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SCHEDULES.

SCHEDULE 18

SUPPLEMENTARY PROVISIONS ABOUT CLOSE COMPANIES.

PART I

INTERPRETATION GENERALLY.

" Participator " and " associate ".

- 4 (1) For purposes of Part IV a " participator " is, in relation to any company, a person having a share or interest in the capital or income of the company and, without prejudice to the generality of the preceding words, includes—
- (a) any person who possesses or is entitled to acquire share capital or voting rights in the company;
 - (b) any person who is a loan creditor of the company otherwise than in respect of any loan capital or debt issued or incurred by the company for money lent by him to the company in the ordinary course of a business of banking carried on by him;
 - (c) any person who possesses or is entitled to acquire a right to receive or participate in distributions of the company (as defined in Part I of Schedule 11 to this Act) or any amounts payable by the company (in cash or in kind) to loan creditors by way of premium on redemption ;
 - (d) any person who is entitled to secure that income or assets (whether present or future) of the company will be applied directly or indirectly for his benefit.
- (2) In sub-paragraph (1) above references to being entitled to do anything apply where a person is presently entitled to do it at a future date or will at a future date be entitled to do it; and " loan creditor" means a creditor in respect of any redeemable loan capital issued by the company or in respect of any debt incurred by the company, being a debt—
- (a) for money borrowed or capital assets acquired by the company; or
 - (b) for any right to receive income created in favour of the company; or
 - (c) for consideration the value of which to the company was (at the time when the debt was incurred) substantially less than the amount of the debt (including any premium thereon).