



Companies Act 2006

2006 CHAPTER 46

PART 21

CERTIFICATION AND TRANSFER OF SECURITIES

CHAPTER 1

CERTIFICATION AND TRANSFER OF SECURITIES: GENERAL

Transfer of securities

770 Registration of transfer

- (1) A company may not register a transfer of shares in or debentures of the company unless—
- (a) a proper instrument of transfer has been delivered to it, or
 - (b) the transfer—
 - (i) is an exempt transfer within the Stock Transfer Act 1982 (c. 41), or
 - (ii) is in accordance with regulations under Chapter 2 of this Part.
- (2) Subsection (1) does not affect any power of the company to register as shareholder or debenture holder a person to whom the right to any shares in or debentures of the company has been transmitted by operation of law.
- [^{F1}(3) If an election under Chapter 2A of Part 8 is in force in respect of the company, references in this section to registering a transfer (or a person) are to be read as references to delivering particulars of that transfer (or person) to the registrar under that Chapter.]

Status: Point in time view as at 31/07/2017.

Changes to legislation: There are currently no known outstanding effects for the Companies Act 2006, Cross Heading: Transfer of securities. (See end of Document for details)

Textual Amendments

- F1** S. 770(3) inserted (30.6.2016) by [Small Business, Enterprise and Employment Act 2015 \(c. 26\)](#), s. 164(1), [Sch. 5 para. 26](#); S.I. 2016/321, reg. 6(c)

Modifications etc. (not altering text)

- C1** S. 770 applied (with modifications) (1.10.2009) by [The Limited Liability Partnerships \(Application of Companies Act 2006\) Regulations 2009 \(S.I. 2009/1804\)](#), regs. 2, **25**

771 Procedure on transfer being lodged

- (1) When a transfer of shares in or debentures of a company has been lodged with the company, the company must either—
- (a) register the transfer, or
 - (b) give the transferee notice of refusal to register the transfer, together with its reasons for the refusal,

as soon as practicable and in any event within two months after the date on which the transfer is lodged with it.

- (2) If the company refuses to register the transfer, it must provide the transferee with such further information about the reasons for the refusal as the transferee may reasonably request.

This does not include copies of minutes of meetings of directors.

[^{F2}(2A) If an election is in force under Chapter 2A of Part 8 in respect of the company, references in this section to registering the transfer are to be read as references to delivering particulars of the transfer to the registrar in accordance with that Chapter.]

- (3) If a company fails to comply with this section, an offence is committed by—
- (a) the company, and
 - (b) every officer of the company who is in default.
- (4) A person guilty of an offence under this section is liable on summary conviction to a fine not exceeding level 3 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 3 on the standard scale.
- (5) This section does not apply—
- (a) in relation to a transfer of shares if the company has issued a share warrant in respect of the shares (see section 779);
 - (b) in relation to the transmission of shares or debentures by operation of law.

Textual Amendments

- F2** S. 771(2A) inserted (30.6.2016) by [Small Business, Enterprise and Employment Act 2015 \(c. 26\)](#), s. 164(1), [Sch. 5 para. 27](#); S.I. 2016/321, reg. 6(c)

Modifications etc. (not altering text)

- C2** S. 771 applied (with modifications) (1.10.2009) by [The Limited Liability Partnerships \(Application of Companies Act 2006\) Regulations 2009 \(S.I. 2009/1804\)](#), regs. 2, **25**

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772 Transfer of shares on application of transferor

On the application of the transferor of any share or interest in a company, the company shall enter in its register of members the name of the transferee^{F3} (or, as the case may be, deliver the name of the transferee to the registrar under Chapter 2A of Part 8) in the same manner and subject to the same conditions as if the application for the entry^{F4} (or delivery) were made by the transferee.

Textual Amendments

- F3** Words in s. 772 inserted (30.6.2016) by [Small Business, Enterprise and Employment Act 2015 \(c. 26\), s. 164\(1\), Sch. 5 para. 28\(a\)](#); S.I. 2016/321, reg. 6(c)
- F4** Words in s. 772 inserted (30.6.2016) by [Small Business, Enterprise and Employment Act 2015 \(c. 26\), s. 164\(1\), Sch. 5 para. 28\(b\)](#); S.I. 2016/321, reg. 6(c)

773 Execution of share transfer by personal representative

An instrument of transfer of the share or other interest of a deceased member of a company—

- (a) may be made by his personal representative although the personal representative is not himself a member of the company, and
- (b) is as effective as if the personal representative had been such a member at the time of the execution of the instrument.

774 Evidence of grant of probate etc

The production to a company of any document that is by law sufficient evidence of the grant of—

- (a) probate of the will of a deceased person,
- (b) letters of administration of the estate of a deceased person, or
- (c) confirmation as executor of a deceased person,

shall be accepted by the company as sufficient evidence of the grant.

Modifications etc. (not altering text)

- C3** S. 774 applied (with modifications) (1.10.2009) by [The Limited Liability Partnerships \(Application of Companies Act 2006\) Regulations 2009 \(S.I. 2009/1804\), regs. 2, 26](#)

775 Certification of instrument of transfer

- (1) The certification by a company of an instrument of transfer of any shares in, or debentures of, the company is to be taken as a representation by the company to any person acting on the faith of the certification that there have been produced to the company such documents as on their face show a prima facie title to the shares or debentures in the transferor named in the instrument.
- (2) The certification is not to be taken as a representation that the transferor has any title to the shares or debentures.

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- (3) Where a person acts on the faith of a false certification by a company made negligently, the company is under the same liability to him as if the certification had been made fraudulently.
- (4) For the purposes of this section—
- (a) an instrument of transfer is certificated if it bears the words “certificate lodged” (or words to the like effect);
 - (b) the certification of an instrument of transfer is made by a company if—
 - (i) the person issuing the instrument is a person authorised to issue certificated instruments of transfer on the company's behalf, and
 - (ii) the certification is signed by a person authorised to certificate transfers on the company's behalf or by an officer or employee either of the company or of a body corporate so authorised;
 - (c) a certification is treated as signed by a person if—
 - (i) it purports to be authenticated by his signature or initials (whether handwritten or not), and
 - (ii) it is not shown that the signature or initials was or were placed there neither by himself nor by a person authorised to use the signature or initials for the purpose of certifying transfers on the company's behalf.

Modifications etc. (not altering text)

- C4** S. 775 applied (with modifications) (1.10.2009) by [The Limited Liability Partnerships \(Application of Companies Act 2006\) Regulations 2009 \(S.I. 2009/1804\)](#), regs. 2, **26**

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