



Companies Act 1985

1985 CHAPTER 6

PART XA

CONTROL OF POLITICAL DONATIONS

^{F1}347C Prohibition on donations and political expenditure by companies.

- (1) A company must not—
- (a) make any donation to any registered party or to any other EU political organisation, or
 - (b) incur any EU political expenditure,
- unless the donation or expenditure is authorised by virtue of an approval resolution passed by the company in general meeting before the relevant time.

This subsection has effect subject to section 347D(3).

- (2) For the purposes of this section an approval resolution is a qualifying resolution which authorises the company to do either (or both) of the following, namely—
- (a) make donations to EU political organisations not exceeding in total a sum specified in the resolution, or
 - (b) incur EU political expenditure not exceeding in total a sum so specified, during the requisite period beginning with the date of the resolution.
- (3) In subsection (2)—
- (a) “qualifying resolution” means an ordinary resolution or, if the directors so determine or the articles so require—
 - (i) a special resolution, or
 - (ii) a resolution passed by any percentage of the members greater than that required for an ordinary resolution;
 - (b) “the requisite period” means four years or such shorter period as the directors may determine or the articles may require;

Status: Point in time view as at 16/02/2001. This version of this provision has been superseded.

Changes to legislation: There are currently no known outstanding effects for the Companies Act 1985, Section 347C. (See end of Document for details)

and the directors may make a determination for the purposes of paragraph (a) or (b) above except where any provision of the articles operates to prevent them from doing so.

- (4) The resolution must be expressed in general terms conforming with subsection (2), and accordingly may not purport to authorise particular donations or expenditure.
- (5) Where a company makes any donation or incurs any expenditure in contravention of subsection (1), no ratification or other approval made or given by the company or its members after the relevant time is capable of operating to nullify that contravention.
- (6) Nothing in this section enables a company to be authorised to do anything that it could not lawfully do apart from this section.

Textual Amendments

F1 Pt. XA (ss. 347A-347K) inserted (16.2.2001) by 2000 c. 41, s. 139, **Sch. 19** (with s. 156(6), Sch. 3 para. 12); S.I. 2001/222, art. 2, **Sch. 1 Pt. I** (subject to transitional provisions in Sch. 1 Pt. II)

Modifications etc. (not altering text)

C1 S. 347C(1) restricted (16.2.2001) by S.I. 2001/445, art. 2

Status:

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Changes to legislation:

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