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## EXPLANATORY NOTE

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

These Regulations are made in exercise of the powers conferred by section 8(1) of the European Union (Withdrawal) Act 2018 (c. 16) in order to address failures of retained EU law to operate effectively and other deficiencies (in particular arising under paragraphs (a), (c), (d), and (g) of section 8(2) of the Act) arising from the withdrawal of the United Kingdom from the European Union.

These Regulations make amendments to legislation in the field of company law and, in particular amend legislation to reflect that the UK is no longer a member state of the EU/EEA. These amendments concern certain types of business undertakings, namely companies, certain types of partnerships, limited liability partnerships and overseas companies (an overseas company is defined in section 1044 of the Companies Act 2006 (c. 46) as a company incorporated outside the United Kingdom). They also affect the data sharing provisions between the Registrar of Companies and EEA credit reference agencies, credit institutions and financial institutions, and use of EEA data processors.

These Regulations further revoke the Companies (Cross-Border Mergers) Regulations 2007 which implement Chapter II of Title II of the Directive (EU) 2017/1132 of the European Parliament and of the Council of 14 June 2017 on cross-border mergers of limited liability companies, and the Commission Implementing Regulation (EU) 2015/884 of 8 June 2015 establishing technical specifications and procedures required for the system of interconnection of registers established by Directive 2009/101/EC of the European Parliament and of the Council.

Part 2 revokes the Companies (Cross-Border Mergers) Regulations 2007 and other secondary legislation as a consequence of that revocation. This part also revokes the Commission Implementing Regulation (EU) 2015/884 of 8 June 2015.

Part 3 gives effect to the following Schedules.

Schedule 1 amends the Companies Act 2006.

Schedule 2 amends secondary legislation.

Schedule 3 amends other legislation, being consequential amendments in relation to application of amendments in the Companies Act 2006 to Limited Liability Partnerships. This Schedule also includes consequential amendments arising from the revocation of the Companies (Cross-Border Mergers) Regulations 2007.

Schedule 4 provides for transitional provisions for certain amendments made by the other Schedules.

A full impact assessment has not been published for this instrument as it has no significant impact on the costs of business, the voluntary sector and the public sector.