STATUTORY INSTRUMENTS

1980 No. 926

COMPANIES

The Companies (Unregistered Companies) (Completion of Stock Exchange Bargains) Regulations 1980

Made - - - -	*4th July* 1980
Laid before Parliament	*11th July* 1980
Coming into Operation	*1st August* 1980

The Secretary of State, in exercise of the powers conferred by section 435 of, and Schedule 14 to, the Companies Act 1948(**a**) and now vested in him(**b**) and section 4 of the Stock Exchange (Completion of Bargains) Act 1976(**c**) and of all other powers enabling him in that behalf, hereby makes the following Regulations:—

1. These Regulations may be cited as the Companies (Unregistered Companies) (Completion of Stock Exchange Bargains) Regulations 1980 and shall come into operation on 1st August 1980.

2. In these Regulations—

"the commencement date" means the date on which these Regulations come into operation;

"the Act" means the Stock Exchange (Completion of Bargains) Act 1976;

"unregistered company" means any body corporate incorporated in and having a principal place of business in Great Britain, other than a body mentioned in section 435(2) of the Companies Act 1948; and

"instrument constituting or regulating the company" means any Act of Parliament, royal charter, letters patent, deed of settlement, contract of copartnery, cost-book regulations or other instrument constituting or regulating the company.

3. Subject to the additions, omissions and amendments set out in Regulation 4 below sections 1 and 2 of the Act shall apply to any unregistered company.

4. The additions, omissions and amendments referred to in Regulation 3 above are the following:

(*a*) Section 1 of the Act shall have effect as if for the words "section 80(1) of the Companies Act 1948" there were substituted the words "any provision of any instrument constituting or regulating the company";

(**a**) 1948 c.38.
(**b**) S.I.1970/1537
(**c**) 1976 c.47.

(*b*) In section 2(1) of the Act for the reference to the common seal of the company there shall be substituted a reference to the common or other authorised seal of the company;

(*c*) In section 2(2) of the Act for the reference to the date when the Act comes into force there shall be substituted a reference to the commencement date; and

(*d*) Section 2(3) of the Act shall have effect as if that subsection were deleted and the following were substituted:

"(3) Any provision of any instrument constituting or regulating the company to the effect that a certificate under the common or other authorised seal of the company, specifying any shares in that company held by any person, is to be prima facie evidence of the title of that person to the shares shall be construed as if any reference in such a provision to the common or other authorised seal of the company included a reference to an official seal kept by the company by virtue of this section."

4th July 1980.

Reginald Eyre,
Parliamentary Under Secretary of State,
Department of Trade.

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These Regulations extend the provisions of sections 1 and 2 of the Stock Exchange (Completion of Bargains) Act 1976, which facilitate the implementation of the "Talisman" system for the computerised settlement of Stock Exchange bargains, to the unregistered companies specified in the Regulations. Securities which are the subject of bargains settled under the "Talisman" system are transferred through the medium of a Stock Exchange nominee company which acts as a nominee holder of all securities in the course of settlement.

The Regulations facilitate the transfer by means of the "Talisman" system of the securities of unregistered companies by varying the application of the instruments constituting or regulating such companies. Sections 1 and 2 of the Stock Exchange (Completion of Bargains) Act 1976 are applied by Regulation 3 to the companies with such additions omissions and amendments as are specified in Regulation 4. Section 1 of the Stock Exchange (Completion of Bargains) Act 1976 as applied relieves companies from the obligation to prepare certificates in respect of securities transferred to the Stock Exchange nominee company and section 2 of the Act as so applied enables companies to use a special seal for sealing securities issued by them and enables a certificate sealed with the special seal to be prima facie evidence of the title of the person named in the certificate to the securities.