

1992 No. 257

COMPANIES

**Companies (Disclosure of Interests in Shares) (Orders
Imposing Restrictions on Shares) Regulations
(Northern Ireland) 1992**

Made 3rd June 1992

Coming into operation 3rd August 1992

*To be laid before Parliament under paragraph 3(3) of
Schedule 1 to the Northern Ireland Act 1974*

The Department of Economic Development in exercise of the powers conferred on it by Article 70(1) and (3) of the Companies (No. 2) (Northern Ireland) Order 1990(a) and of every other power enabling it in that behalf hereby makes the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Companies (Disclosure of Interests in Shares) (Orders Imposing Restrictions on Shares) Regulations (Northern Ireland) 1992 and shall come into operation on 3rd August 1992.

Interpretation

2. In these Regulations a reference to a numbered Article shall be construed as a reference to a numbered Article of the Companies (Northern Ireland) Order 1986(b).

Amendments of Articles 218 and 224 of the Companies (Northern Ireland) Order 1986

3. In Article 218, after paragraph (5) (orders imposing restrictions on shares following conviction of an offence under Article 218), insert the following paragraph—

“(5A) If the Department is satisfied that an order under paragraph (5) may unfairly affect the rights of third parties in respect of shares then the Department, for the purpose of protecting such rights and subject to such terms as it thinks fit, may direct that such acts by such persons and for such purposes as may be set out in the order, shall not constitute a breach of the restrictions of Part XVI.”.

(a) S.I. 1990/1504 (N.I. 10)

(b) S.I. 1986/1032 (N.I. 6)

4. In Article 224 (penalty for failure to provide information required by a company by a notice under Article 220)—

(a) after paragraph (1) insert the following paragraphs—

“(1A) On an application made under paragraph (1) the court may make an interim order and any such order may be made unconditionally or on such terms as the court thinks fit.

(1B) If the court is satisfied that an order under paragraph (1) may unfairly affect the rights of third parties in respect of shares then the court, for the purpose of protecting such rights and subject to such terms as it thinks fit, may direct that such acts by such persons and for such purposes as may be set out in the order, shall not constitute a breach of the restrictions of Part XVI.”;

(b) for the words “Such an order” at the beginning of paragraph (2), substitute “An order under this Article”.

Amendments of Article 438 of the Companies (Northern Ireland) Order 1986

5. In Article 438 (orders imposing restrictions on shares in connection with investigations of companies and their affairs)—

(a) after paragraph (1) insert the following paragraph—

“(1A) If the Department is satisfied that an order under paragraph (1) may unfairly affect the rights of third parties in respect of shares then the Department, for the purpose of protecting such rights and subject to such terms as it thinks fit, may direct that such acts by such persons and for such purposes as may be set out in the order, shall not constitute a breach of the restrictions of Part XVI.”;

(b) at the end of paragraph (2) insert “save that paragraph (1A) shall not so apply.”.

Amendments of Part XVI of the Companies (Northern Ireland) Order 1986

6. In Article 447 (consequence of order imposing restrictions on shares)—

(a) in paragraph (1) after “this Part” insert “then, subject to any directions made in relation to an order pursuant to Articles 218(5A), 224(1B), 438(1A) or 449(1A) or subject in the case of an interim order pursuant to Article 224(1A) to the terms of that order”;

(b) in paragraph (2) after “except” insert “such agreement or right as may be made or exercised under the terms of directions made by the Department or the court under Articles 218(5A), 224(1B), 438(1A), 449(1A) or of an interim order made under Article 224(1A) or”;

(c) in paragraph (3) after “except” insert “such agreement or right as may be made or exercised under the terms of directions made by the Department or the court under Articles 218(5A), 224(1B), 438(1A), 449(1A) or of an interim order made under Article 224(1A) or”.

7. In Article 448 (punishment for attempted evasion of restrictions)—

(a) in paragraph (1) at the beginning insert “Subject to the terms of any directions made under Articles 218(5A), 224(1B), 438(1A) or 449 or of an interim order made under Article 224(1A)”;

(b) in paragraph (2) at the beginning insert "Subject to the terms of any directions made under Articles 218(5A), 224(1B), 438(1A) or 449 or of an interim order made under Article 224(1A)".

8. In Article 449 (relaxation and removal of restrictions)—

(a) after paragraph (1) insert the following paragraph—

"(1A) Where the court is satisfied that an order subjecting the shares to the restrictions of this Part unfairly affects the rights of third parties in respect of shares then the court, for the purpose of protecting such rights and subject to such terms as it thinks fit and in addition to any order it may make under paragraph (1), may direct on an application made under that paragraph that such acts by such persons and for such purposes as may be set out in the order, shall not constitute a breach of the restrictions of Part XVI.

Paragraph (3) does not apply to an order made under this paragraph."

(b) in paragraph (4) at the beginning insert "Without prejudice to the power of the court to give directions under paragraph (1A),".

9. The power of the court to give a direction under Article 449(1A) as inserted by regulation 8, shall be exercisable in respect of any order made under Article 218(5), 224(1) or 438(1), including such orders as may be in force upon the coming into operation of these Regulations.

Sealed with the Official Seal of the Department of Economic Development on 3rd June 1992.

(L.S.)

A. H. McAlister

Assistant Secretary

EXPLANATORY NOTE

(This note is not part of the Regulations.)

These Regulations amend Articles 218, 224 and 438 and Part XVI (orders imposing restrictions on shares) of the Companies (Northern Ireland) Order 1986 ("the Order") so as to permit orders imposing restrictions on shares to be made in a form protecting the rights of third parties. The Regulations also amend Part VII of the Order with respect to the making of interim orders by a court and further amend Part XVI of the Order with respect to the circumstances in which restrictions imposed upon shares may be relaxed or removed.

Transitional provision is made with respect to subsisting orders of the court or the Department of Economic Development which impose restrictions on shares.