

# UK Corporate Briefing Summer 2015

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Welcome to the latest edition of Dentons' UK Corporate Briefing, a quarterly summary of the most significant recent and forthcoming developments in company law and corporate finance regulation in the UK. In this edition, our lawyers examine:



## Legislation updates

- The banning of bearer shares under the Small Business, Enterprise and Employment Act 2015
- Changes to the UK company accounts regime to implement the EU Accounting Directive
- Potential increases in fines for offences under the Companies Act 2006

## Case law updates

- The power of a company's shareholders to change drag-along rights in the company's articles of association
- Determining which law governs who has authority to sign an English law contract for an overseas company
- The importance of giving notice of a warranty claim correctly
- Restoring a company to the register for the purpose of appointing a liquidator to claw back assets of the company

## Regulatory updates

- Guidance issued by AIM on common free float issues and on AIM Rule 31
- The latest Statement of Principles issued by the Pre-Emption Group

Please contact us if you would like to discuss any subject covered in this issue.

Download the PDF report to read the complete issue, or read the articles using the links below.

## Bearer shares banned

July 20, 2015

The first of the corporate transparency provisions in the Small Business, Enterprise and Employment Act 2015 came into force on 26 May 2015 with the banning of share warrants to bearer, or bearer shares as they are more commonly known.

## Company accounts: amending regulations

July 20, 2015

New regulations came into force on 6 April 2015 to implement in the UK Chapters 1 to 9 of the EU Accounting Directive. The Directive provides an updated EU-wide accounting framework for statutory accounts. The new regulations apply to accounting periods starting on or after 1 January 2016, though early adoption is possible.

## Increase in fines for company law offences

July 20, 2015

Failure to comply with many of the requirements imposed by the Companies Act 2006 on a company and its officers is a summary offence. Previously the maximum fine for a summary offence under any legislation was £5,000, the so-called "statutory maximum" or "level 5 on the standard scale".

## Amending drag-along rights in a company's articles

July 20, 2015

The Court of Appeal has rejected an appeal in an unfair prejudice claim based on a variation of drag-along rights in a company's articles. In doing so, it reviewed a line of cases in which the courts have considered the power of a company's shareholders to amend a company's articles.

## Execution of contracts: overseas companies and conflicts of laws

July 20, 2015

A recent Court of Appeal decision is a good reminder that the issue of who can bind an overseas company that is party to an English law contract is governed by the law of the place where the company is incorporated.

## Warranty claims: the importance of giving notice correctly

July 20, 2015

This recent High Court decision highlights the importance of following the relevant clauses of a share purchase agreement when giving notice of a warranty claim.

## Restoration to the register: appointment of a liquidator to claw back assets

July 20, 2015

When restoring a company that had been struck off the register under section 1032 of the Companies Act 2006, the High Court allowed a winding-up petition to be backdated to the date on which the company was dissolved.

## AIM: guidance on free float and AIM Rule 31

July 20, 2015

AIM, unlike the Main Market of the London Stock Exchange, does not prescribe a level of free float (i.e. shares that

are publicly traded) for companies traded on it. However, it considers the issue of free float to be an important part of the work that a nominated adviser (Nomad) undertakes when bringing a company to market.

## Pre-Emption Group Statement of Principles

July 20, 2015

The Pre-Emption Group, whose members represent listed companies, investors and intermediaries, has published an updated Statement of Principles on the disapplication of pre-emption rights, replacing those published in 2008.

## Your Key Contacts



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