

*These notes refer to the Companies Act 2006 (c.46)
which received Royal Assent on 8 November 2006*

COMPANIES ACT 2006

EXPLANATORY NOTES

COMMENTARY

Part 18: Acquisition by Limited Company of Its Own Shares

Chapter 4: Purchase of Own Shares

Section 702: Copy of contract or memorandum to be available for inspection

1011. This section replaces section 169(4) and (9) of the 1985 Act. Under the 1985 Act, where a company enters into a contract for a purchase of own shares it must make available for inspection a copy of the relevant contract or a memorandum of its terms at the company's registered office for a period of 10 years. *Subsection (4)* alters the current requirements by providing that the contract may, alternatively, be kept available for inspection at a place specified in regulations made under section 1136. If the company is a private company, the contract must be available for inspection by any of its members; otherwise it must be open to inspection by anyone. If default is made an offence is committed by the company and every officer in default.
1012. *Subsection (5)* is a new provision which requires companies to give notice to the registrar of the place where the contract is kept available for inspection. This is consequential on the choice conferred on companies under subsection (4) as to where such documents are kept.