

THE TAKEOVER PANEL

CENTRAL COUNTERPARTY RECOVERY AND RESOLUTION

The Code Committee has today published [Instrument 2023/4](#) on the Panel's website. Instrument 2023/4 makes amendments to [Note 18 on Rule 9.1](#) of the Takeover Code to introduce a new paragraph (b). This provides that [Rule 9.1](#) (the mandatory offer requirement) does not apply in relation to any change in interests in shares or other transaction which is effected by the use of CCP resolution tools, powers and mechanisms (within the meaning given in regulation 2 of [The Resolution of Central Counterparties \(Modified Application of Corporate Law and Consequential Amendments\) Regulations 2023](#) (the "CCP Regulations"))).

The new paragraph (b) of Note 18 on Rule 9.1 has been introduced as a consequence of regulation 3 of the CCP Regulations, which provides that Part 28 of the Companies Act 2006 shall have effect as if a new subsection 943(1ZA) had been inserted after subsection 943(1). This requires that the rules of the Code made in accordance with paragraph 7(1) and (2) of Part 2 of Schedule 1C to the Act (which relate to the mandatory offer requirement) must provide that they do not apply in the circumstances described above. As the amendments to Note 18 on Rule 9.1 are a consequence of changes to relevant legislation, they have been made by the Code Committee without formal consultation.

The amendments to Note 18 on Rule 9.1 will take effect on 31 December 2023. However, the versions of the Code at code.thetakeoverpanel.org.uk and in hard copy will not be amended on 31 December and the relevant changes will be made in due course.

18 December 2023