

COMMENTS ON COMPANIES SECOND AMENDMENT BILL [B 26 - 2023]

The LSSA has considered the Companies Second Amendment Bill [B 26 - 2023] (the Bill) and wish to comment as follows:

1. CLAUSE 2, AMENDING SECTION 162 OF THE COMPANIES ACT:

The proposed amendment to section 162 can lead to ambiguity and should be worded in a simpler manner. For example:

- a. Section 162(2)(a) should not refer to (2A);
- b. Section (2A)(a) should not refer to the extended period in subsection (2)(a); and
- c. The wording 'whether or no such circumstances occurred before the extended period' is not easy to understand and can be written in a more simple manner.

Given the significance of the proposed amendment, it is recommended that the wording be appropriately amended to clarify the intended purpose.