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**Unregistered Companies and
Joint Stock Companies:
Part 22 of the Companies Bill**

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Part 22 – Unregistered Companies and Joint Stock Companies

- 36 sections of law in 5 chapters
- Provides for the application of certain provisions of the Bill to unregistered companies, the most important of which is The Governor and Company of the Bank of Ireland. It also provides for a means by which an unregistered company can convert to a PLC. This Part also clarifies the application of company law to certain other older types of companies.

Chapter 1 – application of Act to unregistered companies

- Certain provisions of the Bill, listed in Schedule 14 shall apply to unregistered companies, of which the most important is the Bank of Ireland; this largely re-enacts section 377 of, and the Ninth Schedule to, the Companies Act 1963 (s 1302)
- The Minister may make regulations to add or subtract from the list in Schedule 14 (s 1303)

Chapter 2 – registration of certain bodies (other than joint stock companies) as companies

- An unregistered company under s 1302 may register as an LTD, DAC, PLC, CLG or UC if a majority of its members assent to the registration, and a copy of this resolution and of a statement (certified by an officer of the company) setting out details of the company are sent to the Registrar. (ss 1304-1306)
- Additional requirements will apply if the body corporate is to register as a PLC (ss 1307-1310).

Chapter 2 – registration of certain bodies (other than joint stock companies) as companies

- The Minister may make regulations specifying additional requirements that must be complied with before the application may be acceded to the Registrar (s 1311)
- Where the Registrar considers a proposed name to be undesirable, the body may change its name (s 1312)
- On compliance by the body with the above requirements, the Registrar shall issue to the company a certificate of incorporation in respect of it, and the company shall be so incorporated; the Bill provides for matters consequential to this incorporation (ss 1313-1315).

Chapter 3 – winding up of unregistered company

- Chapter 3 will apply to an “unregistered company” as defined (s 1316) and is subject to Chapters I and III of the EU Insolvency Regulation (s 1317)
- An unregistered company may be wound up under Part 11 (ss 1318, 1323), and the Bill sets out the 4 cases in which an unregistered company shall be deemed to be unable to pay its debts (s 1319) and who shall be contributories in the winding up (s 1320)

Chapter 3 – winding up of unregistered company

- The court has the power to stay or restrain proceedings after a petition is presented for winding-up, and where a winding-up order has been made, no action or proceeding shall proceed or commence against a contributory in respect of a debt of the company, except by leave of the court (ss 1321-1322)

Chapter 4 – provisions concerning companies registered, but not formed, under former Acts and certain other existing companies

- The Bill shall apply to companies registered under former Companies Acts but formed in some other manner (e.g. by special Act of Parliament or by Charter) just as it applies to companies registered under Chapter 5 (*s 1324*)
- The Bill shall also apply to unlimited companies re-registered as limited companies under certain former enactments as if re-registered under the Bill (*s 1325*)
- *S 1326* sets out provisions as to companies registered under the Joint Stock Companies Acts.

Chapter 5 - registration of joint stock companies under this Act

- *S 1327* defines 'joint stock company' as a company (a) having a permanent paid up share capital of fixed amount divided into shares, also of fixed amount and/or held and transferable as stock; and (b) formed on the principle that its members shall comprise only the holders of those shares/stock, and states that such a company when registered with limited liability under this Chapter shall be deemed to be a company limited by shares.

Chapter 5 - registration of joint stock companies under this Act

- A joint stock company may at any time register as an LTD, DAC, CLG or UC (s 1328), on delivering (i) relevant documents to the Registrar (s 1329), those documents being verified by a declaration of any 2 or more principal officers of the company (s 1330), and (ii) any additional evidence required by the Registrar as to the nature of the company (s 1331)
- When a company registers under this Chapter, it must include the appropriate suffix (e.g. LTD, DAC, CLG, UC etc.) as part of its name (s 1332)

Chapter 5 - registration of joint stock companies under this Act

- On compliance by the company with the requirements, the Registrar shall issue to the company a certificate of incorporation, and the company shall be so incorporated; the Bill sets out the effects of registration (ss 1333-1334)
- A company registered under this Chapter may substitute a memorandum and articles of association for its old deed of settlement (s 1335)
- The court has the power to stay or restrain proceedings after a petition is presented for winding-up, and where a winding-up order has been made, no action or proceeding shall proceed or commence in respect of a debt of the company, except by leave of the court (ss 1336-1337).

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This document contains a general summary of developments and is neither a complete nor definitive statement of the law. Specific legal advice should be obtained before taking action.

Thank You.

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