
STATUTORY INSTRUMENTS

2001 No. 3755

The Uncertificated Securities Regulations 2001

PART 3

PARTICIPATING SECURITIES

KEEPING OF REGISTERS AND RECORDS

Registration by a participating issuer of transfers of securities upon conversion into certificated form

28.—(1) Paragraphs (2) to (5) apply where relevant units of a security are transferred by means of a relevant system to a person who is to hold them thereafter in certificated form.

(2) Subject to paragraphs (3) and (4), a participating issuer shall (where appropriate) register a transfer of title to relevant units of a security on an issuer register of securities in accordance with an Operator-instruction.

(3) A participating issuer shall refuse to register a transfer of title to relevant units of a security in accordance with an Operator-instruction if he has actual notice that the transfer is—

- (a) prohibited by order of a court in the United Kingdom;
- (b) prohibited or avoided by or under an enactment;
- (c) a transfer to a deceased person; or
- (d) where the participating issuer is constituted under the law of Scotland, prohibited by or under an arrestment.

(4) A participating issuer may refuse to register a transfer of title to relevant units of a security in accordance with an Operator-instruction if the instruction requires a transfer of units—

- (a) to an entity which is not a natural or legal person;
- (b) to a minor (which, in relation to a participating issuer constituted under the law of Scotland, shall mean a person under 16 years of age);
- (c) to be held jointly in the names of more persons than is permitted under the terms of the issue of the security; or
- (d) where, in relation to the Operator-instruction, the participating issuer has actual notice from the Operator of any of the matters specified in regulation 35(5)(a)(i) to (iii).

(5) A participating issuer shall notify the Operator by issuer-instruction whether he has registered a transfer in response to an Operator-instruction to do so.

(6) A participating issuer shall not register a transfer of title to relevant units of a security on an issuer register of securities unless he is required to do so—

- (a) by an Operator-instruction;
- (b) by an order of a court in the United Kingdom; or
- (c) by or under an enactment.

(7) A unit of a security is a relevant unit for the purposes of this regulation if, immediately before the transfer in question, it was held by the transferor in uncertificated form.

(8) Subsection (5) of section 183 of the 1985 Act shall apply in relation to a refusal by a participating issuer to register under paragraph (2) a transfer of securities in any of the circumstances specified in paragraphs (3) and (4), as it applies in relation to a refusal by a company to register a transfer of shares or debentures; and in that subsection as it so applies the reference to the date on which the transfer was lodged with the company shall be taken to be a reference to the date on which the Operator-instruction was received by the participating issuer.

(9) Such sanctions as apply to a company and its officers in the event of a default in complying with subsection (5) of section 183 of the 1985 Act shall apply to a participating issuer and his officers in the event of a default in complying with that subsection as applied by paragraph (8).