
STATUTORY INSTRUMENTS

1996 No. 2827

The Open-Ended Investment Companies (Investment Companies with Variable Capital) Regulations 1996

PART III

CORPORATE CODE

Shares

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39.—(1) Without prejudice to the generality of regulation 6(1) above, an investment company with variable capital may issue more than one class of shares.

(2) A shareholder shall have no interest in the scheme property of the company.

(3) The rights that attach to each share of any given class are—

- (a) the right in accordance with the instrument of incorporation to participate in or receive profits or income arising from the acquisition, holding, management or disposal of the scheme property;
- (b) the right in accordance with the instrument of incorporation to vote at any general meeting of the company or at any relevant class meeting; and
- (c) such other rights as may be provided for, in relation to shares of that class, in the instrument of incorporation of the company.

(4) In respect of any class of shares, the rights referred to in paragraph (3) above may, if the company's instrument of incorporation so provides, be expressed in two denominations; and in the case of any such class, one (the "smaller") denomination shall be such proportion of the other (the "larger") denomination as is fixed by the instrument of incorporation.

(5) In respect of any class of shares within paragraph (4) above, any share to which are attached rights expressed in the smaller denomination shall, in these Regulations, be known as a smaller denomination share and any share to which are attached rights expressed in the larger denomination shall, in these Regulations, be known as a larger denomination share.

(6) In respect of any class of shares, the rights that attach to each share of that class shall be—

- (a) except in respect of a class of shares within paragraph (4) above, equal to the rights that attach to each other share of that class; and
- (b) in respect of a class of shares within that paragraph, equal to the rights that attach to each other share of that class of the same denomination.

(7) In respect of any class of shares within paragraph (4) above, the rights that attach to any smaller denomination share of that class shall be a proportion of the rights that attach to any larger denomination share of that class and that proportion shall be the same as the proportion referred to in paragraph (4) above.