) Where a request is made by a minority shareholder in accordance with subsection (1), the successor company shall purchase the shares of the minority shareholder at a price determined in accordance with the share exchange ratio set out in the common draft terms of merger and the shares so purchased by the successor company shall be treated as treasury shares within the meaning of section 106.

(3) Nothing in this section limits the power of the court to make any order necessary for the protection of the interests of a dissenting minority in a merging company.

(4) In this Chapter—

“minority shareholder”, in relation to a transferor company, means—

(a) in a case where the successor company (not being a company formed for the purpose of the merger) holds 90 per cent or more (but not all) of the shares carrying the right to vote at general meetings of the transferor company, any other shareholder in the company, or

(b) in any other case, a shareholder in the company who voted against the special resolution;

“relevant date” means—

(a) in relation to a minority shareholder referred to in paragraph (a) of the definition of “minority shareholder” in this subsection, the date of publication of the notice of delivery of the common draft terms of merger under section 470 (2)(b), or

(b) in relation to a minority shareholder referred to in paragraph (b) of that definition of “minority shareholder”, the date on which the resolution of the transferor company was passed.