

LEGAL UPDATES AND FACTSHEETS

COMPANIES ACT 2006: 1 OCTOBER 2008 IMPLEMENTATION

1 INTRODUCTION.

- 1.1 The next stage of implementation of *The Companies Act 2006* occurred on 1 October 2008.

2 PROVISIONS IMPLEMENTED.

- 2.1 The following provisions came into force on 1 October 2008:

- The duties of directors to avoid conflicts of interest and not to accept benefits from third parties (*sections 175, 176, 180(1), (2)* (in part) and *(4)* and *181(2)* and *(3)*).
- The duty of directors to declare interests in proposed transactions or arrangements (*section 177*) and the duty to declare interests in existing transactions or arrangements (*sections 182-187*).
- Provisions relating to corporate directors and underage directors (*sections 155-159*).
- The repeal of the restrictions under *The Companies Act 1985* on financial assistance for the acquisition of shares in private companies, including the 'whitewash' procedure.
- The solvency statement procedure for private companies to reduce their share capital (relevant provisions of *Chapter 10* of *Part 17* and *section 654*).
- Provisions on trading disclosures (*sections 82-85* and *The Companies (Trading Disclosures) Regulations 2008*).
- The application of certain provisions of *Part 15* (accounts) to limited liability partnerships for financial years beginning on or after 1 October 2008.
- Provisions on objections to company names (*sections 69-74* and *The Company Names Adjudicator Rules 2008*).



The practice is a niche commercial legal practice providing business, property, and employment law services mainly to the business sector in Northern Ireland.

KEY BUSINESS SERVICES

Business Law; Business Disposal/ Acquisition & General Commercial Work

The practice has practical experience in all facets of business formation operation and succession or transfer. With past experience in several corporate finance and company brokerage businesses, its principal also brings 'coal face' exposure to business disposal, merger & acquisition, forged in a variety of sectors.

Property

The practice has experience in all transaction work in commercial and residential property. Utilising leading edge IT capability Kappa Solicitors offers both residential & commercial conveyancing, undertaken to an exacting standard at negotiable rates.

Employment Law

Ever-accelerating change in the complex employment, discrimination and related fields brings increased risk. Good specialist advice is expensive. A dedicated focus in these areas produces an accessible yet affordable service in all contentious and non-contentious aspects of HR management to the SME sector. In these fields we also render consultancy advice and legal services with a practical & robust commercial edge.

CLIENT IDENTIFICATION AND REGISTRATION

In common with other commercial law firms, we must comply with the Money Laundering Regulations 2003. This is part of the government's drive against money laundering and terrorism. The Regulations require us to obtain satisfactory evidence of identity for substantially all new clients and those in respect of whom there has been a break in the relationship. We will be unable to start work for you until this evidence is obtained.

TERMS OF ENGAGEMENT

- 1 By instructing us, you shall be deemed to have accepted our terms of business, from time to time applicable, which shall apply to the exclusion of any standard terms of purchase or any other terms which you may propose or supply to us.
- 2 Northern Ireland Law will apply to our relationship with our clients and any dispute or claim shall be subject to the exclusive jurisdiction of the Courts of Northern Ireland.
- 3 There shall be no variation of these terms without the prior written agreement of the Principal of the practice.

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