



# Companies Act 1985

## 1985 CHAPTER 6

### PART VI

#### DISCLOSURE OF INTERESTS IN SHARES

##### *Registration and investigation of share acquisitions and disposals*

#### **211 Register of interests in shares**

- (1) Every public company shall keep a register for purposes of sections 198 to 202, and whenever the company receives information from a person in consequence of the fulfilment of an obligation imposed on him by any of those sections, it is under obligation to inscribe in the register, against that person's name, that information and the date of the inscription.
- (2) Without prejudice to subsection (1), where a company receives a notification under this Part which includes a statement that the person making the notification, or any other person, has ceased to be a party to an agreement to which section 204 applies, the company is under obligation to record that information against the name of that person in every place where his name appears in the register as a party to that agreement (including any entry relating to him made against another person's name).
- (3) An obligation imposed by subsection (1) or (2) must be fulfilled within the period of 3 days next following the day on which it arises.
- (4) The company is not, by virtue of anything done for the purposes of this section, affected with notice of, or put upon enquiry as to, the rights of any person in relation to any shares.
- (5) The register must be so made up that the entries against the several names entered in it appear in chronological order.
- (6) Unless the register is in such form as to constitute in itself an index, the company shall keep an index of the names entered in the register which shall in respect of each name contain a sufficient indication to enable the information entered against it to be readily

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found; and the company shall, within 10 days after the date on which a name is entered in the register, make any necessary alteration in the index.

- (7) If the company ceases to be a public company it shall continue to keep the register and any associated index until the end of the period of 6 years beginning with the day next following that on which it ceases to be such a company.
- (8) The register and any associated index—
  - (a) shall be kept at the place at which the register required to be kept by the company by section 325 (register of directors' interests) is kept, and
  - (b) subject to the next subsection, shall be available for inspection in accordance with section 219 below.
- (9) Neither the register nor any associated index shall be available for inspection in accordance with that section in so far as it contains information with respect to a company for the time being entitled to avail itself of the benefit conferred by paragraph 3 or 10 of Schedule 5 (disclosure of shareholdings not required if it would be harmful to company's business).
- (10) If default is made in complying with subsection (1) or (2), or with any of subsections (5) to (7), the company and every officer of it who is in default is liable to a fine and, for continued contravention, to a daily default fine.
- (11) Any register kept by a company immediately before 15th June 1982 under section 34 of the Companies Act 1967 shall continue to be kept by the company under and for the purposes of this section.

## **212 Company investigations**

- (1) A public company may by notice in writing require a person whom the company knows or has reasonable cause to believe to be or, at any time during the 3 years immediately preceding the date on which the notice is issued, to have been interested in shares comprised in the company's relevant share capital—
  - (a) to confirm that fact or (as the case may be) to indicate whether or not it is the case, and
  - (b) where he holds or has during that time held an interest in shares so comprised, to give such further information as may be required in accordance with the following subsection.
- (2) A notice under this section may require the person to whom it is addressed—
  - (a) to give particulars of his own past or present interest in shares comprised in relevant share capital of the company (held by him at any time during the 3-year period mentioned in subsection (1)),
  - (b) where the interest is a present interest and any other interest in the shares subsists or, in any case, where another interest in the shares subsisted during that 3-year period at any time when his own interest subsisted, to give (so far as lies within his knowledge) such particulars with respect to that other interest as may be required by the notice,
  - (c) where his interest is a past interest, to give (so far as lies within his knowledge) particulars of the identity of the person who held that interest immediately upon his ceasing to hold it
- (3) The particulars referred to in subsection (2)(a) and (b) include particulars of the identity of persons interested in the shares in question and of whether persons

interested in the same shares are or were parties to any agreement to which section 204 applies or to any agreement or arrangement relating to the exercise of any rights conferred by the holding of the shares.

- (4) A notice under this section shall require any information given in response to the notice to be given in writing within such reasonable time as may be specified in the notice.
- (5) Sections 203 to 205 and 208 apply for the purpose of construing references in this section to persons interested in shares and to interests in shares respectively, as they apply in relation to sections 198 to 201 (but with the omission of any reference to section 209).
- (6) This section applies in relation to a person who has or previously had, or is or was entitled to acquire, a right to subscribe for shares in a public company which would on issue be comprised in relevant share capital of that company as it applies in relation to a person who is or was interested in shares so comprised; and references above in this section to an interest in shares so comprised and to shares so comprised are to be read accordingly in any such case as including respectively any such right and shares which would on issue be so comprised.

