



# Companies Act 2006

## 2006 CHAPTER 46

### PART 41

#### BUSINESS NAMES

##### Annotations:

##### Modifications etc. (not altering text)

- C1** Pt. 41 applied (8.12.2017) by [The Risk Transformation Regulations 2017 \(S.I. 2017/1212\)](#), regs. 1(2), 12(8) (with reg. 189)

### CHAPTER 1

#### RESTRICTED OR PROHIBITED NAMES

##### *Introductory*

#### **1192 Application of this Chapter**

- (1) This Chapter applies to any person carrying on business in the United Kingdom.
- (2) The provisions of this Chapter do not prevent—
  - (a) an individual carrying on business under a name consisting of his surname without any addition other than a permitted addition, or
  - (b) individuals carrying on business in partnership under a name consisting of the surnames of all the partners without any addition other than a permitted addition.
- (3) The following are the permitted additions—
  - (a) in the case of an individual, his forename or initial;
  - (b) in the case of a partnership—

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- (i) the forenames of individual partners or the initials of those forenames, or
- (ii) where two or more individual partners have the same surname, the addition of “s” at the end of that surname;
- (c) in either case, an addition merely indicating that the business is carried on in succession to a former owner of the business.

*Sensitive words or expressions*

**1193 Name suggesting connection with government or public authority**

- (1) A person must not, without the approval of the Secretary of State, carry on business in the United Kingdom under a name that would be likely to give the impression that the business is connected with—
- (a) Her Majesty's Government, any part of the Scottish administration [<sup>F1</sup>, the Welsh Assembly Government] or Her Majesty's Government in Northern Ireland,
  - (b) any local authority, or
  - (c) any public authority specified for the purposes of this section by regulations made by the Secretary of State.
- (2) For the purposes of this section—
- “local authority” means—
- (a) a local authority within the meaning of the Local Government Act 1972 (c. 70), the Common Council of the City of London or the Council of the Isles of Scilly,
  - (b) a council constituted under section 2 of the Local Government etc. (Scotland) Act 1994 (c. 39), or
  - (c) a district council in Northern Ireland;
- “public authority” includes any person or body having functions of a public nature.
- (3) Regulations under this section are subject to affirmative resolution procedure.
- (4) A person who contravenes this section commits an offence.
- (5) Where an offence under this section is committed by a body corporate, an offence is also committed by every officer of the body who is in default.
- (6) 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.

**Annotations:**

**Amendments (Textual)**

- F1** Words in s. 1193(1)(a) inserted (6.11.2009) by [The Government of Wales Act 2006 \(Consequential Modifications, Transitional Provisions and Saving\) Order 2009 \(S.I. 2009/2958\)](#), [art. 11](#)

**Commencement Information**

- II** S. 1193 wholly in force at 1.10.2009; s. 1193 not in force at Royal Assent, see s. 1300; s. 1193 in force for specified purposes at 20.1.2007 by [S.I. 2006/3428](#), [art. 3\(3\)](#) (subject to [art. 5](#), [Sch. 1](#) and with [arts.](#)

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6, 8, Sch. 5); s. 1193 otherwise in force at 1.10.2009 by S.I. 2008/2860, art. 3(x) (with arts. 5, 7, 8, Sch. 2) (as amended by S.I. 2009/1802, art. 18)

#### 1194 Other sensitive words or expressions

- (1) A person must not, without the approval of the Secretary of State, carry on business in the United Kingdom under a name that includes a word or expression for the time being specified in regulations made by the Secretary of State under this section.
- (2) Regulations under this section are subject to approval after being made.
- (3) A person who contravenes this section commits an offence.
- (4) Where an offence under this section is committed by a body corporate, an offence is also committed by every officer of the body who is in default.
- (5) 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.

