



COMPANIES ACT 2014

MISSED THE CONVERSION DEADLINE?

Company Names and Consequences...

End of Transition Period

The Companies Act 2014 ("the 2014 Act") provided for an 18 month transition period for private companies limited by shares to convert to one of the new company types. This period ended on 30 November 2016. From 1 December 2016, it has no longer been possible to elect to convert to a LTD or DAC and the forms for the conversion process (N1, N2 and N3) have ceased to have any legal effect.

Consequences of non-conversion

- Private companies limited by shares that did not convert before the deadline have been automatically converted to the LTD type company. Since 1 December 2016, the Companies Registration Office have been issuing new digital Certificates of Incorporation for each company.
- The main consequence of non-conversion is that the company is left with its current Memorandum and Articles of Association (M&As) filed with the CRO and it is now a deemed Constitution. Companies that did not convert and adopt a new type Constitution in lieu of the M&As may now find themselves in an ambiguous situation when reading the company's regulations. For example, the citations in the deemed Constitution may refer to legislation that has been repealed under the 2014 Act and any existing article that is in contravention of a provision of the 2014 Act will be void. The objects clause(s) listed will also no longer apply as part of the new Constitution.

Companies not affected

Companies Limited by Guarantee (CLGs) and Unlimited Companies (ULCs) that did not change their name to the required format under the legislation have been issued with new digital Certificates of Incorporation by the Companies Registration Office. Upon receipt of the new Certificate of Incorporation, these companies have updated their

company seals, letterheads, webpage, signage and any other documents showing the company name. It should also be noted that all documents filed with the CRO should now show the new name only. For example, a Company Limited by Guarantee must now replace the word 'Limited' at the end of the company name with 'Company Limited by Guarantee' or the abbreviated version 'CLG'.

What can companies do now?

It remains a relevant time to give your company a 'health check' and review your company's deemed Constitution. Many companies that were automatically converted now have company regulations that are not fit for purpose or require a good working knowledge of the provisions of the 2014 Act to be read correctly. A company may, by special resolution, adopt a new Constitution in line with the legislation to bring clarity to the officers and shareholders of the company and those intending to do business with the entity.

A company may also re-register as a DAC under the provisions of Part 20 of the 2014 Act if unhappy with the LTD type company format that was assigned to private companies limited by shares on automatic conversion.

BDO are happy to assist companies that were automatically converted with a review of their deemed Constitution and requirements going forward.

For further information or to discuss an updated Constitution and corporate documents, please contact a member of the Corporate Secretarial Department at +353 1 470 0000.

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