
STATUTORY INSTRUMENTS

1977 No. 1254 (N.I. 21)

NORTHERN IRELAND

**The Stock Exchange (Completion of Bargains)
(Northern Ireland) Order 1977**

Laid before Parliament in draft

Made

26th July 1977

Coming into operation on day to be appointed under Article 1

At the Court at Buckingham Palace, the 26th day of July 1977

Present,

The Queen's Most Excellent Majesty in Council

Whereas a draft of this Order has been approved by a resolution of each House of Parliament:

Now, therefore, Her Majesty, in exercise of the powers conferred by paragraph 1 of Schedule 1 to the Northern Ireland Act 1974 (a) and of all other powers enabling Her in that behalf, is pleased, by and with the advice of Her Privy Council, to order, and it is hereby ordered, as follows:—

Title and commencement

1. This Order may be cited as the Stock Exchange (Completion of Bargains) (Northern Ireland) Order 1977 and shall come into operation on such day as the Head of the Department of Commerce may by order appoint.

Interpretation

2.—(1) The Interpretation Act (Northern Ireland) 1954 (b) shall apply to Article 1 and the following provisions of this Order as it applies to a Measure of the Northern Ireland Assembly.

(2) In this Order "stock exchange nominee" means any person whom the Department of Commerce designates by order as a nominee of The Stock Exchange for the purposes of this Order.

(3) In this Order any expression to which a meaning is assigned by section 399 (1) of the Companies Act (Northern Ireland) 1960 (c) has the same meaning as in that Act except where the context requires otherwise.

Exemption from obligation to prepare share certificates etc.

3. 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

(a) 1974 c. 28.

(b) 1954 c. 33 (N.I.).

(c) 1960 c. 22 (N.I.).

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 (Northern Ireland) 1960, the certificates of the shares or the debentures or the certificates of the debenture stock, as the case may be.

Official seals for sealing certificates etc.

4.—(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".

(2) A company which was incorporated before the day of the coming into operation of this Order and which has such an official seal as is mentioned in the preceding paragraph 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 day 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.

(3) In section 81 of the Companies Act (Northern Ireland) 1960 (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 Article 4 of the Stock Exchange (Completion of Bargains) (Northern Ireland) Order 1977"; and in regulation 8 of Part I of Table A in Schedule 1 to the Companies Act (Northern Ireland) 1960 (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 Article 4 of the Stock Exchange (Completion of Bargains) (Northern Ireland) Order 1977".

Use of computers etc. for certain company records

5.—(1) It is hereby declared that the power conferred on a company by section 384 (1) of the Companies Act (Northern Ireland) 1960 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 day of the coming into operation of this Order 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 384 (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 Act (Northern Ireland) 1960 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 Department of Commerce may by regulations subject to negative resolution make such provision in addition to the preceding paragraph as it

considers appropriate in connection with such registers or other records as are mentioned in that paragraph and are kept as there mentioned, and the regulations may make modifications of provisions of the Companies Act (Northern Ireland) 1960, relating to such registers or other records as are mentioned in that paragraph.

Application of Articles 3 to 5 to unregistered companies

6.—(1) Section 383 of the Companies Act (Northern Ireland) 1960 (which enables certain enactments to be extended to unregistered companies) shall have effect as if Articles 3 to 5 of this Order were among the provisions mentioned in Schedule 10 to that Act with an entry in column 3 of that Schedule to the effect that those provisions are to apply so far only as may be specified by regulations under the said section 383 and to such bodies corporate as may be so specified.

(2) In relation to Articles 3 to 5 the power to make adaptations and modifications conferred by subsection (1) of the said section 383 shall be construed as a power to make additions, omissions and amendments.

Acquisition and disposal of securities by trustees and personal representatives

7. 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—

- (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.

Forms of transfer of securities

8.—(1) The functions, immediately before the day of the coming into operation of this Order, of the Treasury under sections 3 and 4 of the Stock Transfer Act (Northern Ireland) 1963 (a) are hereby transferred to the Department of Finance.

(2) The Stock Transfer (Amendment of Forms) Order (Northern Ireland) 1974 (b) (additional provisions as to transfer forms) shall have effect, and be deemed always to have had effect, as if Schedule 3 to the Northern Ireland (Modification of Enactments—No. 1) Order 1973 (c) (Acts relating to functions transferred to the Treasury) had not included a reference to sections 3 and 4 of the said Act of 1963.

(3) In section 3 of the Stock Transfer Act (Northern Ireland) 1963 (which among other things provides for the amendment of 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 (2) there shall be inserted the following subsection—

(a) 1963 c. 24 (N.I.). (b) S.R. (N.I.) 1974/266. (c) S.I. 1973/2163 (1973 III,p.7541).

“(2A) An order under subsection (1) may—

- (a) provide for forms on which some of the particulars mentioned in subsection (1) of section 1 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)”.

N. E. Leigh,
Clerk of the Council.

EXPLANATORY NOTE

(This Note is not part of the Order.)

This Order amends and clarifies the law in Northern Ireland relating to the transfer of securities. A company is exempted on the allotment or transfer of shares or debentures to a stock exchange nominee from the obligation to prepare share certificates or debentures. Computers may be used for the keeping of certain company records and trustees and personal representatives who acquire or dispose of securities in accordance with the Order will not be chargeable with breach of trust or default in the administration of an estate.

The Order corresponds to the Stock Exchange (Completion of Bargains) Act 1976 (c. 47).