

(3) A Company that fails to comply with the penalties after six months from the date the fine is due shall face legal action to recover the fine and shall be struck off the register thereafter”

### SCHEDULE

**63.** Paragraph (1) of Table C of the First Schedule of the Companies Act 2009, entitled Articles of association to accompany memorandum of association of company limited by shares is amended by repealing and replacing that paragraph with the following new paragraph—

Amendment  
of Table C of  
Act No. 5 of  
2009.

“1. The number of shares with which the company proposes to be registered is .....but the directors may from time to time register an increase of members.”

Passed in Parliament this *22nd day of July*, in the year of our Lord two thousand and fourteen.

IBRAHIM S. SESAY,  
*Clerk of Parliament.*

THIS PRINTED IMPRESSION has been carefully compared by me with the Bill which has passed Parliament and found by me to be a true and correct printed copy of the said Bill.

IBRAHIM S. SESAY,  
*Clerk of Parliament.*

### ACT

*Supplement to the Sierra Leone Gazette Vol. CXLV, No. 55*  
*dated 16th October, 2014*

SIGNED this *17th day of September, 2014.*

DR. ERNEST BAI KOROMA,  
*President.*



No. 9



Sierra Leone

2014

**THE COMPANIES (AMENDMENT) ACT, 2014**

Short title.

**Being an Act to amend the Companies Act, 2009.**

[

] Date of commencement.

ENACTED by the President and Members of Parliament in this present Parliament assembled.

PART II—CORPORATE AFFAIRS COMMISSION

Amendment of section 13 of Act No. 5 of 2009. 1. Section 13 of the Companies Act 2009 is amended in subsection (2) by deleting the words “Attorney-General and substituting the words “Auditor-General.”

PART III—INCORPORATION OF COMPANIES AND INCIDENTAL MATTERS

Formation of Company

Amendment of section 15 Act No. 5 of 2009. 2. Section 15 of the Companies Act, 2009 is amended in subsection (1) by deleting the words “subject to subsection (2)”.

Amendment of section 16 of Act No. 5 of 2009. 3. Section 16 of the Companies Act, 2009 is amended in subsection (3) by the repeal and replacement of that subsection with the following new subsection—

“(3) If at any time the number of a company, association or partnership exceeds 20 in contravention of this section and it carries on business for more than 14 days while the contravention continues, every person who is a member of the company, association or partnership during the time that it carries on business after those 14 days, shall be liable to a default fine of Le 850,000.00 for each day during which the default continues.”

Amendment of section 22 of Act No. 5 of 2009. 4. Section 22 of the Companies Act 2009 is amended in subsection (2) by repealing and replacing that subsection with the following new subsection—

“(2) After the commencement of this Act, every company limited by guarantee shall be incorporated as a company limited by guarantee and not having a share capital and every existing company limited by guarantee and having a share capital shall not later than six months after the commencement of this Act, alter its memorandum so that it becomes a company limited by guarantee. Any company that fails to comply with this section shall be in default and shall be liable to a default fine not below Le 2,000,000 and not exceeding Le 5,000,000.00”

5. Section 23 of the Companies Act, 2009 is amended as follows Amendment of section 23 of Act No 5 of 2009. (a) by repealing and replacing paragraph (a) of subsection (2) with the following paragraph—

“(a) the memorandum in the case of a private company shall also state the amount of shares, 25 percent of which shall be taken by subscribers”

(b) by repealing subsection (5).

Name of Company

6. Section 27 of the Companies Act, 2009 is amended in— Amendment of section 27 of Act No 5 of 2009.

(a) subsection (3) by deleting the words “forwarded to “ and substituting the words “registered with “

(b) subsection (4) by repealing and replacing that subsection with the following new subsection—

“(4) If a company contravenes subsection (1), the company and any officer in default shall be liable to a daily default fine of Le 850,000.00 and any resolution passed in contravention of this section shall be void.”

