



# Companies Act 1985

## 1985 CHAPTER 6

### [<sup>F1F2</sup>PART III

#### CAPITAL ISSUES

##### Textual Amendments

- F1** Pt. III (ss. 56-79) repealed by [Financial Services Act 1986](#) (c. 60, SIF 69), ss. 211(1), 212(3), [Sch. 17 Pt. I](#) (the repeal coming into force as mentioned in [S.I. 1986/2246](#), art. 5, [Sch. 4](#), [S.I. 1988/740](#), arts. 2-7, Sch. (as amended by [S.I. 1988/1960](#), arts. 2-4 and by [S.I. 1988/2285](#), [arts. 2-6](#)) and [S.I. 1995/1538](#), [art. 2](#) and otherwise prosp.)
- F2** [Ss. 56-79](#) repealed (prosp.) by [Companies Act 2006](#) (c. 46), ss. 1295, 1300, [Sch. 16](#) and the repeal being partly in force, as to which see individual sections.

##### Modifications etc. (not altering text)

- C1** [Pt. III](#) (ss. 56-79): functions transferred from the Secretary of State to the Treasury (7.6.1992) by [S.I. 1992/1315](#), [arts. 2\(3\)\(4\)](#), 6.

#### CHAPTER I

##### ISSUES BY COMPANIES REGISTERED, OR TO BE REGISTERED, IN GREAT BRITAIN

##### Modifications etc. (not altering text)

- C2** [Pt. III Ch. I](#) (ss.56-71) applied with modifications by [S.I. 1985/680](#), regs. 4-6, [Sch.](#)

*Status: Point in time view as at 05/11/2016.*

*Changes to legislation: There are currently no known outstanding effects for the Companies Act 1985, Part III. (See end of Document for details)*

### *The prospectus*

#### **56 Matters to be stated, and reports to be set out, in prospectus.**

- (1) Every prospectus issued by or on behalf of a company, or by or on behalf of any person who is or has been engaged or interested in the formation of the company, must comply—
  - (a) with Part I of Schedule 3 to this Act, as respects the matters to be stated in the prospectus, and
  - (b) with Part II of that Schedule, as respects the reports to be set out.
- (2) It is unlawful to issue any form of application for shares in or debentures of a company unless the form is issued with a prospectus which complies with the requirements of this section.
- (3) Subsection (2) does not apply if it is shown that the form of application was issued either—
  - (a) in connection with a bona fide invitation to a person to enter into an underwriting agreement with respect to the shares or debentures, or
  - (b) in relation to shares or debentures which were not offered to the public.
- (4) If a person acts in contravention of subsection (2), he is liable to a fine.
- (5) This section does not apply—
  - (a) to the issue to existing members or debenture holders of a company of a prospectus or form of application relating to shares in or debentures of the company, whether an applicant for shares or debentures will or will not have the right to renounce in favour of other persons, or
  - (b) to the issue of a prospectus or form of application relating to shares or debentures which are or are to be in all respects uniform with shares or debentures previously issued and for the time being listed on a prescribed stock exchange;

but subject to this, it applies to a prospectus or a form of application whether issued on or with reference to the formation of a company or subsequently.

**Modifications etc. (not altering text)**

**C3** S. 56(1) modified by S.I. 1991/823, reg. 2(1), Sch. 1.

#### **57 Attempted evasion of s. 56 to be void.**

A condition requiring or binding an applicant for shares in or debentures of a company to waive compliance with any requirement of section 56, or purporting to affect him with notice of any contract, document or matter not specifically referred to in the prospectus, is void.

#### **58 Document offering shares etc. for sale deemed a prospectus.**

F3 .....

*Status: Point in time view as at 05/11/2016.*

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**Textual Amendments**

**F3** S. 58 repealed (6.4.2008) by Companies Act 2006 (c. 46), ss. 1295, 1300, **Sch. 16**; S.I. 2007/3495, **art. 8(a)**, Sch. 2 Pt. 1 (with arts. 7, 12)

**F4**<sup>59</sup> .....

**Textual Amendments**

**F4** S. 59 repealed (1.12.2001) by S.I. 2001/3649, **art. 5**

**F5**<sup>60</sup> .....

**Textual Amendments**

**F5** S. 60 repealed (1.12.2001) by S.I. 2001/3649, **art. 5**

**61 Prospectus containing statement by expert.**

- (1) A prospectus inviting persons to subscribe for a company's shares or debentures and including a statement purporting to be made by an expert shall not be issued unless—
  - (a) he (the expert) has given and has not, before delivery of a copy of the prospectus for registration, withdrawn his written consent to its issue with the statement included in the form and context in which it is in fact included; and
  - (b) a statement that he has given and not withdrawn that consent appears in the prospectus.
- (2) If a prospectus is issued in contravention of this section, the company and every person who is knowingly a party to the issue of the prospectus is liable to a fine.