#### Annotations:

##### Commencement Information

- I2** S. 1194 wholly in force at 1.10.2009; s. 1194 not in force at Royal Assent, see s. 1300; s. 1194 in force for specified purposes at 20.1.2007 by S.I. 2006/3428, art. 3(3) (subject to art. 5, Sch. 1 and with arts. 6, 8, Sch. 5); s. 1194 otherwise in force at 1.10.2009 by S.I. 2008/2860, art. 3(x) (with arts. 5, 7, 8, Sch. 2) (as amended by S.I. 2009/1802, art. 18)

#### 1195 Requirement to seek comments of government department or other relevant body

- (1) The Secretary of State may by regulations under—
  - (a) section 1193 (name suggesting connection with government or public authority), or
  - (b) section 1194 (other sensitive words or expressions),require that, in connection with an application for the approval of the Secretary of State under that section, the applicant must seek the view of a specified Government department or other body.
- (2) Where such a requirement applies, the applicant must request the specified department or other body (in writing) to indicate whether (and if so why) it has any objections to the proposed name.
- (3) He must submit to the Secretary of State a statement that such a request has been made and a copy of any response received from the specified body.
- (4) If these requirements are not complied with, the Secretary of State may refuse to consider the application for approval.
- (5) In this section “specified” means specified in the regulations.

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**Annotations:**

**Commencement Information**

- I3** S. 1195 wholly in force at 1.10.2009; s. 1195 not in force at Royal Assent, see s. 1300; s. 1195 in force for specified purposes at 20.1.2007 by S.I. 2006/3428, **art. 3(3)** (subject to **art. 5, Sch. 1** and with **arts. 6, 8, Sch. 5**); s. 1195 otherwise in force at 1.10.2009 by S.I. 2008/2860, **art. 3(x)** (with **arts. 5, 7, 8, Sch. 2**) (as amended by S.I. 2009/1802, **art. 18**)

**1196 Withdrawal of Secretary of State's approval**

- (1) This section applies to approval given for the purposes of—  
section 1193 (name suggesting connection with government or public authority),  
or  
section 1194 (other sensitive words or expressions).
- (2) If it appears to the Secretary of State that there are overriding considerations of public policy that require such approval to be withdrawn, the approval may be withdrawn by notice in writing given to the person concerned.
- (3) The notice must state the date as from which approval is withdrawn.

*Misleading names*

**1197 Name containing inappropriate indication of company type or legal form**

- (1) The Secretary of State may make provision by regulations prohibiting a person from carrying on business in the United Kingdom under a name consisting of or containing specified words, expressions or other indications—
  - (a) that are associated with a particular type of company or form of organisation,  
or
  - (b) that are similar to words, expressions or other indications associated with a particular type of company or form of organisation.
- (2) The regulations may prohibit the use of words, expressions or other indications—
  - (a) in a specified part, or otherwise than in a specified part, of a name;
  - (b) in conjunction with, or otherwise than in conjunction with, such other words, expressions or indications as may be specified.
- (3) In this section “specified” means specified in the regulations.
- (4) Regulations under this section are subject to negative resolution procedure.
- (5) A person who uses a name in contravention of regulations under this section commits an offence.
- (6) Where an offence under this section is committed by a body corporate, an offence is also committed by every officer of the body who is in default.
- (7) 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.

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#### Annotations:

##### Commencement Information

- I4** S. 1197 wholly in force at 1.10.2009; s. 1197 not in force at Royal Assent, see s. 1300; s. 1197 in force for specified purposes at 20.1.2007 by S.I. 2006/3428, **art. 3(3)** (subject to **art. 5, Sch. 1** and with **arts. 6, 8, Sch. 5**); s. 1197 otherwise in force at 1.10.2009 by S.I. 2008/2860, **art. 3(x)** (with **arts. 5, 7, 8, Sch. 2**) (as amended by S.I. 2009/1802, **art. 18**)

#### 1198 Name giving misleading indication of activities

- (1) A person must not carry on business in the United Kingdom under a name that gives so misleading an indication of the nature of the activities of the business as to be likely to cause harm to the public.
- (2) A person who uses a name in contravention of this section commits an offence.
- (3) Where an offence under this section is committed by a body corporate, an offence is also committed by every officer of the body who is in default.
- (4) 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.

