



Companies Act 2006

2006 CHAPTER 46

PART 28

TAKEOVERS ETC

CHAPTER 3

“SQUEEZE-OUT” AND “SELL-OUT”

“Sell-out”

984 Further provision about rights conferred by section 983

- (1) Rights conferred on a shareholder by subsection (2), (3) or (4) of section 983 are exercisable by a written communication addressed to the offeror.
- (2) Rights conferred on a shareholder by subsection (2), (3) or (4) of that section are not exercisable after the end of the period of three months from—
 - (a) the end of the period within which the offer can be accepted, or
 - (b) if later, the date of the notice that must be given under subsection (3) below.
- (3) Within one month of the time specified in subsection (2), (3) or (4) (as the case may be) of that section, the offeror must give any shareholder who has not accepted the offer notice in the prescribed manner of—
 - (a) the rights that are exercisable by the shareholder under that subsection, and
 - (b) the period within which the rights are exercisable.

If the notice is given before the end of the period within which the offer can be accepted, it must state that the offer is still open for acceptance.
- (4) Subsection (3) does not apply if the offeror has given the shareholder a notice in respect of the shares in question under section 979.
- (5) An offeror who fails to comply with subsection (3) commits an offence.

Status: Point in time view as at 03/01/2018.

Changes to legislation: Companies Act 2006, Section 984 is up to date with all changes known to be in force on or before 16 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

If the offeror is a company, every officer of that company who is in default or to whose neglect the failure is attributable also commits an offence.

- (6) If an offeror other than a company is charged with an offence for failing to comply with subsection (3), it is a defence for him to prove that he took all reasonable steps for securing compliance with that subsection.
- (7) A person guilty of an offence under this section is liable—
- (a) on conviction on indictment, to a fine;
 - (b) on summary conviction, to a fine not exceeding the statutory maximum and, for continued contravention, a daily default fine not exceeding [^{F1}one-fiftieth of the statutory maximum][^{F1}one-fiftieth of the greater of £5,000 or the amount corresponding to level 4 on the standard scale for summary offences].

Textual Amendments

- F1** Words in s. 984(7)(b) substituted (E.W.) (12.3.2015) by [The Legal Aid, Sentencing and Punishment of Offenders Act 2012 \(Fines on Summary Conviction\) Regulations 2015 \(S.I. 2015/664\)](#), reg. 1(1), **Sch. 3 para. 9(21)** (with reg. 5(1))

Modifications etc. (not altering text)

- C1** Ss. 974-991 applied (with modifications) (1.10.2009) by [The Unregistered Companies Regulations 2009 \(S.I. 2009/2436\)](#), regs. 3-5, **Sch. 1 para. 14(2)** (with transitional provisions and savings in regs. 7, 9, Sch. 2)

Commencement Information

- I1** S. 984 wholly in force at 6.4.2007; s. 1043 not in force at Royal Assent, see s. 1300; s. 984 in force for specified purposes at 20.1.2007 by [S.I. 2006/3428](#), **art. 3(3)** (subject to [art. 5](#), [Sch. 1](#) and with [arts. 6](#), [8](#), [Sch. 5](#)); s. 984 wholly in force at 6.4.2007 by [S.I. 2007/1093](#) {art. 2(1)(b)}

Status:

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