**Modifications etc. (not altering text)**

**C4** S. 61(1)(b) modified by S.I. 1991/823, reg. 2(1), **Sch.1.**

**62 Meaning of “expert”.**

**F6** .....

**Textual Amendments**

**F6** S. 62 repealed (1.10.2009 so far as not previously repealed) by Companies Act 2006 (c. 46), ss. 1295, 1300, **Sch. 16**; S.I. 2008/2860, **art. 4**, Sch. 1 (with arts. 5, 7, 8, **Sch. 2** (as amended by S.I. 2009/1802, **art. 18**, Sch.))

*Status: Point in time view as at 05/11/2016.*

*Changes to legislation: There are currently no known outstanding effects for the Companies Act 1985, Part III. (See end of Document for details)*

### 63 Prospectus to be dated.

A prospectus issued by or on behalf of a company, or in relation to an intended company, shall be dated; and that date shall, unless the contrary is proved, be taken as its date of publication.

#### Modifications etc. (not altering text)

C5 S. 63 modified by S.I. 1991/823, reg. 2(1), Sch.1

### Registration of prospectus

### 64 Registration requirement applicable in all cases.

- (1) No prospectus shall be issued by or on behalf of a company, or in relation to an intended company, unless on or before the date of its publication there has been delivered to the registrar of companies for registration a copy of the prospectus—
  - (a) signed by every person who is named in it as a director or proposed director of the company, or by his agent authorised in writing, and
  - (b) having endorsed on or attached to it any consent to its issue required by section 61 from any person as an expert.

- (2) Where the prospectus is such a document as is referred to in section 58, the signatures required by subsection (1) above include those of every person making the offer, or his agent authorised in writing.

Where the offer is made by a company or a firm, it is sufficient for the purposes of this subsection if the document is signed on its behalf by two directors or (as the case may be) not less than half of the partners; and a director or partner may sign by his agent authorised in writing.

- (3) Every prospectus shall on its face—
  - (a) state that a copy has been delivered for registration as required by this section, and
  - (b) specify, or refer to statements in the prospectus specifying, any documents required by this or the following section to be endorsed on or attached to the copy delivered.
- (4) The registrar shall not register a prospectus unless it is dated and the copy of it signed as required by this section and unless it has endorsed on or attached to it the documents (if any) specified in subsection (3)(b).
- (5) If a prospectus is issued without a copy of it being delivered to the registrar as required by this section, or without the copy so delivered having the required documents endorsed on or attached to it, the company and every person who is knowingly a party to the issue of the prospectus is liable to a fine and, for continued contravention, to a daily default fine.

#### Modifications etc. (not altering text)

C6 S. 64(3) modified by S.I. 1991/823, reg. 2(1), Sch. 1

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## **65 Additional requirements in case of prospectus issued generally.**

- (1) In the case of a prospectus issued generally (that is to persons who are not existing members or debenture holders of the company), the following provisions apply in addition to those of section 64.
- (2) The copy of the prospectus delivered to the registrar of companies must also have endorsed on or attached to it a copy of any contract required by paragraph 11 of Schedule 3 to be stated in the prospectus or, in the case of a contract not reduced into writing, a memorandum giving full particulars of it.
- (3) In the case of a contract wholly or partly in a foreign language—
  - (a) the copy required by subsection (2) to be endorsed on or attached to the prospectus must be a copy of a translation of the contract into English or (as the case may be) a copy embodying a translation into English of the parts in a foreign language, and
  - (b) the translation must be certified in the prescribed manner to be a correct translation.
- (4) If the persons making any report required by Part II of Schedule 3 have made in the report, or have (without giving reasons) indicated in it, any such adjustments as are mentioned in paragraph 21 of the Schedule (profits, losses, assets, liabilities), the copy of the prospectus delivered to the registrar must have endorsed on or attached to it a written statement signed by those persons setting out the adjustments and giving the reasons for them.

