

*These notes refer to the Commonwealth Development Corporation
Act 1999 (c.20) which received Royal Assent on 27 July 1999*

COMMONWEALTH DEVELOPMENT CORPORATION ACT 1999

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Registration under the Companies Act 1985

Section 4: Registration

17. This section sets out the details of the process by which CDC is registered by the registrar under the Companies Act 1985 as a plc on the registration day. *Subsections (1) and (2)* of section 4 are necessary to ensure that the provisions of the Act dovetail with the provisions of the Companies Act 1985. They reflect the fact noted above that CDC is not being formed as a new company under Part I of the Companies Act 1985 but is being transformed from the status of a statutory corporation to the status of a plc. The Act therefore specifies that, notwithstanding this fact, the registrar is under the same duty to register and retain CDC's memorandum and articles as he would be in relation to a newly formed company by virtue of section 12 of the Companies Act 1985. It is at the moment of registration of those documents that CDC's conversion to plc status occurs.
18. *Subsection (3)* describes the contents of the certificate given to CDC by the registrar upon its registration under the Companies Act 1985. The certificate given to CDC is similar but not identical to that given by the registrar under section 13 of the Companies Act 1985. The main difference is that the certificate does not state on it that CDC is incorporated as a new company as is the case under Part I of the Companies Act 1985. Since CDC has already been incorporated as a statutory corporation, the certificate indicates that CDC "remains incorporated."
19. *Subsection (5)* is again modelled on the provisions of the Companies Act 1985 which provide that the certificate is conclusive evidence of certain matters, i.e. that once a certificate is given the matters in relation to which it is conclusive evidence cannot be re-opened. The main difference between this subsection and the equivalent Companies Act provision is that the certificate is to be conclusive evidence of the time of day at which registration occurs. This is necessary because there needs to be certainty about the time at which CDC's change in status occurs so that CDC can know which constitution it is operating under in the conduct of its affairs at any given time of the day.