



European Communities Act 1972

1972 CHAPTER 68

PART II

AMENDMENT OF LAW

9 Companies

- (1) In favour of a person dealing with a company in good faith, any transaction decided on by the directors shall be deemed to be one which it is within the capacity of the company to enter into, and the power of the directors to bind the company shall be deemed to be free of any limitation under the memorandum or articles of association; and a party to a transaction so decided on shall not be bound to enquire as to the capacity of the company to enter into it or as to any such limitation on the powers of the directors, and shall be presumed to have acted in good faith unless the contrary is proved.
- (2) Where a contract purports to be made by a company, or by a person as agent for a company, at a time when the company has not been formed, then subject to any agreement to the contrary the contract shall have effect as a contract entered into by the person purporting to act for the company or as agent for it, and he shall be personally liable on the contract accordingly.
- (3) The registrar of companies shall cause to be published in the Gazette notice of the issue or receipt by him of documents of any of the following descriptions (stating in the notice the name of the company, the description of document and the date of issue or receipt), that is to say—
 - (a) any certificate of incorporation of a company;
 - (b) any document making or evidencing an alteration in the memorandum or articles of association of a company;
 - (c) any return relating to a company's register of directors, or notification of a change among its directors ;
 - (d) a company's annual return ;
 - (e) any notice of the situation of a company's registered office, or of any change therein ;

Status: This is the original version (as it was originally enacted).

- (f) any copy of a winding-up order in respect of a company;
- (g) any order for the dissolution of a company on a winding up;
- (h) any return by a liquidator of the final meeting of a company on a winding up ;

and in the following provisions of this section " official notification " means, in relation to anything stated in a document of any of the above descriptions, the notification of that document in the Gazette under this section and, in relation to the appointment of a liquidator in a voluntary winding up, the notification thereof in the Gazette under section 305 of the Companies Act 1948, and " officially notified " shall be construed accordingly.

- (4) A company shall not be entitled to rely against other persons on the happening of any of the following events, that is to say—
- (a) the making of a winding-up order in respect of the company, or the appointment of a liquidator in a voluntary winding up of the company; or
 - (b) any alteration of the company's memorandum or articles or association; or
 - (c) any change among the company's directors ; or
 - (d) (as regards service of any document on the company) any change in the situation of the company's registered office;

if the event had not been officially notified at the material time and is not shown by the company to have been known at that time to the person concerned, or if the material time fell on or before the fifteenth day after the date of official notification (or, where the fifteenth day was a non-business day, on or before the next day that was not) and it is shown that the person concerned was unavoidably prevented from knowing of the event at that time.

For this purpose " non-business day " means a Saturday or Sunday, Christmas Day, Good Friday and any other day which, in the part of Great Britain where the company is registered, is a bank holiday under the Banking and Financial Dealings Act 1971.

- (5) Where any alteration is made in a company's memorandum or articles of association by any statutory provision, whether contained in an Act of Parliament or in an instrument made under an Act, a printed copy of the Act or instrument shall not later than fifteen days after that provision comes into force be forwarded to the registrar of companies and recorded by him; and where a company is required by this section or otherwise to send to the registrar any document making or evidencing an alteration in the company's memorandum or articles of association (other than a special resolution under section 5 of the Companies Act 1948), the company shall send with it a printed copy of the memorandum or articles as altered.

If a company fails to comply with this subsection, the company and any officer of the company who is in default shall be liable to a default fine.

- (6) Where before the coming into force of this subsection—
- (a) an alteration has been made in a company's memorandum or articles of association by any statutory provision, and a printed copy of the relevant Act or instrument has not been sent to the registrar of companies; or
 - (b) an alteration has been made in a company's memorandum or articles of association in any manner, and a printed copy of the memorandum or articles as altered has not been sent to him;

such a copy shall be sent to him within one month after the coming into force of this subsection.

If a company fails to comply with this subsection, the company and any officer of the company who is in default shall be liable to a default fine.

- (7) Every company shall have the following particulars mentioned in legible characters in all business letters and order forms of the company, that is to say.—
- (a) the place of registration of the company, and the number with which it is registered ;
 - (b) the address of its registered office ; and
 - (c) in the case of a limited company exempt from the obligation to use the word " limited " as part of its name, the fact that it is a limited company ;

and, if in the case of a company having a share capital there is on the stationery used for any such letters or on the order forms a reference to the amount of the share capital, the reference shall be to paid-up share capital.

If a company fails to comply with this subsection, the company shall be liable to a fine not exceeding £50; and if an officer of a company or any person on its behalf issues or authorises the issue of any business letter or order form not complying with this subsection, he shall be liable to a fine not exceeding £50.

- (8) This section shall be construed as one with the Companies Act 1948 ; and section 435 of that Act (which enables certain provisions of it to be extended to unregistered companies) shall have effect as if this section were among those mentioned in Schedule 14 to that Act with an entry in column 3 of that Schedule to the effect that this section is to apply so far only as may be specified by regulations under section 435 and to such bodies corporate as may be so specified, and as if sections 107 (registered office) and 437 (service of documents) were so mentioned (and section 437 were not included in the last entry in the Schedule).

The modifications of this section that may be made by regulations under section 435 shall include the extension of subsections (3), (5) and (6) to additional matters (and in particular to the instruments constituting or regulating a company as well as to alterations thereof).

- (9) This section shall not come into force until the entry date (except to authorise the making with effect from that date of regulations by virtue of subsection (8) above).