



# Economic Crime and Corporate Transparency Act 2023

## 2023 CHAPTER 56

### PART 1

#### COMPANIES ETC

#### *Company names*

#### **8 Names for criminal purposes**

- (1) The Companies Act 2006 is amended as follows.
- (2) After section 53 insert—

#### **“53A Names for criminal purposes**

A company must not be registered under this Act by a name if, in the opinion of the Secretary of State, the registration of the company by that name is intended to facilitate—

- (a) the commission of an offence involving dishonesty or deception, or
- (b) the carrying out of conduct that, if carried out in any part of the United Kingdom, would amount to such an offence.”

- (3) In section 1047 (registered name of overseas company), in subsection (4), after paragraph (a) insert—  
“(aa) section 53A (names for criminal purposes);”.

#### **9 Names suggesting connection with foreign governments etc**

- (1) The Companies Act 2006 is amended as follows.
- (2) After section 56 insert—

**“56A Names suggesting connection with foreign governments etc**

A company must not be registered under this Act by a name that, in the opinion of the Secretary of State, would be likely to give the false impression that the company is connected with—

- (a) a foreign government or an agency or authority of a foreign government, or
- (b) an international organisation whose members include two or more countries or territories (or their governments).”

(3) In section 1047 (registered name of overseas company), in subsection (4), after paragraph (b) insert—

“(bza) section 56A (names suggesting connection with foreign governments etc);”.

**10 Names containing computer code**

(1) The Companies Act 2006 is amended as follows.

(2) After section 57 insert—

*“Computer code*

**57A Names containing computer code**

A company must not be registered under this Act by a name that, in the opinion of the Secretary of State, consists of or includes computer code.”

(3) In section 1047 (registered name of overseas company), in subsection (4), after paragraph (ba) insert—

“(bb) section 57A (names containing computer code);”.

**11 Prohibition on re-registering name following direction**

(1) The Companies Act 2006 is amended as follows.

(2) After section 57A (inserted by section 10 of this Act) insert—

*“Prohibitions where a company has been required to change a name*

**57B Prohibition on re-registering name following direction**

(1) Where a company’s name has at any time been changed following a direction under section 67, 75, 76, 76A or 76B, or an order under section 73, the company must not subsequently be registered under this Act by the original name or a name that is similar to it.

(2) But subsection (1) does not prevent the registration of the company by any name approved by the Secretary of State.

(3) In subsection (1)—

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- (a) the reference to the name of a company being changed following a direction under a particular section includes a case where a new name is determined for the company under section 76D because of its failure to comply with the direction;
  - (b) the reference to the name of a company being changed following an order under section 73 includes a case where a new name is determined for the company under section 73(4) because of its failure to comply with an order.”
- (3) In section 1047 (registered name of overseas company), in subsection (4), after paragraph (bb) (inserted by section 10 of this Act) insert—
- “(bc) section 57B (restriction on re-registering name following direction).”

## **12 Prohibition on using name that another company has been directed to change**

- (1) The Companies Act 2006 is amended as follows.
- (2) After section 57B (inserted by section 11 of this Act) insert—

### **“57C Name that another company has been directed to change**

- (1) Where a company has at any time been directed under section 67, 75, 76, 76A or 76B, or ordered under section 73, to change its name, no other company may be registered under this Act by that name or a name that is similar if—
- (a) that company is an existing company and there is a person who has, or has had, a relevant relationship with both companies, or
  - (b) an application has been made for the registration of that company and, if it is registered, there will on its incorporation be a person who has, or has had, a relevant relationship with both companies.
- (2) But subsection (1) does not prevent the registration of the company by any name approved by the Secretary of State.
- (3) For the purposes of subsection (1) it is irrelevant whether the person has, or has had, a relevant relationship with both companies at the same time.
- (4) For the purposes of this section a person has a “relevant relationship” with a company if the person is—
- (a) an officer, or
  - (b) a member or former member.
- (5) In subsection (1)—
- (a) the reference to the name of a company being changed following a direction under a particular section includes a case where a new name is determined for the company under section 76D because of its failure to comply with the direction;
  - (b) the reference to the name of a company being changed following an order under section 73 includes a case where a new name is determined for the company under section 73(4) because of its failure to comply with an order.”
- (3) In section 1047 (registered name of overseas company), in subsection (4), after paragraph (bc) (inserted by section 11 of this Act) insert—

“(bd) section 57C (names that another company has been directed to change);”.

