
STATUTORY INSTRUMENTS

1992 No. 225

The Uncertificated Securities Regulations 1992

PART XI

SPECIAL PROVISIONS FOR CERTAIN
SECURITIES OR INTERESTS IN SECURITIES

CHAPTER I

SPECIAL PROVISIONS RELATING TO CERTAIN SECURITIES

Debentures Certain issues of debentures not to be capable of being subject to the Regulations

90. These Regulations shall not apply to an issue of debentures governed by the law of England and Wales or Northern Ireland unless the following conditions are satisfied with respect to the issue:

- (a) the terms of the issue must contain a provision (however worded) that has the effect of not binding the company to enter into the register of debenture holders any trust or (subject to an Order of a court of competent jurisdiction) recognise any trust or equity affecting the title to the debenture; and
- (b) the terms of issue must contain a provision excluding any equities as between the company and subscribers to the issue.

Disapplication of requirement to attach certificate

91.—(1) Section 402 of the 1985 Act shall not apply with respect to a unit of an uncertificated debenture; however a company shall supply to any debenture holder, without charge, a copy of a certificate of registration to which that section refers upon application being made to it.

(2) Section 191(4) of the 1985 Act applies with respect to a failure to supply a copy of a certificate of registration under this regulation as it applies to a refusal to provide a copy of trust deed for securing an issue of debentures under section 191(3).

Requirements to endorse certificates Disapplication of requirements to endorse certificate

92.—(1) This regulation applies to any requirement under any enactment or instrument to endorse any statement or information on a certificate evidencing title to a unit of a security.

(2) Such a requirement shall not be construed as prohibiting the conversion of the security into, or the issue of the security in, uncertificated form under these Regulations.

(3) In relation to an uncertificated security such a requirement shall be construed as a requirement on a controller to include the statement or information in, or in a document appended to, any statement issued by the controller under regulation 65 or (in the case of a commercial controller) which he or it is required to issue under the terms of any agreement.

A commercial controller may agree with an account holder that the statement or information is not to be given, or is to be given in a different manner.

(4) It is the duty of a company, upon request, to provide to a controller such information as may be necessary to enable the controller to comply with the requirements of this regulation.

CHAPTER II

INTERESTS IN UNITS OF A SECURITY

Interests in units of a security

93.—(1) This regulation shall apply so as to enable the transfer of an interest in a security or securities, and the recording of the holders of such an interest, where such an interest has been created or issued under the terms of any arrangement, provided that, under the terms of the arrangement, the holders of the interests created or issued thereunder are required to be entered in a register. In this regulation:

- (a) “security” includes a security issued by a company wherever incorporated; and
- (b) “interest in a security” includes any legal or equitable interest in a security, including an absolute or contingent right to acquire securities created, allotted or issued or to be created, allotted or issued under the terms of an arrangement and the beneficial interest of a person for whom securities are held on trust by a custodian or depository.

(2) Such an interest in a security under such an arrangement shall, once admitted into the system, be transferable in accordance with the procedures set out in these Regulations as if it itself were a unit of an uncertificated security, with any necessary modifications, but subject to any provision that may be made in the terms of issue of the interest or of the arrangement.

In particular (subject to any provision to the contrary in the terms of issue of the interest or of the arrangement) they shall apply as if references to:

- (a) the “appropriate register” were to the register of holders of the interests under the terms of the arrangement;
- (b) the “company” were to the person who, under the terms of the arrangement, is required to maintain the register of holders of the interests;
- (c) a “security” were to the totality of the interests issued or created under the arrangement;
- (d) the directors of the company were to the person referred to in (b) or (if applicable) those officers or employees of that person who are responsible for the effecting of entries on the register of holders of the interest;
- (e) the “title” to a unit of a security were to the right conferred by registration as the holder of the interest;
- (f) a “unit of a security” were to a single example of the interest (for example the conditional right to have a single share allotted to a person where the arrangement is a rights issue); and
- (g) voting rights or other rights attached to a unit were references to any right constituted by the interest or arising under the terms of the arrangement or given to holders of the interest by any other agreement or instrument.

(3) This regulation shall not be construed as applying to an interest or arrangement within its terms any provision of these Regulations which is expressed to be applicable to a particular kind of security only (for example which is expressed to be applicable only in respect of shares).