

## Business transactions

245. (1) Section 239 does not prohibit a company from—

- (a) making a loan or quasi-loan,
- (b) entering into a credit transaction, or
- (c) entering into a guarantee or providing any security,

of the kind described in that section if the following 2 conditions are satisfied.

(2) Those conditions are—

(a) the company enters into the transaction concerned in the ordinary course of its business, and

(b) the value of the transaction is not greater, and the terms on which it is entered into are no more favourable, in respect of the person for whom the transaction is made, than that or those which—

- (i) the company ordinarily offers, or
- (ii) it is not unreasonable to expect the company to have offered,

to or in respect of a person of the same financial standing as that person but unconnected with the company.