

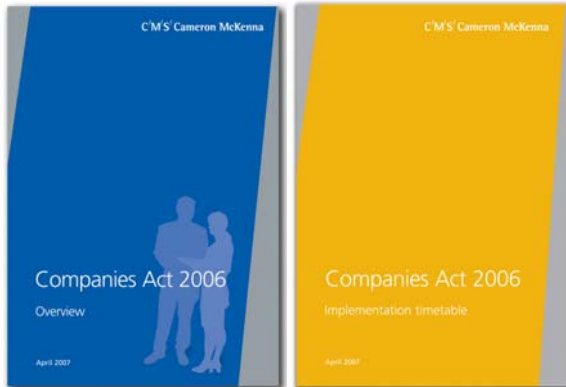
# The Companies Act 2006

## The key facts – why it matters

1. Every company in the UK – existing and future – is affected by the Act, albeit in different ways
2. Some parts of the Act are in force already. The rest of the Act is being implemented in stages between now and 1 October 2008 – so planning is important. Most of it will come into force on that date, but some significant parts will be brought in on 1 October 2007 and others on 6 April 2008
3. Directors' duties are changing – there is a new set of "factors" which directors have to consider when they make decisions, so they need to know what they are
4. A new derivative action process makes it easier for a shareholder to sue directors. In particular, directors of quoted companies and companies with minority shareholders should be aware of this and know what to do if a claim is lodged
5. The prohibition on companies giving financial assistance for the acquisition of their own shares or shares in their holding company is being abolished for private companies in most circumstances
6. Private companies will be able to operate without a company secretary
7. Reports and accounts will need to change to reflect new rules on contents and liability
8. All companies will be able to execute deeds by the signature of a single director before a witness
9. Auditors can limit their liability
10. The time limit for filing accounts is being shortened
11. Directors can avoid putting their home address on the public record at Companies House
12. It is now easier for companies to send their report and accounts and other documents to shareholders by putting them on a website
13. Private company decision making will be simplified – AGMs will not be required; it will be easier to pass shareholder resolutions in writing
14. There will be new model articles of association for private and public companies (updating Table A)
15. It will be easier for indirect investors in quoted companies to vote at general meetings
16. The memorandum of association will no longer be an important document, but objects and other limitations will form part of the articles instead

# Keeping up to date

## Our publications



As part of our initiative to keep clients fully informed about this important piece of legislation we are producing a series of documents that explain what the new Act means for you in a way that is both clear and comprehensive.

Please ask your relationship partner for a copy of our Overview and Implementation Timetable documents.

More materials will be available in due course, so let us know if you would like to be added to our mailing list.

## Our seminars

Forty-two percent of companies want support in tackling the Companies Act, according to Legal Week, and we are responding to this demand by providing client seminars that will give you the information you need to prepare for the implementation of the Act.

Talk to your relationship partner to find out about our upcoming seminars.

## Face-to-face briefings

If you would prefer one of our Corporate partners to come and speak to you and your team about what the new Act means for your specific business, we are more than happy to do so. Please ask your relationship partner to arrange a meeting.

**For further information on seminars, publications, or any other service please contact**

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