### 13 Directions to change name: period for compliance

- (1) The Companies Act 2006 is amended as follows
- (2) In section 64 (power to direct change of name in case of company ceasing to be entitled to exemption), after subsection (2) insert—
  - “(2A) The period must be a period of at least 28 days beginning with the date of the direction.
  - (2B) The Secretary of State may by further direction in writing extend the period.  
Any such direction must be given before the end of the period for the time being specified.”
- (3) In section 68 (direction to change name in case of similarity to existing name: supplementary provisions), after subsection (2) insert—
  - “(2A) The period must be a period of at least 28 days beginning with the date of the direction.”
- (4) In section 75 (provision of misleading information etc), after subsection (2) insert—
  - “(2A) The period must be at least 28 days beginning with the date of the direction.”
- (5) In section 76 (misleading indication of activities)—
  - (a) for subsections (2) and (3) substitute—
    - “(2) The direction must be in writing and must specify the period within which the company is to change its name.
    - (3) The period must be a period of at least 28 days beginning with the date of the direction.
    - (3A) The Secretary of State may by further direction in writing extend the period.  
Any such direction must be given before the end of the period for the time being specified.”;
  - (b) for subsection (4) substitute—
    - “(4) A company may apply to the court to set aside a direction under subsection (1).
    - (4A) Any application under subsection (4) must be made within the period of three weeks beginning with the date of the direction.”
  - (c) after subsection (5) insert—
    - “(5A) If a company applies to the court under subsection (4) to set aside a direction, it is not required to comply with the direction while the proceedings are ongoing.”;
  - (d) in subsection (6), for “this section” substitute “subsection (1)”.

## **14 Requirements to change name: removal of old name from public inspection**

- (1) The Companies Act 2006 is amended as follows.
- (2) In section 64 (company ceasing to be entitled to exemption in relation to use of “limited” etc), after subsection (6) insert—
  - “(6A) Where a direction is given under subsection (1), the registrar may omit from the material on the register that is available for public inspection any mention of the name to which the direction relates.”
- (3) In section 67 (power to direct change of name in case of similarity to existing name), after subsection (1) insert—
  - “(1A) Where a direction is given under subsection (1), the registrar may omit from the material on the register that is available for public inspection any mention of the name to which the direction relates (so far as it relates to the company to which the direction is given).”
- (4) In section 73 (order requiring name to be changed), after subsection (6) insert—
  - “(7) Where an order is made under subsection (1), the registrar may omit from the material on the register that is available for public inspection any mention of the name to which the order relates.”
- (5) In section 75 (provision of misleading information), after subsection (4) insert—
  - “(4A) Where a direction is given under subsection (1), the registrar may omit from the material on the register that is available for public inspection any mention of the name to which the direction relates.”
- (6) In section 76 (misleading indication of activities), after subsection (5A) (inserted by section 13 of this Act) insert—
  - “(5B) Where a direction is given under subsection (1), the registrar may omit from the material on the register that is available for public inspection any mention of the name to which the direction relates.”

## **15 Objections to company’s registered name**

- (1) Section 69 of the Companies Act 2006 (objection to company’s registered name) is amended as follows.
- (2) In subsection (1)(b)—
  - (a) after “in the United Kingdom” insert “or elsewhere”;
  - (b) after “mislead” insert “members of the public in the United Kingdom or elsewhere”.
- (3) In subsection (3), for the second sentence substitute “Any of the following may be joined as respondents—
  - (a) any member or person who was a member at the time at which the name was registered;
  - (b) any director or person who was a director at the time at which the name was registered.”
- (4) In subsection (4), omit paragraph (b) (and the “or” at the end of that paragraph).

