
STATUTORY INSTRUMENTS

1991 No. 823

FINANCIAL SERVICES

**The Companies Act 1985 (Mutual
Recognition of Prospectuses) Regulations 1991**

<i>Made</i>	- - - -	<i>25th March 1991</i>
<i>Laid before Parliament</i>		<i>27th March 1991</i>
<i>Coming into force</i>	- -	<i>17th April 1991</i>

The Secretary of State, being designated⁽¹⁾ for the purposes of section 2(2) of the European Communities Act 1972⁽²⁾ in relation to measures relating to prospectuses on offers of transferable securities to the public, in exercise of the powers conferred on him by the said section 2(2) hereby makes the following Regulations:

1.—(1) These Regulations may be cited as the Companies Act 1985 (Mutual Recognition of Prospectuses) Regulations 1991 and shall come into force on 17th April 1991.

(2) In these Regulations—

- (a) “the 1985 Act” means the Companies Act 1985⁽³⁾;
- (b) “member State” means a member State of the European Economic Community;
- (c) “recognised prospectus” means a prospectus relating to shares in or debentures of a body corporate which has been approved in accordance with Article 20 of Council Directive [89/298/EEC](#)⁽⁴⁾ in another member State and satisfies the conditions set out in subparagraphs (a) to (c) of regulation 2(1) below as supplemented by the information added to the prospectus pursuant to subparagraph (c) of the said regulation 2(1) and, where the prospectus has been translated into English, as translated into English; and
- (d) “registrar of companies” has the same meaning as in the 1985 Act.

2.—(1) Where a prospectus has been approved in accordance with Article 20 of Council Directive [89/298/EEC](#) in another member State it shall, subject to paragraph (2) below, be deemed to comply for all purposes with the provisions of the 1985 Act referred to in Schedule 1 to these Regulations insofar as those provisions require information to be included in a prospectus provided that:

(1) S.I. 1989/2393.

(2) 1972 c. 68.

(3) 1985 c. 6.

(4) OJ No. L 124, 5.5. 1989, p.8.

- (a) where the prospectus as approved in the other member State was written in a language other than English, the prospectus has been translated into English and the translation has been certified to be a correct translation in the manner prescribed in regulation 6 of the Companies (Forms) Regulations 1985⁽⁵⁾;
- (b) the offer of shares or debentures to which the prospectus relates is made in the United Kingdom simultaneously with the making of the offer in the member State where the prospectus was approved or within a short interval of the making of that offer; and
- (c) there is added to the information contained in the prospectus as approved in the other member State such of the information referred to in Schedule 2 to these Regulations as is not included in the prospectus as so approved.

(2) Where, prior to the registration with the registrar of companies of a prospectus which has been approved in another member State, a supplement to the prospectus has been approved pursuant to Article 23 of Council Directive 80/390/EEC⁽⁶⁾ or Article 18 of Council Directive 89/298/EEC (as the case may be) in the member State where the prospectus was approved, the references in paragraph (1) above and in regulation 1(2)(c) above to a prospectus shall be taken to be references to the prospectus taken together with the supplement.

3. The 1985 Act shall apply to a recognised prospectus subject to the following modifications:
- (a) the requirement in section 64(4) of the 1985 Act for the prospectus to be dated does not apply;
 - (b) section 65 of the 1985 Act does not apply;
 - (c) section 77(3)(b) and (c) of the 1985 Act does not apply; and
 - (d) section 83 of the 1985 Act and the words “This is without prejudice to section 83.” in section 84(1) of the 1985 Act do not apply.

25th March 1991

John Redwood
Minister of State,
Department of Trade and Industry

(5) S.I. 1985/854.

(6) OJ No. L 100, 17.4. 1980, p.1.

SCHEDULE 1

Regulation 2(1)

PROVISIONS OF THE 1985 ACT WITH WHICH A RECOGNISED PROSPECTUS IS DEEMED TO COMPLY

Section 56(1)
Section 58(2) and (4)
Section 61(1)(b)
Section 63
Section 64(3)
Section 72(2) to (4)
Section 74(2)(b)
Section 75
Section 77(3)
Section 97(3)
Section 693(a) and (d)
Schedule 3

SCHEDULE 2

Regulation 2(1)(c)

INFORMATION SPECIFIC TO THE UNITED KINGDOM MARKET

1. A summary of the tax treatment of United Kingdom resident holders of the shares or debentures.
2. The names and addresses of the paying agents for the shares and debentures in the United Kingdom (if any).
3. A statement of how notice of meetings and other notices from the issuer of the shares or debentures will be given to United Kingdom resident holders of the shares or debentures.

EXPLANATORY NOTE

(This note is not part of the Regulations)

Article 21 of Council Directive [89/298/EEC](#) provides that a prospectus approved in accordance with the Directive in one member State shall be recognised as complying with the laws of other member States. These Regulations provide that a prospectus approved in another member State shall be deemed to comply with certain provisions relating to the contents of prospectuses contained in the Companies Act 1985.