### *Liabilities and offences in connection with prospectus*

## **66 Directors, etc. exempt from liability in certain cases.**

- (1) In the event of non-compliance with or contravention of section 56, a director or other person responsible for the prospectus does not incur any liability by reason of that non-compliance or contravention if—
  - (a) as regards any matter not disclosed, he proves that he was not cognisant of it, or
  - (b) he proves that the non-compliance or contravention arose from an honest mistake of fact on his part, or
  - (c) the non-compliance or contravention was in respect of matters which, in the opinion of the court dealing with the case, were immaterial or was otherwise such as ought (in the court's opinion, having regard to all the circumstances of the case) reasonably to be excused.
- (2) In the event of failure to include in a prospectus a statement with respect to the matters specified in paragraph 13 of Schedule 3 (disclosure of directors' interests), no director or other person incurs any liability in respect of the failure unless it is proved that he had knowledge of the matters not disclosed.
- (3) Nothing in section 56 or 57 or this section limits or diminishes any liability which a person may incur under the general law or this Act apart from those provisions.

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## **67 Compensation for subscribers misled by statement in prospectus.**

- (1) Where a prospectus invites persons to subscribe for a company's shares or debentures, compensation is payable to all those who subscribe for any shares or debentures on the faith of the prospectus for the loss or damage which they may have sustained by reason of any untrue statement included in it.
- (2) The persons liable to pay the compensation are—
  - (a) every person who is a director of the company at the time of the issue of the prospectus,
  - (b) every person who authorised himself to be named, and is named, in the prospectus as a director or as having agreed to become a director (either immediately or after an interval of time),
  - (c) every person being a promoter of the company, and
  - (d) every person who has authorised the issue of the prospectus.
- (3) The above has effect subject to the two sections next following; and here and in those sections "promoter" means a promoter who was party to the preparation of the prospectus, or of the portion of it containing the untrue statement, but does not include any person by reason of his acting in a professional capacity for persons engaged in procuring the formation of the company.

## **68 Exemption from s. 67 for those acting with propriety.**

- (1) A person is not liable under section 67 if he proves—
  - (a) that, having consented to become a director of the company, he withdrew his consent before the issue of the prospectus, and that it was issued without his authority or consent, or
  - (b) that the prospectus was issued without his knowledge or consent, and that on becoming aware of its issue he forthwith gave reasonable public notice that it was issued without his knowledge or consent, or
  - (c) that after issue of the prospectus and before allotment under it he, on becoming aware of any untrue statement in it, withdrew his consent to its issue and gave reasonable public notice of the withdrawal and of the reason for it.
- (2) A person is not liable under that section if he proves that—
  - (a) as regards every untrue statement not purporting to be made on the authority of an expert or of a public official document or statement, he had reasonable ground to believe, and did up to the time of the allotment of the shares or debentures (as the case may be) believe, that the statement was true; and
  - (b) as regards every untrue statement purporting to be a statement by an expert or contained in what purports to be a copy of or extract from a report or valuation of an expert, it fairly represented the statement, or was a correct and fair copy of or extract from the report or valuation, and he had reasonable ground to believe and did up to the time of issue of the prospectus believe that the person making the statement was competent to make it and that person had given the consent required by section 61 to the issue of the prospectus and had not withdrawn that consent before delivery of a copy of the prospectus for registration or, to the defendant's knowledge, before allotment under it; and
  - (c) as regards every untrue statement purporting to be made by an official person or contained in what purports to be a copy of or extract from a public official

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document, it was a correct and fair representation of the statement or copy of or extract from the document.

- (3) Subsections (1) and (2) of this section do not apply in the case of a person liable, by reason of his having given a consent required of him by section 61, as a person who has authorised the issue of the prospectus in respect of an untrue statement purporting to be made by him as an expert.
- (4) Where under section 61 the consent of a person is required to the issue of a prospectus and he has given that consent, he is not by reason of his having given it liable under section 67 as a person who has authorised the issue of the prospectus except in respect of an untrue statement purporting to be made by him as an expert.
- (5) A person who, apart from this subsection, would under section 67 be liable, by reason of his having given a consent required of him by section 61, as a person who has authorised the issue of a prospectus in respect of an untrue statement purporting to be made by him as an expert is not so liable if he proves—
  - (a) that, having given his consent under the section to the issue of the prospectus, he withdrew it in writing before the delivery of a copy of the prospectus for registration; or
  - (b) that, after delivery of a copy of the prospectus for registration and before allotment under it, he, on becoming aware of the untrue statement, withdrew his consent in writing and gave reasonable public notice of the withdrawal and of the reason for it; or
  - (c) that he was competent to make the statement and that he had reasonable ground to believe, and did up to the time of the allotment of the shares or debentures (as the case may be) believe, that the statement was true.

