

Declaration to be made in the case of merger of company

206. (1) Where the restricted activity is to effect a merger, each declaration (that is to say, each declaration by the directors (or a majority of them) of each merging company) shall state—

(a) the total amount of the assets and liabilities of the merging company in question as at the latest practicable date before the date of making of the declaration and in any event at a date not more than 3 months before the date of that making; and

(b) that the declarants have made a full inquiry into the affairs of the company and the other merging companies and that, having done so, they have formed the opinion that the successor company of Part 9) will be able to pay or discharge the debts and other liabilities of it and the transferor company or companies in full as they fall due during the period of 12 months after the date on which the merger takes effect.

(2) A copy of each declaration under this section shall be delivered to the Registrar not later than 21 days after the date on which the carrying on of the restricted activity concerned is commenced; if a failure to comply with this subsection occurs, a like power to that under section 203 (4) is available to the court to declare valid for all purposes the carrying on of the activity.