

## THE COMPANIES ACT 1992

### Declaration in relation to redemption or purchase of shares out of capital Pursuant to section 19

Name of Company I/we [insert names and addresses of directors] 

All the directors of the above do solemnly and sincerely declare that:

The business of the company is:-

- (a) that of a banking institution within the meaning of the Banking Act 1998\*
- (b) that of a person authorised under section 6 of the Insurance Act 1986 to carry on insurance business\*
- (c) that of something other than the above\*

The company is proposing to make a payment out of capital for the redemption or purchase of its own shares.

The amount of the permissible capital payment for the shares in question is (note 1): £ 

\* Delete as appropriate

I/We have made full enquiry into the affairs and prospects of the company, and I/we have formed the opinion:

- (a) as regards its initial situation immediately following the date on which the payment out of capital is proposed to be made, that there will be no grounds on which the company could then be found unable to pay its debts (note 2), and
- (b) as regards its prospects for the year immediately following that date, that, having regard to my/our intentions with respect to the management of the company's business during that year and to the amount and character of the financial resources which will in my/our view be available during that year, the company will be able to continue to carry on business as a going concern and will accordingly be able to pay its debts as they fall due) throughout that year (note 2).

And I/we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Evidence Act 1871.

Declared at The  day of  20 Before me  a Commissioner for oaths

#### NOTES

1. "Permissible capital payment" means an amount which, taken together with:
  - (i) any available profits of the company; and
  - (ii) the proceeds of any fresh issue of shares made for the purposes of the redemption or purchase; is equal to the price of redemption or purchase.
 "Available profits" means the company's profits which are available for distribution.  
 The question whether the company has any profits so available and the amount of any such profits is to be determined in accordance with section 18 of the Companies Act 1992.
2. As to the nature of the liabilities that are to be taken into account see section 19(4) of the Companies Act 1992.
3. A copy of this declaration together with a copy of the auditors report required by section 19 of the Companies Act 1992, must be delivered to the Financial Supervision Commission not later than the day on which the company publishes the notice required by section 20(1) of the Companies Act 1992, or first publishes or gives the notice required by section 20(2), whichever is the earlier.

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