STATUTORY INSTRUMENTS

1972 No. 130

MONOPOLIES AND MERGERS

The Restriction of Merger (No. 1) Order 1972

Made - - -	*4th February* 1972
Laid before Parliament	*4th February* 1972
Coming into Operation	*5th February* 1972

Whereas the Secretary of State in exercise of his powers under section 6(7) of the Monopolies and Mergers Act 1965(**a**) has referred to the Monopolies Commission for investigation and report the matter of the proposed acquisition of the Glaxo Group Limited by the Beecham Group Limited:

Now, therefore, the Secretary of State with a view to preventing action which may prejudice the reference or impede the taking of any remedial action which may be warranted by the Commission's report and in exercise of the powers conferred upon him by sections 3(5) and 6(11) of the said Act hereby orders as follows:—

1.—(1) This Order may be cited as the Restriction of Merger (No. 1) Order 1972 and shall come into operation on the 5th day of February 1972.

(2) The Interpretation Act 1889(**b**) shall apply to the interpretation of this Order as it applies to an Act of Parliament.

2. It shall be unlawful for any stock or any interest in any stock of Glaxo Group Limited to be acquired by Beecham Group Limited or any subsidiary thereof if such acquisition would or might result in the Glaxo Group Limited and the Beecham Group Limited becoming interconnected bodies corporate:

Provided that this Article shall not apply to anything done in pursuance of a legally enforceable agreement to acquire stock made before the commencement of this Order, not being an agreement made in pursuance of any general offer addressed to the members of Glaxo Group Limited by Hill Samuel and Company Limited on behalf of Beecham Group Limited.

Nicholas Ridley,
Parliamentary Under Secretary of State,
Department of Trade and Industry.

4th February 1972.

(**a**) 1965 c. 50.

(**b**) 1889 c. 63.

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order imposes a standstill on any acquisition of stock of Glaxo Group Limited by Beecham Group Limited or its subsidiaries, which would or might lead to Glaxo Group Limited becoming a subsidiary of Beecham Group Limited. Dealings in stock which are the subject of agreements made prior to 5th February 1972 may be completed provided they were not made as a result of any general offer on behalf of Beechams Group Limited and addressed to the members of Glaxo Group Limited.

The Order, unless previously revoked, will cease to have effect:—

(*a*) 40 days after the report of the Monopolies Commission on the proposed merger of the two companies is laid before Parliament; or

(*b*) on the failure of the Commission to report within the period allowed.

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