

## Other arrangements and transactions in which the directors, etc., have material interest

309. (1) Subject to section 310, the entity financial statements of a company shall disclose, both for the current and the preceding financial year, in the notes to the statements the particulars specified in subsection (3) of any other arrangement or transaction not dealt with by section 305, 307 or 308 entered into by the company in which a person, who at any time during the financial year was a director, a director of its holding undertaking or a person connected with such a director, had, directly or indirectly, a material interest.

(2) Subject to section 310, the group financial statements of a holding company shall disclose, both for the current and the preceding financial year, in the notes to the statements the particulars specified in subsection (3) of any other arrangement or transaction not dealt with by section 305, 307 or 308 entered into by the company or any of its subsidiary undertakings in which a person, who at any time during the financial year was a director, a director of its holding undertaking or a person connected with such a director, had, directly or indirectly, a material interest.

(3) The particulars mentioned in subsections (1) and (2) are—

- (a) particulars of the principal terms of the arrangement or transaction,
- (b) the name of the director or other person with the material interest, and
- (c) the nature of the interest.

(4) For the purposes of subsections (1) and (2)—

(a) an arrangement or transaction between a company and a director of the company or of its holding undertaking or a person connected with such a director shall (if it would not otherwise be so treated) be treated as an arrangement or transaction in which that director is interested, and

(b) an interest in such an arrangement or transaction is not material if in the opinion of the majority of the directors (other than that director) of the company which is preparing the financial statements in question it is not material (but without prejudice to the question whether or not such an interest is material in any case where those directors have not considered the matter).

(5) Subsections (1) and (2) do not apply in relation to the following arrangements or transactions—

(a) an arrangement or transaction between one company and another in which a director of the first company or of its subsidiary undertaking or holding undertaking is interested only by virtue of his or her being a director of the other,

(b) a contract of service between a company and one of its directors or a director of its holding undertaking or between a director of a company and any of that company's subsidiary undertakings, and

(c) an arrangement or transaction which was not entered into during the financial year concerned and which did not subsist at any time during that year.

(6) Subsections (1) and (2) do not apply to any arrangement or transaction with a company or any of its subsidiary undertakings in which a director of the company or of its holding undertaking, or a person connected with such a director, had, directly or indirectly, a material interest if—

(a) the value of each arrangement or transaction in which that director or other person had, directly or indirectly, a material interest and which was made after the commencement of the financial year with the company or any of its subsidiary undertakings, and

(b) the value of each such arrangement or transaction which was made before the commencement of the financial year less the amount (if any) by which the liabilities of the person for whom the arrangement or transaction was made have been reduced,

did not at any time during the financial year exceed in the aggregate €5,000 or, if more, did not exceed €15,000 or one per cent of the value of the net assets of the company preparing the entity or group financial statements, whichever is the less.

(7) Where a holding company avails itself of an exemption under this Part from the requirement to prepare group financial statements in relation to any financial year, subsection (2) shall have effect in relation to the company and that financial year as if “entity financial statements” were substituted for “group financial statements”.

(8) For the purposes of this section—

(a) section 220 shall apply in determining whether a person is connected with a director or not,

(b) “arrangement” includes an agreement, and

(c) “director” includes any shadow director and de facto director.