7. Section 28 of the Companies Act, 2009 is amended in subsection (2) by repealing and replacing paragraph (d) with the following new paragraph— Amendment of section 28 of Act No 5 of 2009.

“(d) contains the word “Group”, “Holding” or “International”

Amendment of section 29 of Act No. 5 of 2009.

**8.** Section 29 of the Companies Act, 2009 is amended by repealing and replacing that section with the following new section—

Penalty for improper use of limited.

“29 Any person who trades or carries on business under a name or title of which “limited” or any contraction or imitation thereof is the last word, that person unless duly incorporated with limited, shall be in default and liable to a default fine of Le 850,000.00 for each day the default continues.”

Amendment of section 30 of Act No. 5 of 2009.

**9.** Section 30 of the Companies Act, 2009 is amended in subsection (4) by repealing and replacing that subsection with the following new subsection—

“(4) If a company defaults in complying with a direction of the Commission given under subsection (2), the company and any director of the company who is cognisant of the default shall be liable to a default fine of Le. 850,000.00 for each day that the default continues.”

**Registration of Companies**

Amendment of section 32 of Act No. 5 of 2009.

**10.** Section 32 of the Companies Act, 2009 is amended as follows—

(a) by repealing and replacing subparagraph (i) of paragraph (c) of subsection (2) with the following new subparagraph-

“(i) the list, particulars together with valid identification and the consent of the persons who are to be the first directors of the company.”

(b) by inserting a new paragraph immediately after paragraph (f) of subsection (2) as follows—

“(g) a declaration that copies of valid Identification of subscribers have been submitted”

(c) by repealing and replacing subsection (3) with the following new subsection—

“(3) Where the Commission refuses a statutory declaration, it shall give, send to or otherwise inform the declarant of its refusal, giving reasons for the refusal.”

**11.** Section 33 of the Companies Act, 2009 is amended by repealing and replacing subsection (2) with the following new subsection—

Amendment of section 33 of Act No. 5 of 2009.

“(2) Where the Commission refuses to register the memorandum and articles of association, it shall, within a reasonable period of time write to the applicant of its decision.”

**Member’s right to copy of memorandum and articles**

**12.** Section 38 of the Companies Act, 2009 is amended by repealing and replacing subsection (2) with the following new subsection—

Amendment of section 38 of Act No. 5 of 2009.

“(2) If a company defaults in complying with subsection (1) and upon notification in writing to the Commission by a member, the company and every officer of the company would be in default and the Commission shall give a direction to the Company and its members for a copy of the memorandum and articles to be made available to the member within the period specified in the directive failing which the company and every member who is in default shall be liable to a default fine of Le850,000” for each day that the default continues.

**Alteration of memorandum and articles**

**13.** Section 42 of the Companies Act, 2009 is amended by repealing and replacing subsection (12) with the following new subsection—

Amendment of section 42 of Act No. 5 of 2009.

“(12) If a company defaults in giving notice or delivering any document to the Commission as required by subsection (10) the company and every officer of the company who is in default shall be liable to a default fine not exceeding Le.3,000,000”

Amendment of section 43 of Act No. 5 of 2009. **14.** Section 43 of the Companies Act, 2009 is amended by repealing and replacing subsection (2) with the following new subsection–

“(2) Any alteration or addition made in the articles shall, be filed with the Commission subject to the provisions of this Act, and be as valid as if originally contained therein and be subject, in like manner, to alteration by special resolution.”

**Re-registration of Companies**

Amendment of section 47 of Act No. 5 of 2009. **15.** Section 46 of the Companies Act, 2009 is amended by repealing and replacing subsection (7) with the following new subsection–

“(7) If a company fails to deliver to the Commission a certified true copy of the order as required in subsection (6), the company and any officer of the company who is in default, shall be liable to a default fine not exceeding Le.5,000,000.00”

**Company’s contracts**

Amendment of section 58 of Act No. 5 of 2009. **16.** Section 58 of the Companies Act 2009 is amended by repealing and replacing paragraph (a) of subsection (1) with the following new paragraph–

“(a) any contract which if made between companies or a company and an individual would on the part of the company be required by law to be in writing under seal, or which could be varied, or discharged

only by writing under seal, may be made, varied or discharged, as the case may be, in writing under the common seal of the company;”

**17.** Section 60 of the Companies Act, 2009 is amended by inserting the following new subsection- Amendment of section 60 of Act No. 5 of 2009.

