



# Companies Act 2006

## 2006 CHAPTER 46

### PART 10

#### A COMPANY'S DIRECTORS

### CHAPTER 2

#### GENERAL DUTIES OF DIRECTORS

##### *The general duties*

#### **173 Duty to exercise independent judgment**

- (1) A director of a company must exercise independent judgment.
- (2) This duty is not infringed by his acting—
  - (a) in accordance with an agreement duly entered into by the company that restricts the future exercise of discretion by its directors, or
  - (b) in a way authorised by the company's constitution.

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

- C1** Ss. 170-177 modified (22.2.2008) by The Northern Rock plc [Transfer Order 2008 \(S.I. 2008/432\)](#), art. 17(1), **Sch. para. 2(e)**
- C2** Ss. 170-177 modified (8.00 a.m. on 29.9.2008) by the The Bradford & Bingley plc [Transfer of Securities and Property etc. Order 2008 \(S.I. 2008/2546\)](#), art. 13(1)(3), **Sch. 1 para. 2(e)**
- C3** Ss. 170-177 modified (9.30 a.m. on 7.10.2008) by The Heritable Bank plc [Transfer of Certain Rights and Liabilities Order 2008 \(S.I. 2008/2644\)](#), art. 26, **Sch. 2 para. 2(e)**
- C4** Ss. 170-177 modified (retrospective to 30.3.2009 at 8.00 a.m.) by The Amendments to Law (Resolution of Dunfermline Building Society) Order 2009 (S.I. 2009/814), arts. 1(2), 7, **Sch. para. 2(e)**

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**Status:** Point in time view as at 01/10/2007. This version of this provision has been superseded.

**Changes to legislation:** There are outstanding changes not yet made by the legislation.gov.uk editorial team to Companies Act 2006. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details)

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#### Commencement Information

- II** S. 173 wholly in force at 1.10.2007; s. 173 not in force at Royal Assent see s. 1300; s. 173 in force at 1.10.2007 by [S.I. 2007/2194](#), [art. 2\(1\)\(d\)](#) (with savings in [art. 12](#) and subject to transitional adaptations specified in [Sch. 1](#))

**Status:**

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