



Enterprise Act 2002

2002 CHAPTER 40

PART 3

MERGERS

CHAPTER 1

DUTY TO MAKE REFERENCES

Duty to make references: completed mergers

27 Time when enterprises cease to be distinct

- (1) Subsection (2) applies in relation to any arrangements or transaction—
 - (a) not having immediate effect or having immediate effect only in part; but
 - (b) under or in consequence of which any two enterprises cease to be distinct enterprises.
- (2) The time when the parties to any such arrangements or transaction become bound to such extent as will result, on effect being given to their obligations, in the enterprises ceasing to be distinct enterprises shall be taken to be the time at which the two enterprises cease to be distinct enterprises.
- (3) In accordance with subsections (1) and (2) (but without prejudice to the generality of those subsections) for the purpose of determining the time at which any two enterprises cease to be distinct enterprises no account shall be taken of any option or other conditional right until the option is exercised or the condition is satisfied.
- (4) Subsections (1) to (3) are subject to subsections (5) to (8) and section 29.
- (5) The decision-making authority may, for the purposes of a reference, treat successive events to which this subsection applies as having occurred simultaneously on the date on which the latest of them occurred.

Status: Point in time view as at 01/04/2014.

Changes to legislation: There are currently no known outstanding effects for the Enterprise Act 2002, Section 27. (See end of Document for details)

- (6) Subsection (5) applies to successive events—
- (a) which occur within a period of two years under or in consequence of the same arrangements or transaction, or successive arrangements or transactions between the same parties or interests; and
 - (b) by virtue of each of which, under or in consequence of the arrangements or the transaction or transactions concerned, any enterprises cease as between themselves to be distinct enterprises.
- (7) The decision-making authority may, for the purposes of subsections (5) and (6), treat such arrangements or transactions as the decision-making authority considers appropriate as arrangements or transactions between the same interests.
- (8) In deciding whether it is appropriate to treat arrangements or transactions as arrangements or transactions between the same interests the decision-making authority shall, in particular, have regard to the persons substantially concerned in the arrangements or transactions concerned.

Modifications etc. (not altering text)

- C1** Pt. 3 modified (1.4.2014) by [Enterprise and Regulatory Reform Act 2013 \(c. 24\), s. 103\(3\), Sch. 4 para. 56](#); S.I. 2014/416, art. 2(1)(c) (with Sch.)
- C2** Ss. 23-32 applied (with modifications) (20.6.2003) by [The Enterprise Act 2002 \(Protection of Legitimate Interests\) Order 2003 \(S.I. 2003/1592\), art. 2, Sch. 1](#)
- C3** S. 27 applied (with modifications) (20.6.2003) by [The Enterprise Act 2002 \(Anticipated Mergers\) Order 2003 \(S.I. 2003/1595\), art. 3](#)
- C4** Ss. 23-32 amendment to earlier affecting provision S.I. 2003/1592, Sch. 1 (1.4.2014) by [The Enterprise Act 2002 \(Protection of Legitimate Interests\) \(Amendment\) Order 2014 \(S.I. 2014/891\), arts. 1, 16](#) (with arts. 20-23)

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