



# Financial Services Act 1986

## 1986 CHAPTER 60

### PART V

#### OFFERS OF UNLISTED SECURITIES

#### **168 Persons responsible for prospectus**

- (1) For the purposes of this Part of this Act the persons responsible for a prospectus or supplementary prospectus are—
- (a) the issuer of the securities to which the prospectus or supplementary prospectus relates;
  - (b) where the issuer is a body corporate, each person who is a director of that body at the time when the prospectus or supplementary prospectus is delivered for registration;
  - (c) where the issuer is a body corporate, each person who has authorised himself to be named, and is named, in the prospectus or supplementary prospectus as a director or as having agreed to become a director of that body either immediately or at a future time ;
  - (d) each person who accepts, and is stated in the prospectus or supplementary prospectus as accepting, responsibility for, or for any part of, the prospectus or supplementary prospectus;
  - (e) each person not falling within any of the foregoing paragraphs who has authorised the contents of, or of any part of, the prospectus or supplementary prospectus.
- (2) A person is not responsible under subsection (1)(a), (b) or (c) above unless the issuer has made or authorised the offer in relation to which the prospectus or supplementary prospectus was delivered for registration; and a person is not responsible for a prospectus or supplementary prospectus by virtue of subsection (1)(b) above if it is delivered for registration without his knowledge or consent and on becoming aware of its delivery he forthwith gives reasonable public notice that it was delivered without his knowledge or consent.

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*Status: This is the original version (as it was originally enacted).*

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- (3) Where a person has accepted responsibility for, or authorised, only part of the contents of any prospectus or supplementary prospectus he is responsible under subsection (1) (d) or (e) above for only that part and only if it is included in (or substantially in) the form and context to which he has agreed.
- (4) Where a prospectus or supplementary prospectus relates to securities which are to be issued in connection with an offer by (or by a wholly-owned subsidiary of) the issuer for, or an agreement for the acquisition by (or by a wholly-owned subsidiary of) the issuer of, securities issued by another person or in connection with any arrangement whereby the whole of the undertaking of another person is to become the undertaking of the issuer (of a wholly-owned subsidiary of the issuer or of a body corporate which will become such a subsidiary by virtue of the arrangement) then if—
- (a) that other person; and
  - (b) where that other person is a body corporate, each person who is a director of that body at the time when the prospectus or supplementary prospectus is delivered for registration and each other person who has authorised himself to be named, and is named, in the prospectus or supplementary prospectus as a director of that body,
- is responsible by virtue of paragraph (d) of subsection (1) above for any part of the prospectus or supplementary prospectus relating to that other person or to the securities or undertaking to which the offer, agreement or arrangement relates, no person shall be responsible for that part under paragraph (a), (b) or (c) of that subsection but without prejudice to his being responsible under paragraph (d).
- (5) Neither paragraph (b) nor paragraph (c) of subsection (1) above nor paragraph (b) of subsection (4) above applies in the case of any director if the prospectus or supplementary prospectus is subject to the rules of an approved exchange by virtue of section 162(3) above and he is certified by the exchange as a person to whom that paragraph should not apply by reason of his having an interest, or of any other circumstances, making it inappropriate for him to be responsible by virtue of that paragraph.
- (6) In this section " wholly-owned subsidiary ", in relation to a person other than a body corporate, means any body corporate that would be his wholly-owned subsidiary if he were a body corporate.
- (7) Nothing in this section shall be construed as making a person responsible for any prospectus or supplementary prospectus by reason only of giving advice as to its contents in a professional capacity.
- (8) Where by virtue of this section the issuer of any shares pays or is liable to pay compensation under section 166 above for loss suffered in respect of shares for which a person has subscribed no account shall be taken of that liability or payment in determining any question as to the amount paid on subscription for those shares or as to the amount paid up or deemed to be paid up on them.