(5) In subsection (5), omit “, (b)”.

## 16 Misleading indication of activities

In section 76 of the Companies Act 2006 (misleading indication of activities), in subsection (1), for “be likely to cause harm to the public” substitute “pose a risk of harm to the public in the United Kingdom or elsewhere”.

## 17 Direction to change name used for criminal purposes

(1) The Companies Act 2006 is amended as follows.

(2) Before section 75 insert—

*“Provision of misleading information”.*

(3) Before section 76 insert—

*“Misleading indication of activities and names used for criminal purposes”.*

(4) After section 76 insert—

### **“76A Power to direct change of name used for criminal purposes**

(1) The Secretary of State may direct a company to change its name if it appears to the Secretary of State that the name has been used, or is intended to be used, by the company to facilitate—

- (a) the commission of an offence involving dishonesty or deception, or
- (b) the carrying out of conduct that, if carried out in any part of the United Kingdom, would amount to such an offence.

(2) The direction must be in writing and must specify the period within which the company is to change its name.

(3) The period must be a period of at least 28 days beginning with the date of the direction.

(4) The Secretary of State may by further direction in writing extend the period.

Any such direction must be given before the end of the period for the time being specified.

(5) A company may apply to the court to set aside a direction under subsection (1).

(6) Any application under subsection (5) must be made within the period of three weeks beginning with the date of the direction.

(7) On an application under subsection (5) the court may set the direction aside or confirm it.

(8) If on an application under subsection (5) the direction is confirmed, the court must specify the period within which the direction is to be complied with.

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- (9) Where a direction is given under subsection (1), the registrar may omit from the material on the register that is available for public inspection any mention of the name to which the direction relates.
- (10) If a company applies to the court under subsection (5) to set aside a direction, the company is not required to comply with the direction while the proceedings are ongoing.
- (11) If a company fails to comply with a direction under subsection (1), an offence is committed by—
  - (a) the company, and
  - (b) every officer of the company who is in default.

For this purpose a shadow director is treated as an officer of the company.

- (12) A person guilty of an offence under this section is liable on summary conviction to a fine not exceeding level 3 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 3 on the standard scale.”
- (5) In section 1047 (registered name of overseas company), in subsection (4), after paragraph (f) insert—
  - “(g) section 76A (power to direct change of name used for criminal purposes);”.

## **18 Direction to change name wrongly registered**

- (1) The Companies Act 2006 is amended as follows.
- (2) After section 76A (inserted by section 17 of this Act) insert—

*“Direction to change name wrongly registered*

### **76B Direction to change name wrongly registered**

- (1) The Secretary of State may direct a company to change its name if—
  - (a) it appears to the Secretary of State that the company’s registration by that name was in contravention of any requirement imposed by this Part, or
  - (b) the Secretary of State did not, at the time at which the name was registered, form the opinion mentioned in section 53, 56A or 57A, but had proper grounds for doing so.
- (2) The direction must be in writing and must specify the period within which the company is to change its name.
- (3) The period must be a period of at least 28 days beginning with the date of the direction.
- (4) The Secretary of State may by further direction in writing extend the period.

Any such direction must be given before the end of the period for the time being specified.

- (5) A company may apply to the court to set aside a direction under subsection (1).
- (6) Any application under subsection (5) must be made within the period of three weeks beginning with the date of the direction.
- (7) On an application under subsection (5) the court may set the direction aside or confirm it.
- (8) If on an application under subsection (5) the direction is confirmed, the court must specify the period within which the direction is to be complied with.
- (9) Where a direction is given under subsection (1), the registrar may omit from the material on the register that is available for public inspection any mention of the name to which the direction relates.
- (10) If a company applies to the court under subsection (5) to set aside a direction, the company is not required to comply with the direction while the proceedings are ongoing.
- (11) If a company fails to comply with a direction under subsection (1), an offence is committed by—
  - (a) the company, and
  - (b) every officer of the company who is in default.