“60 (2) Notwithstanding subsection (1), the common seal shall not be required for purposes of incorporation.”

**Register of Members**

**18.** Section 73 of the Companies Act, 2009 is amended by repealing and replacing subsection (5) with the following new subsection- Amendment of section 73 of Act No. 5 of 2009.

“(5) If an inspection required under this section is refused, or if a copy so required is not sent within the proper period, the company and every officer of it who is in default shall be liable in respect of each default to a fine not exceeding Le 5,000,000.00”

**19.** Section 76 of the Companies Act, 2009 is amended as follows- Amendment of section 76 of Act No. 5 of 2009

(a) in subsection (1) by deleting the word “court” and substituting the word “Commission”

(b) by repealing and replacing subsection (2) with the following new subsection–

“(2) The Commission may either refuse the application or may give directive for rectification of the register.”

(c) in subsection (3) by deleting the word “court” and substituting the word “Commission”

(d) by repealing and replacing subsection (4) with the following new subsection–

“(4) In the case of a company required by this Act to send a list of its members to the Commission, the Commission, when giving the directive for rectification of the register, shall by its directive require that notice of the rectification be filed with the Commission after the same is effected.”

**Disclosure of beneficial interest in shares**

Amendment of section 83 of Act No. 5 of 2009. **20.** Section 83 of the Companies Act, 2009 is amended in subsection (3) by deleting the figure “14” and substituting the figure “7”

**PART VI—SHARE CAPITAL**

**Minimum Share Capital**

Amendment of section 85 of Act No. 5 of 2009. **21.** Section 85 of the Companies Act, 2009 is amended as follows–

- (a) in subsection (2) by inserting the word “public” immediately after the word “No”
- (b) in subsection (3) by
  - (i) inserting the word “public” immediately after the word “existing”
  - (ii) deleting the figure “30” and substituting the figure “15”
- (c) by repealing and replacing subsection (5) with the following new subsection–
 

“(5) Where a company to which subsection (3) applies fails to comply with the applicable subsection, it shall be in default and liable to a default fine of Le 5,000,000 and every officer who is in default shall be liable to a default fine of Le.850,000.00 for each day during which the default continues.”

**Alteration of share capital**

**22.** Section 86 of the Companies Act, 2009 is amended by repealing and replacing subsection (4) with the following new subsection– Amendment of section 86 of Act No. 5 of 2009.

“(4) If default is made in complying with this section the company and every officer of the company who is in default shall be liable to a default fine of Le.850,000.00 for each day during which the default continues.

**23.** Section 87 of the Companies Act, 2009 is amended in subsection (2) by deleting the figure “15” and substituting the figure “7” Amendment of section 87 of Act No. 5 of 2009.

**Reduction of share capital**

**24.** Section 92 of the Companies Act, 2009 is amended in subsection (1) (b) by inserting the words “in the case of public company” immediately after the word “capital” Amendment of section 92 of Act No. 5 of 2009.

**PART VII—SHARES**

**Nature of shares**

**25.** Section 96 of the Companies Act, 2009 is amended by repealing and replacing subsection (2) by the following new subsection– Amendment of section 96 of Act No. 5 of 2009.

“(2) If a company contravenes any of the provisions of this section, the company and any officer in default shall be liable to a daily default fine of Le850,000.00 and any resolution passed in contravention of this section shall be void.”

**Allotment of Shares**

**26.** Section 108 of the Companies Act, 2009 is amended in subsection (3) by deleting “Le3,000.000,00 and substituting “Le5,000,000.00”. Amendment of section 108 of Act No. 5 of 2009.