



# Companies Act 1948

1948 CHAPTER 38 11 and 12 Geo 6

## PART IV

MANAGEMENT AND ADMINISTRATION.

*Directors and other Officers.*

### **181 Restrictions on appointment or advertisement of director.**

- (1) A person shall not be capable of being appointed director of a company by the articles, and shall not be named as a director or proposed director of a company in a prospectus issued by or on behalf of the company, or as proposed director of an intended company in a prospectus issued in relation to that intended company, or in a statement in lieu of prospectus delivered to the registrar by or on behalf of a company, unless, before the registration of the articles or the publication of the prospectus or the delivery of the statement in lieu of prospectus, as the case may be, he has by himself or by his agent authorised in writing—
- (a) signed and delivered to the registrar of companies for registration a consent in writing to act as such director; and
  - (b) either—
    - (i) signed the memorandum for a number of shares not less than his qualification, if any; or
    - (ii) taken from the company and paid or agreed to pay for his qualification shares, if any; or
    - (iii) signed and delivered to the registrar for registration an undertaking in writing to take from the company and pay for his qualification shares, if any; or
    - (iv) made and delivered to the registrar for registration a statutory declaration to the effect that a number of shares, not less than his qualification, if any, are registered in his name.

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*Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.*

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- (2) Where a person has signed and delivered as aforesaid an undertaking to take and pay for his qualification shares, he shall, as regards those shares, be in the same position as if he had signed the memorandum for that number of shares.
- (3) References in this section to the share qualification of a director or proposed director shall be construed as including only a share qualification required on appointment or within a period determined by reference to the time of appointment, and references therein to qualification shares shall be construed accordingly.
- (4) On the application for registration of the memorandum and articles of a company, the applicant shall deliver to the registrar a list of the persons who have consented to be directors of the company, and, if this list contains the name of any person who has not so consented, the applicant shall be liable to a fine not exceeding fifty pounds.
- (5) This section shall not apply to—
  - (a) a company not having a share capital; or
  - (b) a private company; or
  - (c) a company which was a private company before becoming a public company; or
  - (d) a prospectus issued by or on behalf of a company after the expiration of one year from the date on which the company was entitled to commence business.