For this purpose a shadow director is treated as an officer of the company.

- (12) A person guilty of an offence under this section is liable on summary conviction to a fine not exceeding level 3 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 3 on the standard scale.”
- (3) In section 1047 (registered name of overseas company), in subsection (4), after paragraph (g) (inserted by section 17 of this Act) insert—
  - “(h) section 76B (direction to change name wrongly registered);”.

## **19 Registrar’s power to change names containing computer code**

- (1) The Companies Act 2006 is amended as follows
- (2) In the heading of Chapter 4 of Part 5, after “Secretary of State” insert “and the registrar”.
- (3) After section 76B (inserted by section 18 of this Act) insert—

*“Registrar’s powers to change names*

### **76C Registrar’s power to change name containing computer code**

- (1) Where, in the opinion of the registrar, a company’s registered name consists of or includes computer code, the registrar may—
  - (a) determine a new name for the company, and
  - (b) remove from the register any reference to the company’s old name.



- (2) If the registrar determines a new name for a company under this section, the registrar must—
  - (a) give the company notice of the determination, and
  - (b) place a note of the determination in the register.
- (3) Where a company is given a direction under section 76B to change its name—
  - (a) that does not affect the registrar’s power to act under subsection (1), but
  - (b) if the registrar does so, the direction lapses.”
- (4) In section 1081 (annotation of the register), in subsection (6), after “subsection (2)” insert “or of any other enactment”.

## **20 Registrar’s power to change company’s name for breach of direction**

After section 76C of the Companies Act 2006 (inserted by section 19 of this Act) insert—

### **“76D Registrar’s power to change name for failure to comply with direction**

- (1) Where a company fails to comply with a direction to change its name, the registrar may determine a new name for the company.
- (2) The reference in subsection (1) to a direction to change a company’s name is to a direction under section 64, 67, 75, 76, 76A or 76B.
- (3) If the registrar determines a new name for a company under this section, the registrar must—
  - (a) give the company notice of the determination, and
  - (b) place a note of the determination in the register.”

## **21 Sections 19 and 20: consequential amendments**

- (1) In section 80 (change of name: registration and issue of new certificate of incorporation), for subsections (1) and (2) substitute—
  - “(1) This section applies where—
    - (a) the registrar receives notice of a change of a company’s name and is satisfied—
      - (i) that the new name complies with the requirements of this Part, and
      - (ii) that the requirements of the Companies Acts, and any relevant requirements of the company’s articles, with respect to a change of name are complied with, or
    - (b) the registrar determines a new name for a company under section 76C or 76D.
  - (2) The registrar must enter the new name on the register in place of the former name.”

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(2) In section 1047 (registered name of overseas company), in subsection (4), after paragraph (h) (inserted by section 18 of this Act) insert—

- “(i) section 76C (registrar’s power to change name containing computer code);
- (j) section 76D (registrar’s power to change name for failure to comply with direction).”

## 22 **Company names: exceptions based on national security etc**

After section 76D of the Companies Act 2006 (inserted by section 20 of this Act) insert—

### “CHAPTER 4A

#### EXCEPTIONS

##### **76E Exceptions based on national security etc**

- (1) Nothing in this Part prevents the registration of a company under this Act by a name if the Secretary of State is satisfied that the registration of the company by that name is necessary—
  - (a) in the interests of national security, or
  - (b) for the purposes of preventing or detecting serious crime.
- (2) For the purposes of subsection (1)(b)—
  - (a) “crime” means conduct which—
    - (i) constitutes a criminal offence, or
    - (ii) is, or corresponds to, any conduct which, if it all took place in any one part of the United Kingdom, would constitute a criminal offence, and
  - (b) crime is “serious” if—
    - (i) the offence which is or would be constituted by the conduct is an offence for which the maximum sentence (in any part of the United Kingdom) is imprisonment for 3 years or more, or
    - (ii) the conduct involves the use of violence, results in substantial financial gain or is conduct by a large number of persons in pursuit of a common purpose.”