

## SCHEDULE 3

### MODEL ARTICLES FOR PUBLIC COMPANIES

## PART 4

### SHARES AND DISTRIBUTIONS

#### SHARE CERTIFICATES

##### **Certificates to be issued except in certain cases**

**46.**—(1) The company must issue each member with one or more certificates in respect of the shares which that member holds.

(2) This article does not apply to—

- (a) uncertificated shares;
- (b) shares in respect of which a share warrant has been issued; or
- (c) shares in respect of which the Companies Acts permit the company not to issue a certificate.

(3) Except as otherwise specified in the articles, all certificates must be issued free of charge.

(4) No certificate may be issued in respect of shares of more than one class.

(5) If more than one person holds a share, only one certificate may be issued in respect of it.

##### **Contents and execution of share certificates**

**47.**—(1) Every certificate must specify—

- (a) in respect of how many shares, of what class, it is issued;
- (b) the nominal value of those shares;
- (c) the amount paid up on them; and
- (d) any distinguishing numbers assigned to them.

(2) Certificates must—

- (a) have affixed to them the company's common seal or an official seal which is a facsimile of the company's common seal with the addition on its face of the word "Securities" (a "securities seal"), or
- (b) be otherwise executed in accordance with the Companies Acts.

##### **Consolidated share certificates**

**48.**—(1) When a member's holding of shares of a particular class increases, the company may issue that member with—

- (a) a single, consolidated certificate in respect of all the shares of a particular class which that member holds, or
- (b) a separate certificate in respect of only those shares by which that member's holding has increased.

(2) When a member's holding of shares of a particular class is reduced, the company must ensure that the member is issued with one or more certificates in respect of the number of shares held by

*Status: This is the original version (as it was originally made).*

the member after that reduction. But the company need not (in the absence of a request from the member) issue any new certificate if—

- (a) all the shares which the member no longer holds as a result of the reduction, and
- (b) none of the shares which the member retains following the reduction,

were, immediately before the reduction, represented by the same certificate.

(3) A member may request the company, in writing, to replace—

- (a) the member's separate certificates with a consolidated certificate, or
- (b) the member's consolidated certificate with two or more separate certificates representing such proportion of the shares as the member may specify.

(4) When the company complies with such a request it may charge such reasonable fee as the directors may decide for doing so.

(5) A consolidated certificate must not be issued unless any certificates which it is to replace have first been returned to the company for cancellation.

#### **Replacement share certificates**

**49.**—(1) If a certificate issued in respect of a member's shares is—

- (a) damaged or defaced, or
- (b) said to be lost, stolen or destroyed,

that member is entitled to be issued with a replacement certificate in respect of the same shares.

(2) A member exercising the right to be issued with such a replacement certificate—

- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates;
- (b) must return the certificate which is to be replaced to the company if it is damaged or defaced; and
- (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.