

ELIZABETH II



Stock Exchange (Completion of Bargains) Act 1976

1976 CHAPTER 47

An Act to amend and clarify the law relating to the transfer of securities and to companies, trustees and personal representatives with a view to simplifying the activities connected with the periodic completion of bargains made on stock exchanges; and for purposes connected therewith. [12th October 1976]

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1. A company of which shares or debentures are allotted or debenture stock is allotted to a stock exchange nominee, or with which a transfer is lodged for transferring any shares, debentures or debenture stock of the company to a stock exchange nominee, shall not be required in consequence of the allotment or the lodging of the transfer to complete and have ready for delivery, in pursuance of section 80(1) of the Companies Act 1948, the certificates of the shares or the debentures or the certificates of the debenture stock, as the case may be. Exemption from obligation to prepare share certificates etc. 1948 c. 38.

2.—(1) A company may have, for use for sealing securities issued by the company and for sealing documents creating or evidencing securities so issued, an official seal which is a facsimile of the common seal of the company with the addition on its face of the word "Securities". Official seals for sealing share certificates etc.

(2) A company which was incorporated before the date when this Act comes into force and which has such an official seal as is mentioned in the preceding subsection may use the seal

for sealing such securities and documents as are there mentioned notwithstanding anything in any instrument constituting or regulating the company or in any instrument made before that date which relates to any securities issued by the company ; and any provision of such an instrument which requires any such securities or documents to be signed shall not apply to the securities or documents if they are sealed with that seal.

1948 c. 38.

(3) In section 81 of the Companies Act 1948 (which provides for share certificates under the common seal of a company to be evidence of title) after the word "company" there shall be inserted the words "or the seal kept by the company by virtue of section 2 of the Stock Exchange (Completion of Bargains) Act 1976" ; and in regulation 8 of Part I of Table A in Schedule 1 to the Companies Act 1948 (which among other things provides for share certificates to be under the common seal of the company) after the word "seal" there shall be inserted the words "or under the official seal kept by the company by virtue of section 2 of the Stock Exchange (Completion of Bargains) Act 1976" .

Use of
computers etc
for certain
company
records.

3.—(1) It is hereby declared that the power conferred on a company by section 436(1) of the Companies Act 1948 to keep a register or other record by recording the matters in question otherwise than by making entries in bound books includes power to keep the register or other record by recording the matters in question otherwise than in a legible form so long as the recording is capable of being reproduced in a legible form.

(2) Any provision of an instrument made by a company before the date when this Act comes into force which requires a register of holders of debentures of the company to be kept in a legible form shall be construed as requiring the register to be kept in a legible or non-legible form.

(3) If any such register or other record of a company as is mentioned in the said section 436(1) or a register of holders of debentures of a company is kept by the company by recording the matters in question otherwise than in a legible form, any duty imposed on the company by virtue of the Companies Acts 1948 to 1967 to allow inspection of, or to furnish a copy of, the register or other record or any part of it shall be treated as a duty to allow inspection of, or to furnish, a reproduction of the recording or of the relevant part of it in a legible form.

(4) The Secretary of State may, by regulations made by statutory instrument, make such provision in addition to the preceding subsection as he considers appropriate in connection with such registers or other records as are mentioned in that subsection and are kept as there mentioned, and the regulations may make modifications of provisions of the Companies Acts

1948 to 1967 relating to such registers or other records as are mentioned in that subsection.

(5) Any statutory instrument made by virtue of the preceding subsection shall be subject to annulment in pursuance of a resolution of either House of Parliament.

4.—(1) Section 435 of the Companies Act 1948 (which enables certain enactments to be extended to unregistered companies) shall have effect as if sections 1 to 3 of this Act were among the sections mentioned in Schedule 14 to that Act with an entry in column 3 of that Schedule to the effect that those sections are to apply so far only as may be specified by regulations under the said section 435 and to such bodies corporate as may be so specified.

Application of ss. 1 to 3 to unregistered companies. 1948 c. 38.

(2) In relation to sections 1 to 3 of this Act the power to make adaptations and modifications conferred by subsection (1) of the said section 435 shall be construed as a power to make additions, omissions and amendments.

5. A trustee or personal representative shall not be chargeable with breach of trust or, as the case may be, with default in administering the estate by reason only of the fact that—

Acquisition and disposal of securities by trustees and personal representatives.

(a) he has, for the purpose of acquiring securities which he has power to acquire in connection with the trust or estate, paid for the securities under arrangements which provide for them to be transferred to him from a stock exchange nominee but not to be so transferred until after payment of the price ; or

(b) he has, for the purpose of disposing of securities which he has power to dispose of in connection with the trust or estate, transferred the securities to a stock exchange nominee under arrangements which provide that the price is not to be paid to him until after the transfer is made.

6.—(1) In section 3 of the Stock Transfer Act 1963 (which among other things provides that the Treasury may by order amend the Schedules to that Act by altering the transfer forms set out in those Schedules or substituting different forms for those forms or adding forms for use as alternatives to those forms) after subsection (4) there shall be inserted the following subsection—

Forms for transfer of securities. 1963 c. 18.

(5) An order under subsection (2) of this section may—

(a) provide for forms on which some of the particulars mentioned in subsection (1) of section 1 of this Act are not required to be specified ;

(b) provide for that section to have effect, in relation to such forms as are mentioned in the preceding paragraph or other forms specified in the order,

subject to such amendments as are so specified (which may include an amendment of the reference in subsection (1) of that section to an instrument under hand);

(c) provide for all or any of the provisions of the order to have effect in such cases only as are specified in the order.

(2) The subsection (5) inserted in the said section 3 by the preceding subsection shall extend to Northern Ireland in accordance with the provisions of section 5(1) and (2) of the said Act of 1963.

Short title,
interpretation,
commence-
ment and
extent.

7.—(1) This Act may be cited as the Stock Exchange (Completion of Bargains) Act 1976.

(2) In this Act “stock exchange nominee” means any person whom the Secretary of State designates by order as a nominee of The Stock Exchange for the purposes of this Act; and the Secretary of State may by order vary or revoke any previous order made in pursuance of this subsection.

The powers to make orders conferred by this subsection shall be exercisable by statutory instrument.

1948 c. 38.

(3) In this Act any expression to which a meaning is assigned by section 455(1) of the Companies Act 1948 has the same meaning as in that Act except where the context requires otherwise; and any reference in this Act to an enactment is a reference to it as amended by or under any other enactment.

(4) This Act shall come into force on such date as the Secretary of State may appoint by an order made by statutory instrument.

(5) Except as provided by section 6(2) of this Act, this Act does not extend to Northern Ireland.

PRINTED IN ENGLAND BY HAROLD GLOVER

Controller of Her Majesty's Stationery Office and Queen's Printer of Acts of Parliament