## **69 Indemnity for innocent director or expert.**

- (1) This section applies where—
  - (a) the prospectus contains the name of a person as a director of the company, or as having agreed to become a director of it, and he has not consented to become a director, or has withdrawn his consent before the issue of the prospectus, and has not authorised or consented to its issue, or
  - (b) the consent of a person is required under section 61 to the issue of the prospectus and he either has not given that consent or has withdrawn it before the issue of the prospectus.
- (2) The directors of the company (except any without whose knowledge or consent the prospectus was issued) and any other person who authorised its issue are liable to indemnify the person named, or whose consent was required under section 61 (as the case may be), against all damages, costs and expenses to which he may be liable by reason of his name having been inserted in the prospectus or of the inclusion in it of a statement purporting to be made by him as an expert (as the case may be), or in defending himself against any action or legal proceedings brought against him in respect of it.
- (3) A person is not deemed for purposes of this section to have authorised the issue of a prospectus by reason only of his having given the consent required by section 61 to the inclusion of a statement purporting to be made by him as an expert.

*Status: Point in time view as at 05/11/2016.*

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## **70 Criminal liability for untrue statements.**

- (1) If a prospectus is issued with an untrue statement included in it, any person who authorised the issue of the prospectus is guilty of an offence and liable to imprisonment or a fine, or both, unless he proves either—
  - (a) that the statement was immaterial, or
  - (b) that he had reasonable ground to believe and did, up to the time of the issue of the prospectus, believe that the statement was true.
- (2) A person is not deemed for purposes of this section to have authorised the issue of a prospectus by reason only of his having given the consent required by section 61 to the inclusion in it of a statement purporting to be made by him as an expert.

### *Supplementary*

## **71 Interpretation for ss. 56 to 70.**

For purposes of sections 56 to 70—

- (a) a statement included in a prospectus is deemed to be untrue if it is misleading in the form and context in which it is included, and
- (b) a statement is deemed to be included in a prospectus if it is contained in it, or in any report or memorandum appearing on its face, or by reference incorporated in, or issued with, the prospectus.

## **CHAPTER II**

### ISSUES BY COMPANIES INCORPORATED, OR TO BE INCORPORATED, OUTSIDE GREAT BRITAIN

## **72 Prospectus of overseas company.**

- (1) It is unlawful for a person to issue, circulate or distribute in Great Britain any prospectus offering for subscription shares in or debentures of a company incorporated or to be incorporated outside Great Britain (whether the company has or has not established, or when formed will or will not establish, a place of business in Great Britain) unless the prospectus complies with the requirements of the next two subsections.
- (2) The prospectus must be dated and contain particulars with respect to the following matters—
  - (a) the instrument constituting or defining the constitution of the company;
  - (b) the enactments, or provisions having the force of an enactment, by or under which the incorporation of the company was effected;
  - (c) an address in Great Britain where that instrument, and those enactments or provisions, or copies of them (and, if they are in a foreign language, a translation of them certified in the prescribed manner), can be inspected;
  - (d) the date on which, and the country in which, the company was incorporated; and
  - (e) whether the company has established a place of business in Great Britain and, if so, the address of its principal office in Great Britain.
- (3) Subject to the following provisions, the prospectus must comply—



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- (a) with Part I of Schedule 3, as respects the matters to be stated in the prospectus, and
  - (b) with Part II of that Schedule, as respects the reports to be set out.
- (4) Paragraphs (a) to (c) of subsection (2) do not apply in the case of a prospectus issued more than 2 years after the company is entitled to commence business.
- (5) It is unlawful for a person to issue to any person in Great Britain a form of application for shares in or debentures of such a company or intended company as is mentioned in subsection (1) unless the form is issued with a prospectus which complies with this Chapter and the issue of which in Great Britain does not contravene section 74 or 75 below.

This subsection does not apply if it is shown that the form of application was issued in connection with a bona fide invitation to a person to enter into an underwriting agreement with respect to the shares or debentures.

