

1990 No. 1393

COMPANIES

The Companies (Fair Dealing by Directors)
(Increase in Financial Limits) Order 1990

<i>Made - - - -</i>	<i>9th July 1990</i>
<i>Laid before Parliament</i>	<i>10th July 1990</i>
<i>Coming into force</i>	<i>31st July 1990</i>

The Secretary of State in exercise of the power conferred by section 345(1) of the Companies Act 1985(a) hereby makes the following Order:

Citation and Commencement

1. This Order may be cited as the Companies (Fair Dealing by Directors) (Increase in Financial Limits) Order 1990 and shall come into force on 31st July 1990.

Increase in Financial Limits

2. Part X of the Companies Act 1985 (enforcement of fair dealing by directors) shall be amended as follows:—

- (a) in section 320(2) (substantial property transactions involving directors, etc) for “£1,000” substitute “£2,000” and for “£50,000” substitute “£100,000”;
- (b) in section 335(1) (minor and business transactions) for “£5,000” substitute “£10,000”;
- (c) in section 337(3) (funding of director’s expenditure on duty to company) for “£10,000” substitute “£20,000”;
- (d) in section 340(7) (“value” of transactions and arrangements) for “£50,000” substitute “£100,000”; and
- (e) in section 344(1) (exceptions from section 343) for “£1,000” substitute “£2,000”.

9th July 1990

John Redwood
Parliamentary Under Secretary of State,
Department of Trade and Industry

EXPLANATORY NOTE

(This note is not part of the Order)

This Order increases certain of the financial limits specified in Part X of the Companies Act 1985 (enforcement of fair dealing by directors). The limits in question are the sums specified in sections 320(2), 335(1), 337(3), 340(7), and 344(1). In each case, the sum specified is doubled. Section 138 of the Companies Act 1989 (c.40) provides for increases in the other financial limits (relating to loans etc to directors) specified in Part X of the Companies Act 1985.

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