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## EXPLANATORY NOTE

*(This note is not part of the Order)*

This is the second Commencement Order made under the Companies Act 2006 (c.46) (“the Act”). The Order brings various provisions of the Act into force on 6th April 2007.

Article 2(1)(a) brings into force section 2 of the Act (the Companies Acts) subject to a transitional adaptation.

Article 2(1)(b) brings into force Part 28 of and Schedule 2 to the Act (takeovers etc). Two existing regimes apply to takeover offers. The Takeovers Directive (Interim Implementation) Regulations 2006 (S.I. 2006/1183) (“the Interim Regulations”), which apply to offers covered by Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on Takeover Bids (O.J. No. L142, 30.4.2004) (“the Takeovers Directive”), are revoked by article 8 as from 6th April 2007. The repeals of Part 13A of the Companies Act 1985 (c.6) and Part 12 of the Companies (Northern Ireland) Order 1986 (S.I. 1986/1032 (N.I. 6)), which apply in the case of offers not covered by the Takeovers Directive, are brought into force by this Order as from that date (article 6). Article 7 makes amendments to primary and secondary legislation consequential on Part 28. In relation to takeovers, article 9 and Schedule 6 save the effect of the 1985 Act and the Interim Regulations as follows. Paragraph 1 of Schedule 6 makes provision in relation to squeeze-out and sell-out for non-Takeovers Directive bids, paragraph 2 makes provision in relation to squeeze-out and sell-out for Takeovers Directive bids, and paragraph 3 saves regulation 8(2)(b) of the Interim Regulations in respect of offences committed before 6th April 2007.

Article 2(1)(d) brings into force section 1284(1) (extension of the Companies Acts to Northern Ireland) for the purpose of extending to Northern Ireland the provisions on community interest companies contained in Part 2 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 (c.27) (“the 2004 Act”). The repeal of Part 3 of the Companies (Audit, Investigations and Community Enterprise) Order 2005 (S.I. 2005/1967 (N.I. 17)) (“the 2005 Order”), which made corresponding provision for Northern Ireland and is not yet in force, is brought into force by this Order. Article 7(2) and Schedule 4 amend the 2004 Act, and the Community Interest Company Regulations 2005 (S.I. 2005/1788) made under it, so that they can work alongside the existing Northern Ireland companies legislation pending the implementation of a single UK companies regime. They also make consequential amendments of other enactments.

Article 11(2) restores the application to limited liability partnerships of a provision of the 1985 Order the repeal of which had been brought into force by S.I. 2006/3428 without a saving in respect of its application to limited liability partnerships.