#### *Supplementary*

#### 1199 Savings for existing lawful business names

- (1) This section has effect in relation to—
  - sections 1192 to 1196 (sensitive words or expressions), and
  - section 1197 (inappropriate indication of company type or legal form).
- (2) Those sections do not apply to the carrying on of a business by a person who—
  - (a) carried on the business immediately before the date on which this Chapter came into force, and
  - (b) continues to carry it on under the name that immediately before that date was its lawful business name.
- (3) Where—
  - (a) a business is transferred to a person on or after the date on which this Chapter came into force, and
  - (b) that person carries on the business under the name that was its lawful business name immediately before the transfer,those sections do not apply in relation to the carrying on of the business under that name during the period of twelve months beginning with the date of the transfer.
- (4) In this section “lawful business name”, in relation to a business, means a name under which the business was carried on without contravening—
  - (a) section 2(1) of the Business Names Act 1985 (c. 7) or Article 4(1) of the Business Names (Northern Ireland) Order 1986 (S.I. 1986/1033 N.I. 7)), or
  - (b) after this Chapter has come into force, the provisions of this Chapter.

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## CHAPTER 2

### DISCLOSURE REQUIRED IN CASE OF INDIVIDUAL OR PARTNERSHIP

#### *Introductory*

#### **1200 Application of this Chapter**

- (1) This Chapter applies to an individual or partnership carrying on business in the United Kingdom under a business name.

References in this Chapter to “a person to whom this Chapter applies” are to such an individual or partnership.

- (2) For the purposes of this Chapter a “business name” means a name other than—
- (a) in the case of an individual, his surname without any addition other than a permitted addition;
  - (b) in the case of a partnership—
    - (i) the surnames of all partners who are individuals, and
    - (ii) the corporate names of all partners who are bodies corporate, without any addition other than a permitted addition.
- (3) The following are the permitted additions—
- (a) in the case of an individual, his forename or initial;
  - (b) in the case of a partnership—
    - (i) the forenames of individual partners or the initials of those forenames, or
    - (ii) where two or more individual partners have the same surname, the addition of “s” at the end of that surname;
  - (c) in either case, an addition merely indicating that the business is carried on in succession to a former owner of the business.

#### **[<sup>F2</sup>1201 Information required to be disclosed**

- (1) The “information required by this Chapter” is—
- (a) in the case of an individual, the individual's name;
  - (b) in the case of a partnership, the name of each member of the partnership;
- and, in relation to each person so named, an address at which service of any document relating in any way to the business will be effective.
- (2) If the individual or partnership has a place of business in the United Kingdom, the address must be in the United Kingdom.
- (3) If the individual or partnership does not have a place of business in the United Kingdom, the address must be an address at which service of documents can be effected by physical delivery and the delivery of documents is capable of being recorded by the obtaining of an acknowledgement of delivery.]

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**Annotations:**

**Amendments (Textual)**

- F2** S. 1201 substituted (28.12.2009) by [The Companies Act 2006 \(Substitution of Section 1201\) Regulations 2009 \(S.I. 2009/3182\)](#), [reg. 2](#)

*Disclosure requirements*

**1202 Disclosure required: business documents etc**

- (1) A person to whom this Chapter applies must state the information required by this Chapter, in legible characters, on all—
- business letters,
  - written orders for goods or services to be supplied to the business,
  - invoices and receipts issued in the course of the business, and
  - written demands for payment of debts arising in the course of the business.

This subsection has effect subject to section 1203 (exemption for large partnerships if certain conditions met).

- (2) A person to whom this Chapter applies must secure that the information required by this Chapter is immediately given, by written notice, to any person with whom anything is done or discussed in the course of the business and who asks for that information.
- (3) The Secretary of State may by regulations require that such notices be given in a specified form.
- (4) Regulations under this section are subject to negative resolution procedure.

