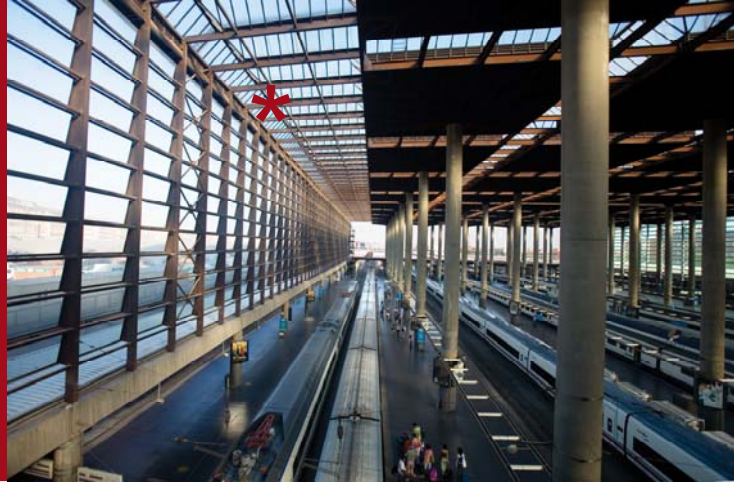


# Newsalert

## Tax and Legal Services



Malta

September 2007

### **Companies Act: Particulars on business letters and other official documentation**

Article 6 of the Companies Act lays down the particulars that must be shown on business letters, order forms, websites etc. and the manner in which business letters are to be signed. This Article has recently been amended by Act XV of 2007.

The aim of this newsletter is to outline the requirements set out in Article 6 (as amended) so as to allow clients to ensure that their business documents are in conformity with these statutory obligations.

Clients requiring any further information or wishing to discuss this matter are kindly asked to contact us.

- **Designation of the person signing any document**

Article 6(6) requires every officer who signs a document on behalf of a company or commercial partnership or on behalf of an oversea company to state the capacity in which he/she is signing. A signed document must therefore show the name of, and the office held by, the signatory (e.g. "Director" or "Secretary"). Defaults in this regard are subject to penalties.

- **Particulars on letters and order forms**

The other provisions of Article 6 lay down the particulars that must be shown on business documents. Every company and every commercial partnership constituted in Malta must give, in legible characters, the following particulars in all its business letters and order forms, whether they are in paper form or in any other medium, as well as on its internet website or websites, if any:

- its name
- the kind of commercial partnership (i.e. whether it is a company, partnership en nom collectif or a partnership en nom commandite)
- its registered office
- its registration number

#### \* **connectedthinking**

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It is important to note that the recent amendments have introduced a new obligation: where reference is made to the capital of a Company in the documents or internet websites referred to above, that reference must include a reference to both the issued and the paid up capital.

# Companies Act: Particulars on business letters and other official documentation



- **Further particulars to be supplied by partnerships en nom collectif or en commandite**

In addition to the above:

- a partnership en nom collectif must also state in legible characters the names of its partners, and
- a partnership en commandite must also state in legible characters the names of the partners having unlimited liability

- **Overseas companies**

In all its business letters and order forms whether in paper form or in any other medium, as well as on its internet website or websites if any, in respect of its branch or place of business in Malta, every foreign company that is registered as an overseas company under the Companies Act must mention in legible characters

- its name
- the country of its constitution or incorporation
- its registration number
- its registered office in its country of constitution or incorporation
- the kind of commercial partnership
- the address of the branch or place of business in Malta,
- its registration number under Part XI of the Companies Act
- the fact that the overseas company is being wound up (where applicable)

- **Notices, official publications, bills of exchange etc.**

Every company and every other commercial partnership and overseas company must mention its name in legible characters in all its:

- notices and other official publications
- bills of exchange, promissory notes, cheques and orders for money or goods purporting to be signed on its behalf
- bills of parcels, invoices, receipts and letters of credit

- **Companies and partnerships in liquidation**

Where a company or other commercial partnership is being wound up, every letter, invoice or other document issued by or on behalf of the commercial partnership, being a document on or in which the name of the commercial partnership appears, must, in addition to the other requirements of Article 6, contain a statement that the company or commercial partnership is being wound up and in respect of a company, it must also contain the names of the liquidators.

- **Penalties**

Failure to comply with any of these requirements entails a penalty of up to Lm200. This penalty is imposed on every officer or, where applicable, the liquidator, of the company or other commercial partnership who is in default.

The notes are designed to keep readers abreast with financial and tax developments. They are not intended to be a definitive or comprehensive analysis of the subject and should not be acted upon without prior consultation with the Partners or Senior Consultants of the firm. For further details please do not hesitate to contact Neville Gatt or David Ferry at:

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