

*These notes refer to the Companies Act 2006 (c.46)
which received Royal Assent on 8 November 2006*

COMPANIES ACT 2006

EXPLANATORY NOTES

COMMENTARY

Part 16: Audit

Chapter 6: Auditors' Liability

Section 535: Terms of liability limitation agreement

822. This section contains rules about the terms of a liability limitation agreement. An agreement must relate to the audit of a specified financial year, and the limitation may be expressed in any terms, not necessarily as a fixed financial amount or a formula.
823. *Subsection (2)* confers on the Secretary of State a power to make regulations (subject to negative resolution) prescribing or proscribing specified provisions or descriptions of provisions; and *subsection (3)* provides that the power may be used to prevent adverse effects on competition.