### **213 Registration of interests disclosed under s. 212**

- (1) Whenever in pursuance of a requirement imposed on a person under section 212 a company receives information to which this section applies relating to shares comprised in its relevant share capital, it is under obligation to enter against the name of the registered holder of those shares, in a separate part of its register of interests in shares—
  - (a) the fact that the requirement was imposed and the date on which it was imposed, and
  - (b) any information to which this section applies received in pursuance of the requirement.
- (2) This section applies to any information received in pursuance of a requirement imposed by section 212 which relates to the present interests held by any persons in shares comprised in relevant share capital of the company in question.
- (3) Subsections (3) to (10) of section 211 apply in relation to any part of the register maintained in accordance with subsection (1) of this section as they apply in relation to the remainder of the register, reading references to subsection (1) of that section to include subsection (1) of this.
- (4) In the case of a register kept by a company immediately before 15th June 1982 under section 34 of the Companies Act 1967, any part of the register so kept for the purposes of section 27 of the Companies Act 1976 shall continue to be kept by the company under and for the purposes of this section.

### **214 Company investigation on requisition by members**

- (1) A company may be required to exercise its powers under section 212 on the requisition of members of the company holding at the date of the deposit of the requisition not less than one-tenth of such of the paid-up capital of the company as carries at that date the right of voting at general meetings of the company.
- (2) The requisition must—

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- (a) state that the requisitionists are requiring the company to exercise its powers under section 212,
  - (b) specify the manner in which they require those powers to be exercised, and
  - (c) give reasonable grounds for requiring the company to exercise those powers in the manner specified,
- and must be signed by the requisitionists and deposited at the company's registered office.
- (3) The requisition may consist of several documents in like form each signed by one or more requisitionists.
  - (4) On the deposit of a requisition complying with this section it is the company's duty to exercise its powers under section 212 in the manner specified in the requisition.
  - (5) If default is made in complying with subsection (4), the company and every officer of it who is in default is liable to a fine.

## **215 Company report to members**

- (1) On the conclusion of an investigation carried out by a company in pursuance of a requisition under section 214, it is the company's duty to cause a report of the information received in pursuance of that investigation to be prepared, and the report shall be made available at the company's registered office within a reasonable period after the conclusion of that investigation.
- (2) Where—
  - (a) a company undertakes an investigation in pursuance of a requisition under section 214, and
  - (b) the investigation is not concluded before the end of 3 months beginning with the date immediately following the date of the deposit of the requisition,it is the duty of the company to cause to be prepared, in respect of that period and each successive period of 3 months ending before the conclusion of the investigation, an interim report of the information received during that period in pursuance of the investigation. Each such report shall be made available at the company's registered office within a reasonable period after the end of the period to which it relates.
- (3) The period for making any report prepared under this section available as required by subsection (1) or (2) shall not exceed 15 days.
- (4) Such a report shall not include any information with respect to a company entitled to avail itself of the benefit conferred by paragraph 3 or 10 of Schedule 5 (disclosure of shareholdings not required if it would be harmful to company's business); but where any such information is omitted, that fact shall be stated in the report.
- (5) The company shall, within 3 days of making any report prepared under this section available at its registered office, notify the requisitionists that the report is so available.
- (6) An investigation carried out by a company in pursuance of a requisition under section 214 is regarded for purposes of this section as concluded when the company has made all such inquiries as are necessary or expedient for the purposes of the requisition and in the case of each such inquiry, either a response has been received by the company or the time allowed for a response has elapsed.
- (7) A report prepared under this section—

- (a) shall be kept at the company's registered office from the day on which it is first available there in accordance with subsection (1) or (2) until the expiration of 6 years beginning with the day next following that day, and
  - (b) shall be available for inspection in accordance with section 219 below so long as it is so kept
- (8) If default is made in complying with subsection (1), (2), (5) or (7)(a), the company and every officer of it who is in default is liable to a fine.

## **216 Penalty for failure to provide information**

- (1) Where notice is served by a company under section 212 on a person who is or was interested in shares of the company and that person fails to give the company any information required by the notice within the time specified in it, the company may apply to the court for an order directing that the shares in question be subject to the restrictions of Part XV of this Act.
- (2) Such an order may be made by the court notwithstanding any power contained in the applicant company's memorandum or articles enabling the company itself to impose similar restrictions on the shares in question.
- (3) Subject to the following subsections, a person who fails to comply with a notice under section 212 or who, 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 is guilty of an offence and liable to imprisonment or a fine, or both.
- Section 733(2) and (3) of this Act (liability of individuals for corporate default) apply to offences under this subsection.
- (4) A person is not guilty of an offence by virtue of failing to comply with a notice under section 212 if he proves that the requirement to give the information was frivolous or vexatious.
- (5) A person is not obliged to comply with a notice under section 212 if he is for the time being exempted by the Secretary of State from the operation of that section; but the Secretary of State shall not grant any such exemption unless—
- (a) he has consulted with the Governor of the Bank of England, and
  - (b) he (the Secretary of State) is satisfied that, having regard to any undertaking given by the person in question with respect to any interest held or to be held by him in any shares, there are special reasons why that person should not be subject to the obligations imposed by that section.