- (6) This section—
- (a) does not apply to the issue to a company's existing members or debenture holders of a prospectus or form of application relating to shares in or debentures of the company, whether an applicant for shares or debentures will or will not have the right to renounce in favour of other persons; and
  - (b) except in so far as it requires a prospectus to be dated, does not apply to the issue of a prospectus relating to shares or debentures which are or are to be in all respects uniform with shares or debentures previously issued and for the time being listed on a prescribed stock exchange;
- but subject to this, it applies to a prospectus or form of application whether issued on or with reference to the formation of a company or subsequently.

**Modifications etc. (not altering text)**

C7 S. 72(2)-(4) modified by S.I. 1991/823, reg. 2(1), Sch.1

**73 Attempted evasion of s. 72 to be void.**

A condition requiring or binding an applicant for shares or debentures to waive compliance with any requirement imposed—

- (a) by subsection (2) of section 72, as regards the particulars to be contained in the prospectus, or
  - (b) by subsection (3) of that section, as regards compliance with Schedule 3,
- or purporting to affect an applicant with notice of any contract, document or matter not specifically referred to in the prospectus, is void.

**74 Prospectus containing statement by expert.**

- (1) This section applies in the case of a prospectus offering for subscription shares in or debentures of a company incorporated or to be incorporated outside Great Britain (whether it has or has not established, or when formed will or will not establish, a place of business in Great Britain), if the prospectus includes a statement purporting to be made by an expert.

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*Changes to legislation: There are currently no known outstanding effects for the Companies Act 1985, Part III. (See end of Document for details)*

- (2) It is unlawful for any person to issue, circulate or distribute in Great Britain such a prospectus if—
- (a) the expert has not given, or has before delivery of the prospectus for registration withdrawn, his written consent to the issue of the prospectus with the statement included in the form and context in which it is included, or
  - (b) there does not appear in the prospectus a statement that he has given and has not withdrawn his consent as above mentioned.
- (3) For purposes of this section, a statement is deemed to be included in a prospectus if it is contained in it, or in any report or memorandum appearing on its face, or by reference incorporated in, or issued with, the prospectus.

**Modifications etc. (not altering text)**

**C8** S. 74(2)(b) modified by S.I. 1991/823, reg. 2(1), Sch.1

**75 Restrictions on allotment to be secured in prospectus.**

- (1) It is unlawful for a person to issue, circulate or distribute in Great Britain a prospectus offering for subscription shares in or debentures of a company incorporated or to be incorporated outside Great Britain (whether the company has or has not established, or when formed will or will not establish, a place of business in Great Britain), unless the prospectus complies with the following condition.
- (2) The prospectus must have the effect, where an application is made in pursuance of it, of rendering all persons concerned bound by all the provisions (other than penal provisions) of sections 82, 86 and 87 (restrictions on allotment), so far as applicable.

**Modifications etc. (not altering text)**

**C9** S. 75 modified by S.I. 1991/823, reg. 2(1), Sch.1

**76 Stock exchange certificate exempting from compliance with Sch. 3.**

- (1) The following applies where—
- (a) it is proposed to offer to the public by a prospectus issued generally any shares in or debentures of a company incorporated or to be incorporated outside Great Britain (whether the company has or has not established, or when formed will or will not establish, a place of business in Great Britain), and
  - (b) application is made to a prescribed stock exchange for permission for those shares or debentures to be listed on that stock exchange.

“Issued generally” means issued to persons who are not existing members or debenture holders of the company.

- (2) There may on the applicant’s request be given by or on behalf of that stock exchange a certificate that, having regard to the proposals (as stated in the request) as to the size and other circumstances of the issue of shares or debentures and as to any limitation on the number and class of persons to whom the offer is to be made, compliance with Schedule 3 would be unduly burdensome.

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- (3) If a certificate is given under subsection (2), and if the proposals above mentioned are adhered to and the particulars and information required to be published in connection with the application for permission to the stock exchange are so published, then—
- (a) a prospectus giving the particulars and information in the form in which they are so required to be published is deemed to comply with Schedule 3, and
  - (b) except as respects the requirement for the prospectus to be dated, section 72 does not apply to any issue, after the permission applied for is given, of a prospectus or form of application relating to the shares or debentures.

