**Input/Comments from ZA (Sanjeev)**

**CA400** – As discussed on the recent call, the definition and usage of event types EXOF and MRGR seems fine however there seems to be different interpretations of the term “scheme of arrangement”. It is therefore proposed that we may be amend the definition for this term to possibly make it broader (all encompassing). The South African Companies Act refers to Schemes of Arrangement and some of the transactions allowed under a scheme of arrangement are, inter alia,

*(a)* a consolidation of securities of different classes;

*(b)* a division of securities into different classes;

*(c)* an expropriation of securities from the holders;

*(d)* exchanging any of its securities for other securities;

*(e)* a re-acquisition by the company of its securities; or

*(f)* a combination of the methods contemplated above.

Some of the requirements to implement a scheme of arrangement are :-

*(a)* the disposal, amalgamation or merger, or scheme of arrangement—

(i) has been approved in terms of this s115 of the Companies Act; or

(ii) is pursuant to or contemplated in an approved business rescue plan for that company, in terms of Chapter 6 of the Companies Act (**BUSINESS RESCUE AND COMPROMISE WITH CREDITORS**); and

*(b)* to the extent that Parts B and C of Chapter 5 (**FUNDAMENTAL TRANSACTIONS, TAKEOVERS AND OFFERS)** and the Takeover Regulations

apply to a company that proposes to—

(i)               dispose of all or the greater part of the assets or undertaking;

(ii) amalgamate or merge with another company; or

(iii) implement a scheme of arrangement, the Panel has issued a compliance notice in respect of the transaction in terms of section 119(4)*(b)*, or exempted the transaction in terms of section 119(6).

Therefore and amendment of the definition may meet our requirements.