## **217 Removal of entries from register**

- (1) A company may remove an entry against a person's name from its register of interests in shares if more than 6 years have elapsed since the date of the entry being made, and either—
- (a) that entry recorded the fact that the person in question had ceased to have an interest notifiable under this Part in relevant share capital of the company, or
  - (b) it has been superseded by a later entry made under section 211 against the same person's name;

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and in a case within paragraph (a) the company may also remove that person's name from the register.

- (2) If a person in pursuance of an obligation imposed on him by any provision of this Part gives to a company the name and address of another person as being interested in shares in the company, the company shall, within 15 days of the date on which it was given that information, notify the other person that he has been so named and shall include in that notification—
  - (a) particulars of any entry relating to him made, in consequence of its being given that information, by the company in its register of interests in shares, and
  - (b) a statement informing him of his right to apply to have the entry removed in accordance with the following provisions of this section.
- (3) A person who has been notified by a company in pursuance of subsection (2) that an entry relating to him has been made in the company's register of interests in shares may apply in writing to the company for the removal of that entry from the register; and the company shall remove the entry if satisfied that the information in pursuance of which the entry was made was incorrect.
- (4) If a person who is identified in a company's register of interests in shares as being a party to an agreement to which section 204 applies (whether by an entry against his own name or by an entry relating to him made against another person's name as mentioned in subsection (2)(a)) ceases to be a party to that agreement, he may apply in writing to the company for the inclusion of that information in the register; and if the company is satisfied that he has ceased to be a party to the agreement, it shall record that information (if not already recorded) in every place where his name appears as a party to that agreement in the register.
- (5) If an application under subsection (3) or (4) is refused (in a case within subsection (4), otherwise than on the ground that the information has already been recorded) the applicant may apply to the court for an order directing the company to remove the entry in question from the register or (as the case may be) to include the information in question in the register; and the court may, if it thinks fit, make such an order.
- (6) Where a name is removed from a company's register of interests in shares in pursuance of subsection (1) or (3) or an order under subsection (5), the company shall within 14 days of the date of that removal make any necessary alteration in any associated index.
- (7) If default is made in complying with subsection (2) or (6), the company and every officer of it who is in default is liable to a fine and, for continued contravention, to a daily default fine.

## **218 Otherwise, entries not to be removed**

- (1) Entries in a company's register of interests in shares shall not be deleted except in accordance with section 217.
- (2) If an entry is deleted from a company's register of interests in shares in contravention of subsection (1), the company shall restore that entry to the register as soon as is reasonably practicable.
- (3) If default is made in complying with subsection (1) or (2), the company and every officer of it who is in default is liable to a fine and, for continued contravention of subsection (2), to a daily default fine.

## **219 Inspection of register and reports**

- (1) Any register of interests in shares and any report which is required by section 215(7) to be available for inspection in accordance with this section shall, during business hours (subject to such reasonable restrictions as the company may in general meeting impose, but so that not less than 2 hours in each day are allowed for inspection) be open to the inspection of any member of the company or of any other person without charge.
- (2) Any such member or other person may require a copy of any such register or report, or any part of it, on payment of 10 pence or such less sum as the company may prescribe, for every 100 words or fractional part of 100 words required to be copied ; and the company shall cause any copy so required by a person to be sent to him before the expiration of the period of 10 days beginning with the day next following that on which the requirement is received by the company.
- (3) If an inspection required under this section is refused or a copy so required is not sent within the proper period, the company and every officer of it who is in default is liable to a fine and, for continued contravention, to a daily default fine.
- (4) In the case of a refusal of an inspection required under this section of any register or report, the court may by order compel an immediate inspection of it; and in the case of failure to send a copy required under this section, the court may by order direct that the copy required shall be sent to the person requiring it.
- (5) The Secretary of State may by regulations made by statutory instrument substitute a sum specified in the regulations for the sum for the time being mentioned in subsection (2).