## **77 Registration of overseas prospectus before issue.**

- (1) It is unlawful for a person to issue, circulate or distribute in Great Britain a prospectus offering for subscription shares in or debentures of a company incorporated or to be incorporated outside Great Britain (whether the company has or has not established, or when formed will or will not establish, a place of business in Great Britain), unless before the issue, circulation or distribution the requirements of this section have been complied with.
- (2) A copy of the prospectus, certified by the chairman and two other directors of the company as having been approved by resolution of the managing body, must have been delivered for registration to the registrar of companies.
- (3) The prospectus must state on the face of it that a copy has been so delivered to the registrar of companies; and the following must be endorsed on or attached to that copy of the prospectus—
  - (a) any consent to the issue of the prospectus which is required by section 74;
  - (b) a copy of any contract required by paragraph 11 of Schedule 3 to be stated in the prospectus or, in the case of a contract not reduced into writing, a memorandum giving full particulars of it; and
  - (c) where the persons making any report required by Part II of Schedule 3 have made in it or have, without giving the reasons, indicated in it any such adjustments as are mentioned in paragraph 21 of the Schedule, a written statement signed by those persons setting out the adjustments and giving the reasons for them.
- (4) If in the case of a prospectus deemed by virtue of a certificate under section 76 to comply with Schedule 3, a contract or a copy of it, or a memorandum of a contract, is required to be available for inspection in connection with application under that section to the stock exchange, a copy or (as the case may be) a memorandum of the contract must be endorsed on or attached to the copy of the prospectus delivered to the registrar for registration.
- (5) References in subsections (3)(b) and (4) to the copy of a contract are, in the case of a contract wholly or partly in a foreign language, to a copy of a translation of the contract into English, or a copy embodying a translation into English of the parts in a foreign language (as the case may be); and—
  - (a) the translation must in either case be certified in the prescribed manner to be a correct translation, and
  - (b) the reference in subsection (4) to a copy of a contract required to be available for inspection includes a copy of a translation of it or a copy embodying a translation of parts of it.

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**Modifications etc. (not altering text)**

**C10** S. 77(3) modified by S.I. 1991/823, reg. 2(1), Sch. 1

**78 Consequences (criminal and civil) of non-compliance with ss. 72-77.**

- (1) A person who is knowingly responsible for the issue, circulation or distribution of a prospectus, or for the issue of a form of application for shares or debentures, in contravention of any of sections 72 to 77 is liable to a fine.
- (2) Sections 67, 68 and 69 extend to every prospectus offering for subscription shares in or debentures of a company incorporated or to be incorporated outside Great Britain (whether the company has or has not established, or when formed will or will not establish, a place of business in Great Britain), substituting for any reference to section 61 a reference to section 74.
- (3) In the event of non-compliance with or contravention of any of the requirements of section 72(2) as regards the particulars to be contained in the prospectus, or section 72(3) as regards compliance with Schedule 3, a director or other person responsible for the prospectus incurs no liability by reason of the non-compliance or contravention if—
  - (a) as regards any matter not disclosed, he proves that he was not cognisant of it, or
  - (b) he proves that the non-compliance or contravention arose from an honest mistake of fact on his part, or
  - (c) the non-compliance or contravention was in respect of matters which, in the opinion of the court dealing with the case, were immaterial or were otherwise such as ought, in the court’s opinion, having regard to all the circumstances of the case, reasonably to be excused.
- (4) In the event of failure to include in a prospectus to which this Chapter applies a statement with respect to the matters contained in paragraph 13 of Schedule 3, no director or other person incurs any liability in respect of the failure unless it is proved that he had knowledge of the matters not disclosed.
- (5) Nothing in section 72 or 73 or this section, limits or diminishes any liability which a person may incur under the general law or this Act, apart from those provisions.

**79 Supplementary.**

- (1) Where a document by which the shares or debentures of a company incorporated outside Great Britain are offered for sale to the public would, if the company had been a company incorporated under this Act, have been deemed by virtue of section 58 to be a prospectus issued by the company, that document is deemed, for the purposes of this Chapter, a prospectus so issued.
- (2) An offer of shares or debentures for subscription or sale to a person whose ordinary business it is to buy or sell shares or debentures (whether as principal or agent) is not deemed an offer to the public for those purposes.
- (3) In this Chapter “shares” and “debentures” have the same meaning as when those expressions are used, elsewhere in this Act, in relation to a company incorporated under this Act.]

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**Status:** Point in time view as at 05/11/2016.

**Changes to legislation:** There are currently no known outstanding effects for the Companies Act 1985, Part III. (See end of Document for details)

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**Modifications etc. (not altering text)**

**C11** S. 79(2) extended by [Financial Services Act 1986 \(c. 60, SIF 69\)](#), s. 195(a)

**Status:**

Point in time view as at 05/11/2016.

**Changes to legislation:**

There are currently no known outstanding effects for the Companies Act 1985, Part III.