

SCHEDULE 1

AMENDMENTS TO TCGA 1992

4. After section 140G (treatment of securities issued on merger) insert—

“Disapplication of sections 24 and 122 where subsidiary merges with its parent

140GA. Sections 24 and 122 do not apply if—

- (a) a merger is effected by the transfer by a company (“the transferor company”) of all of its assets and liabilities to a single company that holds the whole of the ordinary share capital in the transferor company,
- (b) each merging company is resident in a member State,
- (c) the merging companies are not all resident in the same State,
- (d) section 139 does not apply in relation to the transfer, and
- (e) in the course of the merger the transferor company ceases to exist without being in liquidation (within the meaning given by section 247 of the Insolvency Act 1986 (c. 55)).”.