

ARTHUR COX

**Investigations:  
Part 13 of the Companies Bill**

# Contents of Presentation

- 1. Part 13: Investigations**
- 2. Chapter 1 – Preliminary**
- 3. Chapter 2 – Investigations by court appointed inspectors**
- 4. Chapter 3 – Investigations initiated by Director**
- 5. Chapter 4 – Miscellaneous provisions**

## **Part 13 – Investigations**

- All law relating to the investigation of companies will be codified in Part 13.
- Consists of 4 Chapters,
- Contain 51 sections of law.

## Chapter 1 – Preliminary

Chapter 1 contains 1 section (s 747):

- Section 747 is a preliminary section, explaining the subsequent use of various terms in Part 13.

## Chapter 2 – Investigations by court appointed inspectors

Chapter 2 contains 16 sections (*ss 748 - 763*):

- Section 748 provides for the court to appoint one or more inspectors, on the application of person including the company, to investigate the affairs of a company and to report on those matters, and sets out related matters.
- Section 749 provides for the court to appoint such an inspector or inspectors on the application of the Director of Corporate Enforcement.

## Chapter 2 – Investigations by court appointed inspectors

- Section 750 states that the Court may give such directions as it considers expedient in relation to the investigation.
- Section 751 provides that the inspector may, if approved by the court, investigate the affairs of (and report upon) a related body corporate.
- Section 752 states that the court may order that the Director for Corporate Enforcement be allowed to inspect any books or documents held by a company in the course of winding up.

## Chapter 2 – Investigations by court appointed inspectors

- Sections 753 to 758 provide:
  - that officers or agents (as defined) of a company under investigation, or any other person as are so directed by an inspector, may be required to produce books or documents or give assistance;
  - that directors may be required to provide additional information in respect of banking transactions;
  - that an inspector may examine the above persons; and
  - that the court may make an order in a case of default in respect of the above.

## Chapter 2 – Investigations by court appointed inspectors

- Sections 759 - 762 provide:
  - for the inspector to make a report;
  - for the distribution of that report; and
  - that after considering that report, the court may make an order for winding-up, or any other order, or the Director may present a petition for winding up.
- Section 763 provides for the payment of the expenses of an investigation under this Chapter.

## Chapter 3 – Investigations initiated by Director

Chapter 3 contains 15 sections (*ss 764 - 778*):

- Sections 764-766 provide that a Director may appoint an inspector :
  - where there are circumstances suggesting a contravention of Chapter 5 of Part 5 (disclosure of interests in shares and debentures); or
  - to determine the true ownership of a company.
- Section 767 provides for the payment of expenses of an investigation of company ownership.

## **Chapter 3 – Investigations initiated by Director**

- Section 768 provides that the Director may require specified information as to the persons interested in shares and debentures.
- Sections 769 to 772 provide that where there is a difficulty in finding out relevant facts about shares, the Director may place restrictions on those shares, and allows that the Director, or the Court, may lift those restrictions.
- Sections 773 to 775 provide that the Court may order the sale of those shares, and provides for related matters.

## **Chapter 3 – Investigations initiated by Director**

- Section 776 allows for the continuance of certain restrictions.
- Section 777 provides that certain actions in relation to restricted shares shall constitute a category 2 offence.
- Section 778 provides that the provisions regarding restriction on shares shall also apply to debentures.

## Chapter 4 – Miscellaneous provisions

Chapter 4 contains 19 sections (*ss* 779 - 797):

- Sections 779 to 785 set out the circumstances in which the Director of Corporate Enforcement may require a company or a third party to produce books or documents, allow for a Court order to that effect to be obtained, and provide for related matters.
- Section 786 states that a breach of the above requirements shall constitute a category 2 offence.

## Chapter 4 – Miscellaneous provisions

- Section 787 provides for the payment of expenses in relation to the examination of books or documents.
- Sections 788 to 790 provide for a District Court judge to issue a search warrant if satisfied that reasonable grounds exist for suspecting that material information is to be found on any premises, and for related matters.
- Sections 791 to 797 provide for other matters in relation to the disclosure of information, books or documents.

## For Further Information Contact

**Dr Tom Courtney, Partner**

**[tom.courtney@arthurcox.com](mailto:tom.courtney@arthurcox.com)**

**Direct line – 01 618 0584**

**Dáibhí O’Leary, Associate**

**[daibhi.oleary@arthurcox.com](mailto:daibhi.oleary@arthurcox.com)**

**Direct line – 01 618 1120**

**or your usual Arthur Cox contact**

*This document contains a general summary of developments and is neither a complete nor definitive statement of the law. Specific legal advice should be obtained before taking action.*

# Thank You.

## Dublin

---

Earlsfort Centre, Earlsfort Terrace, Dublin 2, Ireland  
**tel:** +353 (0)1 618 0000 | **fax:** +353 (0)1 618 0618  
**email:** [dublin@arthurcox.com](mailto:dublin@arthurcox.com)

## London

---

12 Gough Square, London EC4A 3DW, England  
**tel:** +44 (0)20 7832 0200 | **fax:** +44 (0)20 7832 0201  
**email:** [london@arthurcox.com](mailto:london@arthurcox.com)

## Belfast

---

Capital House, 3 Upper Queen Street, Belfast BT1 6PU, Northern Ireland  
**tel:** +44 (0)28 9023 0007 | **fax:** +44 (0)28 9023 3464  
**email:** [belfast@arthurcox.com](mailto:belfast@arthurcox.com)

## New York

---

300 Park Avenue, 17th Floor, New York NY 10022, USA  
**tel:** +1 (1)212 705 4288 | **fax:** +1 (1)212 572 6499  
**email:** [newyork@arthurcox.com](mailto:newyork@arthurcox.com)

[www.arthurcox.com](http://www.arthurcox.com)