This chapter looks at the legal framework that regulated takeovers, as well as discussing corporate reconstruction via a scheme of arrangement and a scheme of reconstruction. A reconstruction under s 110 of the Insolvency Act 1986 involves all or part of a company's business or property being transferred or sold to one or more new companies, and the original company is then voluntarily wound up. A s 110 reconstruction binds all members and creditors who are affected by it, even those who did not vote for it. Meanwhile, a scheme of arrangement, under Pt 26 of the Companies Act 2006 (CA 2006), is a compromise or arrangement between a company and its creditors, or any class of them; or its members, or any class of them. Takeovers are regulated by the Panel on Takeovers and Mergers, who are responsible for drafting and updating the City Code on Takeovers and Mergers.
22. Corporate reconstructions and takeovers

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