

Glossary of terms

Acquisition means when someone buys (which means they acquire) some shares from a Shareholder in a company

Allotment means when the company issues new shares to someone

Associate means a person who has some kind of relationship with a Shareholder in the Code Company, and the relationship likely involves some kind of influence about how their shares could be voted

Change of Control or **Control-Change** means when someone increases their level of ownership to any level above 20% of the company's shares. A Control-Change Transaction could be a Takeover Offer or it could be an Acquisition or an Allotment, or it could be a Code Company Scheme, etc

Code Company means a company that the Takeovers Code applies to

Code Company Scheme means when a Control-Change Transaction is a Scheme that involves a Code Company

Compulsory Acquisition means when a Shareholder with 90% of the company's Voting Rights (shares) can or must buy the remaining shares from the other Shareholders

Dominant Owner means a Shareholder (or two or more Shareholders acting together) with 90% or more of the company's Voting Rights

Interest Class means a group of Shareholders with common interests and similar legal rights as against the company under a Code Company Scheme

Offeror means a person who makes a Takeover Offer

Parcel of shares means the shares that a Shareholder owns, as recorded in a company's share register

Resolution means the topic or question that the company's Shareholders are asked to vote on at a meeting of the company's Shareholders

Scheme means a scheme of arrangement or amalgamation, to reorganise the company's affairs, that requires the approval of the company's Shareholders and the High Court under Part 15 of the Companies Act 1993

Scheme Promoter means the person (or someone who acts on the person's behalf) who makes the Scheme Proposal

Scheme Proposal means a person's proposal to do something with the company (such as a Change of Control, e.g., a takeover) by way of a Scheme

Shareholder means a person who holds shares in the company. In these Fact-Sheets, "Shareholder" is used to mean a person who holds or controls Voting Rights

Takeover Offer means when someone wants to buy all of a Code Company's shares (this kind of Takeover Offer is called a full Takeover Offer) or wants to buy a proportion of a Code Company's shares (this kind of Takeover Offer is called a partial Takeover Offer)

Takeovers Panel or **Panel** means the government regulator that ensures Control-Change Transactions are undertaken in compliance with takeovers law

Transaction means when people buy or sell something. In these Fact-Sheets, "Transaction" is used to describe when people are buying or selling shares (i.e., buying or selling Voting Rights – this can be by way of a Takeover Offer, an Acquisition or Allotment, when a company buys back its own shares, or it can be a Code Company Scheme)

Voting Right means the right to vote that is attached to a share. Shareholders with shares that have Voting Rights can vote on all matters at meetings of a company's Shareholders. These Fact-Sheets often call Voting Rights "shares" just to use a simpler term, but the Takeovers Code actually applies to the "Voting Rights" that attach to shares. (Take care: shares that have only limited voting rights may not be "Voting Rights" under the Takeovers Code)

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