

## SCHEDULES

### SCHEDULE 10

#### CONVERTIBLE SECURITIES

##### PART II

##### CHARGE TO TAX

##### *Market value*

- 17 (1) This paragraph applies where a security is transferred from one person to another and—
- (a) they are connected with each other,
  - (b) the transfer is made for a consideration which consists of or includes consideration not in money or money's worth, or
  - (c) the transfer is made otherwise than by way of a bargain made at arm's length.
- (2) For the purposes of paragraph 13 above the person making the transfer shall be treated as obtaining in respect of it an amount equal to the market value of the security at the time of the transfer.
- (3) Section 839 of the Taxes Act 1988 (connected persons) shall apply for the purposes of this paragraph.