

Websites and email

New information requirements

Background Information

The Companies Act 2006 received Royal Assent on 8th November 2006. It contains roughly 1,300 sections and is said to be the largest ever UK statute. The Act, which will not come into effect in its entirety until October 2009, will replace virtually all of the Companies Acts 1985 and 1989.

This briefing is one in a series looking at the significant changes to existing company law and many areas of new law. It focuses on the information which companies are now required by law to make available on their websites and in other communications.

Previous Rules

United Kingdom companies have been obliged to make disclosure of certain information relating to them for over 20 years. For example, the Business Names Act 1985 required companies to incorporate their business name in all business documents issued by them.

Businesses with an online presence have had to deal with a series of additional requirements as the law has evolved to take account of online trading. The most significant of these were implemented through the E-Commerce Regulations 2002, which effectively require all businesses with an online presence to disclose their true identity and other key information.

The most recent changes, which came into force on 1st January 2007, affect company websites, business letters and order forms. By virtue of regulations linking company law and the law relating to limited liability partnerships, the changes also affect LLPs.

Details of the Changes

All companies registered in the United Kingdom must now include on their websites and on all hard copy or electronic business letters and order forms:

- 1 the company's name and its trading name, if it has one
- 2 its place of registration and the number with which it is registered
- 3 the address of its registered office (and please note that PO Box addresses are not permitted)
- 4 in the case of an investment company, the fact that it is an investment company
- 5 where a company's share capital is referred to, the reference must be to its paid-up share capital
- 6 in the case of a company that is being wound up, the fact that it is being wound up
- 7 the company's VAT number, whether it is a member of any trade or professional body and a contact email address.

Points to Note

A company must also disclose its name on virtually every other document that it issues, such as notices, official publications, bills of exchange, promissory notes and orders for money or goods purporting to be signed by or on behalf of the company.

The obligation applies both to existing and new companies, LLPs and to registered branches of foreign companies. Where a website relates to an overseas business,

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the regulations apply to those parts of the site relating to business in the United Kingdom.

Please note the requirement for the information to be "clear". This does not extend to having the information available on each page of the website, but, as a minimum, the information should be accessible through a link on the home page.

Comments

It is already relatively common to see most, if not all, of the information which needs to be disclosed within the footer of a company's emails and on its websites. This means that in many instances the practical steps which a company will need to take in order to ensure adherence with the regulations should be fairly limited.

Nevertheless, it would be prudent for companies to verify that they are compliant with the regulations, not least because failure can result in a fine, both for the company and for any officers responsible for the non-compliance.

This briefing paper summarises and comments on certain provisions in the Companies (Registrar, Languages and Trading Disclosures) Regulations 2006. It is not intended to provide legal advice, which should be sought on particular matters.

Please refer to your usual contact at Thomson Snell & Passmore for further information. Alternatively, please e-mail James Partridge at james.partridge@ts-p.co.uk or call him on 01892 701280.

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