



Companies Act 1976

1976 CHAPTER 69

PART II

MISCELLANEOUS AND SUPPLEMENTARY

Disclosure of interests in shares

24 Duty of director to notify company of acquisition, etc. of its securities

- (1) In section 27(3) and (12) and section 31(2) of the Act of 1967 (duty of directors to notify company within fourteen days of acquisition etc. of securities of the company) for the words " fourteen days " wherever they occur there shall be substituted the words " five days ".
- (2) Subsection (1) above does not affect the time for fulfilling any obligation which arose before the coming into operation of this section.

25 Duty of company to notify recognised stock exchange of acquisition, etc. of its securities by director

- (1) Whenever a company in the case of which shares or debentures are listed on a recognised stock exchange is notified of any matter by a director in consequence of the fulfilment of an obligation imposed on him by section 27 or section 31 of the Act of 1967 (duty of directors to notify company of acquisition etc. of securities of the company), and that matter relates to shares or debentures listed on a recognised stock exchange, the company shall be under an obligation to notify that stock exchange of that matter; and the stock exchange may publish, in such manner as it may determine, any information received by it under this subsection.
- (2) An obligation imposed by subsection (1) above must be fulfilled before the end of the day next following that on which it arises ; but for this purpose, a day which is a Saturday or Sunday or a bank holiday in any part of Great Britain shall be disregarded.

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- (3) If default is made in complying with this section, the company and every officer of the company who is in default shall be guilty of an offence and liable, on summary conviction, to a fine not exceeding £500 and further to a default fine.
- (4) Proceedings in respect of an offence under this section shall not, in England and Wales, be instituted except by, or with the consent of, the Secretary of State or the Director of Public Prosecutions.

26 Duty to notify company of acquisition, etc. of voting shares

- (1) In section 33 of the Act of 1967 (duty to notify company within fourteen days of acquisition etc. of shares amounting to one tenth or more of relevant share capital) for the words " one tenth" and " fourteen days " wherever they occur, there shall be respectively substituted the words " the prescribed percentage " and " five days ".
- (2) In the said section 33 as amended by subsection Q) above " the prescribed percentage " means 5 per cent. or such other percentage as may from time to time be prescribed for the purposes of that section by regulations made by the Secretary of State by statutory instrument, and different percentages may be so prescribed in relation to companies of different classes or descriptions.
- (3) No regulations shall be made under subsection (2) above unless a draft of the instrument containing the regulations has been laid before Parliament and has been approved by resolution of each House of Parliament.
- (4) In the case of a company which, at the time when this section comes into operation, is one to which the said section 33 applies, every person who at that time is interested in shares comprised in relevant share capital of the company of a nominal value equal to 5 per cent. or more but less than 10 per cent. of the nominal value of that share capital shall be under an obligation to notify the company of the subsistence of his interests at that time and the number of shares comprised in that share capital (specifying it) in which each interest subsists at that time.
- (5) Subsections (4) to (10) of the said section 33 (which relate to the enforcement and interpretation of that section) shall have effect in relation to subsection (4) above as they have effect in relation to subsection (2) of that section but as if in subsections (5) and (9) for references to five days there were substituted references to fourteen days and as if in subsection (5) for references to the prescribed percentage there were substituted references to 5 per cent.
- (6) If regulations under subsection (2) above come into operation whereby the prescribed percentage for the purposes of the said section 33 is reduced, subsections (4) and (5) above shall apply in the case of a company in relation to which the regulations have effect as in the case there mentioned but with the substitution—
 - (a) for references to the time when this section comes into operation of references to the time when the regulations come into operation ; and
 - (b) for references to 5 per cent. and 10 per cent. of references to the reduced percentage and the percentage prior to the reduction.
- (7) Neither this section nor any regulations made under subsection (2) above shall be construed as requiring the notification by any person of the occurrence of an event before the time when this section or the regulations come into operation; and subsection (1) above does not affect the time for fulfilling any obligation which arose before the time when this section comes into operation.