**Annotations:**

**Commencement Information**

- I5** S. 1202 wholly in force at 1.10.2009; s. 1202 not in force at Royal Assent, see s. 1300; s. 1202 in force for specified purposes at 20.1.2007 by [S.I. 2006/3428](#), [art. 3\(3\)](#) (subject to [art. 5](#), [Sch. 1](#) and with [arts. 6, 8](#), [Sch. 5](#)); s. 1202 otherwise in force at 1.10.2009 by [S.I. 2008/2860](#), [art. 3\(x\)](#) (with [arts. 5, 7, 8](#), [Sch. 2](#)) (as amended by [S.I. 2009/1802](#), [art. 18](#))

**1203 Exemption for large partnerships if certain conditions met**

- (1) Section 1202(1) (disclosure required in business documents) does not apply in relation to a document issued by a partnership of more than 20 persons if the following conditions are met.
- (2) The conditions are that—
- the partnership maintains at its principal place of business a list of the names of all the partners,
  - no partner's name appears in the document, except in the text or as a signatory, and

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- (c) the document states in legible characters the address of the partnership's principal place of business and that the list of the partners' names is open to inspection there.
- (3) Where a partnership maintains a list of the partners' names for the purposes of this section, any person may inspect the list during office hours.
- (4) Where an inspection required by a person in accordance with this section is refused, an offence is committed by any member of the partnership concerned who without reasonable excuse refused the inspection or permitted it to be refused.
- (5) A person guilty of an offence under subsection (4) 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.

#### **1204 Disclosure required: business premises**

- (1) A person to whom this Chapter applies must, in any premises—
  - (a) where the business is carried on, and
  - (b) to which customers of the business or suppliers of goods or services to the business have access,
 display in a prominent position, so that it may easily be read by such customers or suppliers, a notice containing the information required by this Chapter.
- (2) The Secretary of State may by regulations require that such notices be displayed in a specified form.
- (3) Regulations under this section are subject to negative resolution procedure.

#### **Annotations:**

##### **Commencement Information**

- I6** S. 1204 wholly in force at 1.10.2009; s. 1204 not in force at Royal Assent, see s. 1300; s. 1204 in force for specified purposes at 20.1.2007 by [S.I. 2006/3428](#), [art. 3\(3\)](#) (subject to [art. 5](#), [Sch. 1](#) and with [arts. 6, 8](#), [Sch. 5](#)); s. 1204 otherwise in force at 1.10.2009 by [S.I. 2008/2860](#), [art. 3\(x\)](#) (with [arts. 5, 7, 8](#), [Sch. 2](#)) (as amended by [S.I. 2009/1802](#), [art. 18](#))

#### *Consequences of failure to make required disclosure*

#### **1205 Criminal consequences of failure to make required disclosure**

- (1) A person who without reasonable excuse fails to comply with the requirements of—
  - section 1202 (disclosure required: business documents etc), or
  - section 1204 (disclosure required: business premises),
 commits an offence.
- (2) Where an offence under this section is committed by a body corporate, an offence is also committed by every officer of the body who is in default.
- (3) 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.



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- (4) References in this section to the requirements of section 1202 or 1204 include the requirements of regulations under that section.

### **1206 Civil consequences of failure to make required disclosure**

- (1) This section applies to any legal proceedings brought by a person to whom this Chapter applies to enforce a right arising out of a contract made in the course of a business in respect of which he was, at the time the contract was made, in breach of section 1202(1) or (2) (disclosure in business documents etc) or section 1204(1) (disclosure at business premises).
- (2) The proceedings shall be dismissed if the defendant (in Scotland, the defender) to the proceedings shows—
- (a) that he has a claim against the claimant (pursuer) arising out of the contract that he has been unable to pursue by reason of the latter's breach of the requirements of this Chapter, or
  - (b) that he has suffered some financial loss in connection with the contract by reason of the claimant's (pursuer's) breach of those requirements,
- unless the court before which the proceedings are brought is satisfied that it is just and equitable to permit the proceedings to continue.
- (3) References in this section to the requirements of this Chapter include the requirements of regulations under this Chapter.
- (4) This section does not affect the right of any person to enforce such rights as he may have against another person in any proceedings brought by that person.

