Draft Regulations laid before Parliament under section 207(9) of the Companies Act 1989 on 12th May 2000, for approval by resolution of each House of Parliament

DRAFT STATUTORY INSTRUMENTS

2000 No.

COMPANIES

The Uncertificated Securities (Amendment) Regulations 2000

Made - - - -	*2000*
Coming into force - -	*1st July 2000*

Whereas a draft of these Regulations has been approved by resolution of each House of Parliament.

The Treasury in exercise of the powers conferred by section 207 Companies Act 1989(**1**) and now vested in them(**2**), and of all other powers enabling them in that behalf, hereby make the following Regulations

Title, commencement and interpretation

1.—(1) These Regulations may be cited as the Uncertificated Securities (Amendment) Regulations 2000 and shall come into force on 1st July 2000.

(2) In these Regulations `the Principal Regulations' means the Uncertificated Securities Regulations 1995(**3**)

Amendment of Principal Regulations

2.—(1) The Principal Regulations are amended by paragraphs (2) to (8) of this Regulation

(2) In Regulation 27(2) insert as paragraph (d)—

"(d) where the unit of the participating security is held by a system-member and immediately prior to its conversion into uncertificated form the unit was transferable by means of an exempt transfer within the meaning of the Stock Transfer Act 1982(**4**), that the participating issuer has received from the Operator notification that (subject to the participating issuer recording the unit on the relevant register of securities as being held by the system-member in uncertificated form) title to the unit may be transferred by means of the relevant system"

(3) In Regulation 29, insert as paragraph (11)—

(**1**) 1989 c. 40 section 207 was amended by the Bank of England Act 1998, section 35.
(**2**) S.I. 1992/1315.
(**3**) S.I. 1995/3272 amended by S.I. 1996/2827, 1997/251 and 1999/506.
(**4**) 1982 c. 41.

"(11) Nothing in this regulation shall be taken, in respect of any authority, to modify or derogate from the protections to a donee or third person given by or under any enactment or to prohibit a donee or third person so protected from accepting any of the matters specified in paragraph (4)"

(4) After Regulation 36, insert as Regulations 36A, 36B and 36C—

"**Actual notice**

36A. for the purpose of determining under these Regulations whether a person has actual notice of a fact, matter or thing that person shall not under any circumstances be taken to be concerned to establish whether or not it exists or has occurred

Participating securities issued in uncertificated form

36B. In respect of a participating security which is specified in Schedule 4 or whose terms of issue provide that its units may only be held in uncertificated form and title to them may only be transferred by means of a relevant system, nothing in these Regulations shall require a participating issuer or its officers to maintain a register which records how many units of the participating security are held in certificated form or to change a unit of such a participating security from uncertificated form to certificated form or vice versa

CGO Service

36C. No transfer of a participating security may be effected through the medium of the CGO Service, and in this regulation CGO Service means the computer-based system established under the Stock Transfer Act 1982"

(5) In Regulation 37, insert as paragraph (3)—

"(3) Any action for default in compliance with or contravention of any regulation referred to in paragraph (1) in respect of a security for which the Bank of England by or under any enactment is registrar shall be brought against the Bank of England"

(6) After Regulation 38 insert Regulation 38A—

"**Exemption from liability**

38A. Regulations 19(4), 23(9), 26(4) and 27(8) shall not apply to any of the following or its officers—

(a) the Crown;

(b) any person acting on behalf of the Crown;

(c) the Bank of England; or

(d) in respect of a security which immediately before it became a participating security was transferable by exempt transfer within the meaning of the Stock Transfer Act 1982, a participating issuer"

(7) In Schedule 1, insert—

(a) after paragraph 12, paragraphs 12A and 12B—

"**12A.** For the purposes of paragraph 12(a)(ii), once authority is granted pursuant to asystem charge (within the meaning of regulation 3 of the Financial Markets and Insolvency Regulations 1996(**5**)) a limit of such authority shall not be imposed or changed without the consent of the donee of that authority

(**5**) S.I. 1996/1469.