

SCHEDULES

SCHEDULE 2

SUCCESSOR COMPANIES

Initial Government holding in any successor company

- 1 (1) As a consequence of the vesting in a successor company of property, rights and liabilities in accordance with a transfer scheme, that company shall issue such securities of the company as the Secretary of State may from time to time direct—
- (a) to the Treasury or the Secretary of State, or
 - (b) to any person entitled to require the issue of the securities following their initial allotment, in accordance with directions of the Secretary of State, to the Treasury or the Secretary of State.
- (2) As a consequence of the vesting referred to in sub-paragraph (1) above, any successor company which is a wholly-owned subsidiary of the Authority shall also issue such securities of the company as the Authority may with the consent of the Secretary of State from time to time direct—
- (a) to the Authority, or
 - (b) to any person entitled to require the issue of the securities following their initial allotment to the Authority.
- (3) No direction shall be given to a successor company under sub-paragraph (1) or (2) above at any time after that company has ceased to be publicly owned.
- (4) Securities to be issued or allotted in pursuance of this paragraph shall be issued or allotted at such time or times, and (subject to sub-paragraph (5) below) on such terms, as may be specified in the direction.
- (5) Any shares issued in pursuance of this paragraph—
- (a) shall be of such nominal value as the Secretary of State may direct, and
 - (b) shall be issued as fully paid and treated for the purposes of the Companies Act 1985 as if they had been paid up by virtue of the payment to the company of their nominal value in cash.
- (6) The Secretary of State may not exercise any power conferred on him by this paragraph, or dispose of any securities issued or of any rights to securities initially allotted to him in pursuance of this paragraph, without the consent of the Treasury.