## **CHAPTER 3**

### **SUPPLEMENTARY**

### **1207 Application of general provisions about offences**

The provisions of sections 1121 to 1123 (liability of officer in default) and 1125 to 1131 (general provisions about offences) apply in relation to offences under this Part as in relation to offences under the Companies Acts.

### **1208 Interpretation**

In this Part—

“business” includes a profession;

“initial” includes any recognised abbreviation of a name;

“partnership” means—

- (a) a partnership within the Partnership Act 1890 (c. 39), or
- (b) a limited partnership registered under the Limited Partnerships Act 1907 (c. 24),

or a firm or entity of a similar character formed under the law of a country or territory outside the United Kingdom;

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“surname”, in relation to a peer or person usually known by a British title different from his surname, means the title by which he is known.

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

- Act amendment to earlier affecting provision S.I. 2008/373 reg. 11(1) by [S.I. 2013/1971 reg. 9\(a\)](#) (This amendment not applied to legislation.gov.uk. Amending Regulations revoked (1.10.2013) without ever being in force by S.I. 2013/2224, reg. 2)
- Act amendment to earlier affecting provision S.I. 2008/373 reg. 3(4) by [S.I. 2013/1971 reg. 4](#) (This amendment not applied to legislation.gov.uk. Amending Regulations revoked (1.10.2013) without ever being in force by S.I. 2013/2224, reg. 2)
- Act amendment to earlier affecting provision SI 2008/373 reg. 11 by [S.I. 2017/1164 reg. 11](#)

**Whole provisions yet to be inserted into this Act (including any effects on those provisions):**

- s. 156A-156C inserted by [2015 c. 26 s. 87\(4\)](#)
- s. 444(8) inserted by [S.I. 2017/1164 Sch. 1 para. 8](#)
- s. 444A(4A) inserted by [S.I. 2017/1164 Sch. 1 para. 9](#)
- s. 445(6A) inserted by [S.I. 2017/1164 Sch. 1 para. 10](#)
- s. 446(4A) inserted by [S.I. 2017/1164 Sch. 1 para. 11](#)
- s. 447(5) inserted by [S.I. 2017/1164 Sch. 1 para. 12](#)
- s. 463(1)(d) inserted by [S.I. 2017/1164 Sch. 1 para. 13\(a\)\(ii\)](#)
- s. 474(1)(a) amendment to earlier affecting provision SI 2017/701 Sch. 4 para. 9(2) (b) by [S.I. 2017/1255 reg. 37](#)
- s. 474(1)(b) amendment to earlier affecting provision SI 2017/701 Sch. 4 para. 9(2) (c) by [S.I. 2017/1255 reg. 37](#)
- s. 474(1)(b) substituted by [S.I. 2017/1255 reg. 7\(a\)](#)
- s. 474(1)(c) word substituted by [S.I. 2017/1255 reg. 7\(b\)](#)
- s. 486A applied (with modifications) by SI 2008/565 reg. 6(1)(1A) (as substituted) by [S.I. 2017/1164 Sch. 2 para. 6\(a\)](#)
- s. 486A inserted by [S.I. 2017/1164 Sch. 1 para. 16](#)
- s. 490A inserted by [S.I. 2017/1164 Sch. 1 para. 19](#)
- s. 1099(3)(f)(g) inserted by [S.I. 2017/1233 art. 2](#)
- s. 1221(1A)(1B) substituted for s. 1221(1A) by [S.I. 2017/1164 Sch. 1 para. 21\(a\)](#)
- s. 1221(7C)(7D) inserted by [S.I. 2017/1164 Sch. 1 para. 21\(e\)](#)
- Sch. 10 para. 7A inserted by [S.I. 2017/1164 Sch. 1 para. 22](#)