1987 No. 208

COMPANIES

Companies (Disclosure of Directors' Interests) (Exceptions) Regulations (Northern Ireland) 1987

Made	*29th April 1987*
Coming into operation . .	*5th June 1987*

The Department of Economic Development, in exercise of the powers conferred on it by Article 332(3) of the Companies (Northern Ireland) Order 1986(**a**) and of every other power enabling it in that behalf, hereby makes the following regulations:

Citation, commencement and interpretation

1.—(1) These regulations may be cited as the Companies (Disclosure of Directors' Interests) (Exceptions) Regulations (Northern Ireland) 1987 and shall come into operation on 5th June 1987.

(2) In these regulations "the Order" means the Companies (Northern Ireland) Order 1986.

Revocations

2. The Companies (Disclosure of Directors' Interests) (Exceptions) No. 1 Regulations (Northern Ireland) 1979(**b**), the Companies (Disclosure of Directors' Interests) (Exceptions) No. 2 Regulations (Northern Ireland) 1979(**c**) and the Companies (Disclosure of Directors' Interests) (Exceptions) No. 3 Regulations (Northern Ireland) 1979(**d**) are hereby revoked.

Exceptions from notification requirements (for certain classes of interest)

3. Article 332(1) and (2) of the Order shall not require notification of—

(*a*) interests in shares in, or debentures of, a society registered under the Industrial and Provident Societies Act (Northern Ireland) 1969(**e**) or deemed to be so registered by virtue of section 4 of that Act;

(*b*) interests in shares or debentures of a person in his capacity as trustee of, or as a beneficiary under, a trust relating exclusively to—

(i) any retirement benefits scheme which is an approved scheme or a statutory scheme as defined in section 26(1) of the Finance Act 1970(**f**), and any retirement benefit scheme which is treated as being two or more separate retirement benefit schemes under

(a) S.I. 1986/1032 (N.I. 6)
(b) S.R. 1979 No. 226
(c) S.R. 1979 No. 227
(d) S.R. 1979 No. 228
(e) 1969 c. 24 (N.I.)
(f) 1970 c. 24

section 25(3) of that Act where any of those separate schemes is an approved scheme or a statutory scheme, or

(ii) a superannuation fund to which section 36 of the Finance Act 1980(**a**) applies;

(*c*) any event occurring in relation to any such shares or debentures as are mentioned in sub-paragraph (*a*), or in relation to any person in any such capacity as is mentioned in sub-paragraph (*b*);

(*d*) interests in shares or debentures which a person is taken to have under paragraph 4 of Part I of Schedule 13 to the Order where the body corporate referred to in that paragraph is interested in those shares or debentures in its capacity as trustee of any such trust as is mentioned in sub-paragraph (*b*);

(*e*) any event occurring in relation to any person as a result of which he is taken to have any such interest as is mentioned in sub-paragraph (*d*);

(*f*) interests in shares in a body corporate which arise solely on account of any limitation imposed by the memorandum or articles of association of the body corporate on a person's right to dispose of a share.

Exceptions from notification to certain companies

4. Article 332(1) and (2) of the Order shall not require notification—

(*a*) to a company which is the wholly-owned subsidiary of a body corporate incorporated outside Northern Ireland, of interests in shares in, or debentures of, that body corporate or any other body corporate so incorporated, or of any event occurring in relation to any such shares or debentures;

(*b*) to a company by a director of that company who is also a director of a body corporate of which that company is a wholly-owned subsidiary and which is itself required to keep a register under Article 333(1) of the Order, of interests in any shares or debentures or of any event occurring in relation to any shares or debentures.

Sealed with the Official Seal of the Department of Economic Development on 29th April 1987.

(L.S.) *Joan Dixon*
Assistant Secretary

(a) 1980 c. 48

EXPLANATORY NOTE

(This note is not part of the Regulations.)

Article 332 of the Companies (Northern Ireland) Order 1986 (''the Order'') obliges company directors to disclose interests in, and certain matters connected with, shares and debentures of their company and associated companies. Directors who fail to comply with these disclosure requirements or who make false statements in purported compliance with them are liable, under Article 332(7) of the Order, on conviction on indictment to 2 years imprisonment or a fine or both, or on summary conviction to 6 months imprisonment or a fine of £2,000 or both.

The Order makes provision for exceptions to the disclosure requirements of Article 332 to be made by regulations, and these regulations except a director's interests:

(*a*) in shares or debentures of an Industrial and Provident Society registered under the Industrial and Provident Societies Act (Northern Ireland) 1969;

(*b*) in trusts (whether as trustee or beneficiary) relating exclusively to approved or statutory schemes (as defined in section 26(1) of the Finance Act 1970) or superannuation funds to which section 36 of the Finance Act 1980 applies. These statutory provisions have effect in place of the statutory provisions referred to in the Companies (Disclosure of Directors' Interests) (Exceptions) No. 2 Regulations (Northern Ireland) 1979;

(*c*) arising from the application of paragraph 4 of Schedule 13 to the Order (interests of body corporate over which director has influence) where the body corporate's interests are held in a capacity as trustee in such a trust as is mentioned in (*b*);

(*d*) arising solely on account of a limitation imposed by the memorandum or articles of association of a body corporate on the right to dispose of shares.

The regulations also relieve the directors of wholly-owned subsidiaries of the obligation:

(*a*) to notify the subsidiary company of interests in its holding company, if the holding company is incorporated outside Northern Ireland;

(*b*) to notify the subsidiary company of interests in any other companies incorporated outside Northern Ireland;

(*c*) to notify the subsidiary company of any interests in shares or debentures or of the occurrence of any event in relation to any shares or debentures where the director is also a director of the holding company, which is itself required to keep a register of directors' interests under Article 333(1) of the Order.

The present regulations revoke and replace those Companies (Disclosure of Directors' Interests) (Exceptions) Regulations (Northern Ireland) listed in regulation 2.