

Company to have director resident in an EEA state

137. (1) Subject to subsection (2) and section 140, one, at least, of the directors for the time being of a company shall be a person who is resident in an EEA state.

(2) Subsection (1) shall not apply in relation to a company if the company for the time being holds a bond, in the prescribed form, in force to the value of €25,000 and which provides that, in the event of a failure by the company to pay the whole or part of each (if any) fine and penalty specified in the Table to this section, there shall become payable under the bond to a person who is, under subsection (4), nominated for the purpose (the “nominated person”) a sum of money for the following purpose.

(3) That purpose is the purpose of the sum being applied by the nominated person in discharging the whole or part, as the case may be, of the company's liability in respect of any such fine or penalty (and any sum that becomes so payable shall be applied by the nominated person accordingly).

(4) The nomination referred to in subsection (2) shall be made—

(a) by the Registrar or the Revenue Commissioners, as appropriate; or

(b) in the case of failure to pay both a fine referred to in paragraph 1 of the Table to this section and a fine or penalty, or a fine and penalty, referred to in paragraph 2 of that Table, jointly by the Registrar and the Revenue Commissioners.

(5) The bond referred to in subsection (2) may be entered into and shall have effect according to its terms notwithstanding any rule of law whereby any agreement to insure or indemnify a person in respect of any punishment or liability imposed on him or her in relation to any offence or unlawful act committed by him or her is void or unenforceable.

(6) If subsection (1) is not complied with, the company concerned and any officer of it who is in default shall be guilty of a category 4 offence.

(7) In this section “director” does not include an alternate director.

Table

1. A fine imposed on the company in respect of an offence under this Act committed by it. 2. (1) A fine imposed on the company in respect of an offence under section 1078 of the Taxes Consolidation Act 1997 committed by it, being an offence that consists of a failure by the company to deliver a statement which it is required to deliver under section 882 of that Act or to comply with a notice served on it under section 884 of that Act. (2) A penalty which the company has been held liable to pay under section 1071 or 1073 of the Taxes Consolidation Act 1997 .