

## SCHEDULE

### PROVISIONS TO BE INSERTED INTO THE COMPANIES ACT 1985

#### PART I

##### New section 427A to be inserted after section 427

###### *Case 3*

Where under the scheme the undertaking, property and liabilities of the company in respect of which the compromise or arrangement in question is proposed are to be divided among and transferred to two or more companies each of which is either—

- (a) a public company, or
- (b) a company (whether or not a public company) formed for the purposes of, or in connection with, the scheme.

(3) Before sanctioning any compromise or arrangement under section 425(2) the court may, on the application of any pre-existing transferee company or any member or creditor of it or, an administration order being in force in relation to the company, the administrator, order a meeting of the members of the company or any class of them or of the creditors of the company or any class of them to be summoned in such manner as the court directs.

(4) This section does not apply where the company in respect of which the compromise or arrangement is proposed is being wound up.

(5) This section does not apply to compromises or arrangements in respect of which an application has been made to the court for an order under section 425(1) before 1st January 1988.

(6) Where section 427 would apply in the case of a scheme but for the fact that the transferee company or any of the transferee companies is a company within the meaning of Article 3 of the Companies (Northern Ireland) Order 1986 (and thus not within the definition of “company” in subsection (6) of section 427), section 427 shall apply notwithstanding that fact.

(7) In the case of a scheme mentioned in subsection (1), for a company within the meaning of Article 3 of the Companies (Northern Ireland) Order 1986, the reference in section 427(5) to the registrar of companies shall have effect as a reference to the registrar as defined in Article 2 of that Order.

(8) In this section and Schedule 15A—

“transferor company” means a company whose undertaking, property and liabilities are to be transferred by means of a transfer envisaged in any of the Cases specified in subsection (2);

“transferee company” means a company to which a transfer envisaged in any of those Cases is to be made;

“pre-existing transferee company” means a transferee company other than one formed for the purpose of, or in connection with, the scheme;

“compromise or arrangement” means a compromise or arrangement to which subsection (1) applies;

“the scheme” means the scheme mentioned in subsection (1)(a);

“company” includes only a company as defined in section 735(1) except that, in the case of a transferee company, it also includes a company as defined in Article 3 of the Companies (Northern Ireland) Order 1986 (referred to in these definitions as a “Northern Ireland company”);

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“public company” means, in relation to a transferee company which is a Northern Ireland company, a public company within the meaning of Article 12 of the Companies (Northern Ireland) Order 1986;

“the registrar of companies” means, in relation to a transferee company which is a Northern Ireland company, the registrar as defined in Article 2 of the Companies (Northern Ireland) Order 1986;

“the Gazette” means, in relation to a transferee company which is a Northern Ireland company, the Belfast Gazette;

“Case 1 Scheme”, “Case 2 Scheme” and “Case 3 Scheme” mean a scheme of the kind described in Cases 1, 2 and 3 of subsection (2) respectively;

“property” and “liabilities” have the same meaning as in section 427.