

## SCHEDULE 4

### INFORMATION ON RELATED UNDERTAKINGS REQUIRED WHETHER PREPARING COMPANIES ACT OR IAS ACCOUNTS

#### PART 2

#### COMPANIES NOT REQUIRED TO PREPARE GROUP ACCOUNTS

##### **Construction of references to shares held by company**

**14.**—(1) References in Parts 1 and 2 of this Schedule to shares held by a company are to be construed as follows.

(2) For the purposes of paragraphs 2, 11 and 12 (information about subsidiary undertakings)—

- (a) there must be attributed to the company any shares held by a subsidiary undertaking, or by a person acting on behalf of the company or a subsidiary undertaking; but
- (b) there must be treated as not held by the company any shares held on behalf of a person other than the company or a subsidiary undertaking.

(3) For the purposes of paragraphs 4 to 6 (information about undertakings other than subsidiary undertakings)—

- (a) there must be attributed to the company shares held on its behalf by any person; but
- (b) there must be treated as not held by a company shares held on behalf of a person other than the company.

(4) For the purposes of any of those provisions, shares held by way of security must be treated as held by the person providing the security—

- (a) where apart from the right to exercise them for the purpose of preserving the value of the security, or of realising it, the rights attached to the shares are exercisable only in accordance with that person's instructions, and
- (b) where the shares are held in connection with the granting of loans as part of normal business activities and apart from the right to exercise them for the purpose of preserving the value of the security, or of realising it, the rights attached to the shares are exercisable only in that person's interests.