

UK Takeover Panel Publishes New Edition of the Takeover Code

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On 12 September 2016, the UK Takeover Panel published the twelfth edition of the Takeover Code, replacing in its entirety the previous edition published in September 2011 in the wake of Kraft's takeover of Cadbury.

Over the last five years the Code and the Panel's Practice Statements have been amended on a number of occasions. Whilst not as far-reaching as the amendments that were introduced in September 2011, amendments to the eleventh edition to the code have focused on:

- profit forecasts and quantified financial benefits statements ([Client Memorandum on RS 2012/1](#));
- pension scheme trustee issues;
- companies that are subject to the Code ([Client Newsflash on RS 2012/3](#));
- changes in the UK regulatory regime including the creation of the Financial Conduct Authority (FCA), the Prudential Regulatory Authority (PRA) and the Competition and Markets Authority (CMA);
- post offer undertakings and intention statements ([Client Memorandum on RS 2014/2](#));
- offer related arrangements and equality of information to competing offerors ([Client Memorandum on PS 29 and PS 30](#));
- the treatment of dividends, restriction and suspension of voting rights and the definition of “acting in concert” ([Client Memorandum on RS 2015/1, RS 2015/2 and RS 2015/3](#)),

and have also included a number of miscellaneous changes to reflect customary Panel practice and interpretation of the Code ([Client Memorandum on RS 2014/1](#)).

The new twelfth edition of the Code includes the final text of amendments that came into effect on 12 September 2016 relating to the communication of and distribution of information during an offer. The Panel published a consultation paper (PCP 2016/1) on the proposed changes in February 2016 ([Client Memorandum on PCP 2016/1](#)) and confirmed the proposed adoption of the changes, subject to certain modifications, in a response statement (RS 2016/1) published in July 2016. The key elements of the new rules are summarised below.

If you have any questions regarding the matters covered in this publication, please reach out to any of the lawyers listed below or your usual Davis Polk contact.

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