

## SCHEDULE 4

### Undertakings and significant group undertakings

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#### **Undertakings**

1. In this Order, subject to paragraph 4—
  - (a) in relation to an undertaking, “group” means those undertakings which are group undertakings in respect of each other;
  - (b) “group undertaking” has the meaning given by section 1161(5) of the Companies Act 2006(1) but where “undertaking” has the meaning given in this Order;
  - (c) “highest parent undertaking” is the undertaking in the group which is not a subsidiary of any other undertaking in the group;
  - (d) “member” in relation to group undertakings means an undertaking which is part of a group;
  - (e) “parent undertaking”, “subsidiary undertaking” and related expressions have the same meanings as in Part 38 of the Companies Act 2006 but where “undertaking” has the meaning given in this Order;
  - (f) “undertaking” means—
    - (i) an undertaking as defined in section 1161(1) of the Companies Act 2006; and
    - (ii) as if that definition included an unincorporated association which carries on a charitable activity,but an undertaking does not include a public body.

#### **Significant group undertakings**

2.—(1) An undertaking is a “significant group undertaking” of a group when so provided under this paragraph—

- (a) for the purposes of Part 2; and
  - (b) during a phase.
- (2) Sub-paragraph (3) applies—
- (a) to a group of undertakings (“G”);
  - (b) to an undertaking (“U”) which is a group undertaking of G; and
  - (c) where U is a subsidiary of another undertaking of G.
- (3) Subject to sub-paragraph (4), for the purposes of Part 2 where—
- (a) U; and
  - (b) any subsidiary undertakings of U,

would, if U was not a member of G, have been required to register as a participant under Part 2, U is a significant group undertaking as a member of G, together with U’s subsidiary undertakings, if any.

- (4) Where—
- (a) U would be a significant undertaking as a member of G under sub-paragraph (3); but
  - (b) G is subject to article 27(2),

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(1) 2006 c. 46.

the provisions of section 1 of Part 3 of Schedule 6 vary sub-paragraph (3).

(5) Subject to paragraph 3, where U is a significant group undertaking as a member of—

- (a) G for the purposes of Part 2 under sub-paragraph (3); or
- (b) another group, where sub-paragraph (4) applies,

U is a significant group undertaking as a member of G or that other group for that phase, together with U's subsidiary undertakings from time to time, if any.

### **Significant group undertakings: movement between groups during a phase**

3.—(1) Subject to paragraph 4, where—

- (a) U was a significant group undertaking as a member of a group under paragraph 2; and
- (b) during a phase U becomes a member of another group of undertakings ("G2"),

U is a significant group undertaking as a member of G2 for the remainder of that phase, together with U's subsidiary undertakings from time to time, if any.

(2) Paragraphs 10 and 12 of section 2 of Part 3 of Schedule 6 make provision in relation to the change described in sub-paragraph (1).

### **Significant group undertakings as participants**

4. Where during a phase a significant group undertaking—

- (a) is a member of a group; but
- (b) is a participant separate from the group,

for such time as it is a participant separate from the group, it must be treated as if it was not a member of the group for the phase(2).

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(2) A participant may become a significant group undertaking as a member of a group during a phase. See paragraphs 10(2)(e) and 11(4)(a) of section 2 of Part 3 of Schedule 6.