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- (8) A person who would, apart from this subsection, be under an obligation, by virtue of subsection (1)(b) of the said section 33, to notify a company of the occurrence of an event shall not be under that obligation if—
- (a) the nominal value of shares comprised in relevant share capital of the company in which he was interested immediately before the event, and
 - (b) the nominal value of shares so comprised in which he is interested immediately after the event,
- produce, when each of them is expressed as a percentage of the nominal value of that share capital and (as so expressed) is rounded down, if not a whole number, to the nearest such number, the same result.
- (9) In subsection (4) of the said section 33, after paragraph (a) there shall be inserted the following paragraph—
- “(aa) an interest as holder of shares of a member of The Stock Exchange who—
 - (i) is recognised by the Council thereof as carrying on the business of a jobber,
 - (ii) carries on that business in the United Kingdom, and
 - (iii) holds the shares for the purposes of that business;”.
- (10) For the avoidance of doubt it is hereby declared that where the relevant share capital of a company to which the said section 33 applies is divided into different classes of shares, references in that section and this section to a percentage of the nominal value of its relevant share capital are references to a percentage of the nominal value of the issued shares comprised in each of those classes taken separately.

27 Power of company to require disclosure of beneficial interests in its voting shares

- (1) Any company to which section 33 of the Act of 1967 applies (companies with shares listed on a recognised stock exchange) may by notice in writing require any member of the company within such reasonable time as is specified in the notice—
- (a) to indicate in writing the capacity in which he holds any shares comprised in relevant share capital of the company; and
 - (b) if he holds them otherwise than as beneficial owner, to indicate in writing so far as it lies within his knowledge the persons who have an interest in them (either by name and address or by other particulars sufficient to enable those persons to be identified) and the nature of their interest.
- (2) Where a company is informed in pursuance of a notice given to any person under subsection (1) above or under this subsection that any other person has an interest in any shares comprised in relevant share capital of the company, the company may by notice in writing require that other person within such reasonable time as is specified in the notice—
- (a) to indicate in writing the capacity in which he holds that interest; and
 - (b) if he holds it otherwise than as beneficial owner, to indicate in writing so far as it lies within his knowledge the persons who have an interest in it (either by name and address or by other particulars sufficient to enable them to be identified) and the nature of their interest.
- (3) Any company to which the said section 33 applies may by notice in writing require any member of the company to indicate in writing, within such reasonable time as

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is specified in the notice, whether any of the voting rights carried by any shares comprised in relevant share capital of the company held by him are the subject of an agreement or arrangement under which another person is entitled to control his exercise of those rights and, if so, to give so far as it lies within his knowledge written particulars of the agreement or arrangement and the parties to it.

- (4) Where a company is informed in pursuance of a notice given to any person under subsection (3) above or under this subsection that any other person is a party to any such agreement or arrangement as is mentioned in subsection (3) above, the company may by notice in writing require that other person within such reasonable time as is specified in the notice to give so far as it lies within his knowledge written particulars of the agreement or arrangement and the parties to it.
- (5) Whenever a company receives information from a person in pursuance of a requirement imposed on him under this section with respect to shares held by a member of the company, it shall be under an obligation to inscribe against the name of that member in a separate part of the register kept by it under section 34 of the Act of 1967 (register of interests in voting shares)—
 - (a) the fact that the requirement was imposed and the date on which it was imposed ; and
 - (b) the information received in pursuance of the requirement.
- (6) Subsections (2) to (9) of the said section 34 (which relate to the manner in which the register is to be made up and provide for public inspection of the register) shall apply in relation to the part of the register referred to in subsection (5) above as they apply in relation to the remainder of the register and as if references to subsection (1) of that section included references to subsection (5) above.
- (7) Subject to subsections (8) and (9) below, any person who—
 - (a) fails to comply with a notice under this section; or
 - (b) in purported compliance with such a notice makes any statement which he knows to be false in a material particular or recklessly makes any statement which is false in a material particular,shall be guilty of an offence and liable—
 - (i) on conviction on indictment, to imprisonment for a term not exceeding two years or to a fine or to both; or
 - (ii) on summary conviction, to imprisonment for a term not exceeding six months or to a fine not exceeding £400 or to both.
- (8) A person shall not be guilty of an offence under subsection (7) (a) above if he proves that the information in question was already in the possession of the company or that the requirement to give it was for any other reason frivolous or vexatious.
- (9) A person shall not be obliged to comply with a notice under this section if he is for the time being exempted by the Secretary of State from the operation of this section; but the Secretary of State shall not grant any such exemption except after consultation with the Governor of the Bank of England and unless satisfied that, having regard to any undertaking given by the person in question with respect to the shares held or to be held by him, there are special reasons why that person should not be subject to the obligations imposed by this section.
- (10) In this section "relevant share capital" has the same meaning as in section 33 of the Act of 1967.