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DRAFT STATUTORY INSTRUMENTS

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**2017 No.**

**The Risk Transformation Regulations 2017**

**PART 4**

**Protected Cell Companies**

**CHAPTER 9**

**Shares and shareholders**

*SECTION 4*

*Register of shareholders*

**The register of shareholders**

**113.**—(1) A protected cell company must keep a register of persons who hold shares issued by the protected cell company.

(2) The register of shareholders is, unless the contrary is shown, evidence of any matter which is recorded in the register in accordance with this Part.

(3) A protected cell company must exercise all due diligence and take all reasonable steps to ensure that the information contained in the register is complete and up to date.

**Contents of the register**

**114.**—(1) The register must be divided into separate parts for shares issued on behalf of the core and each of the cells of the protected cell company.

(2) A protected cell company must enter into the appropriate part of the register the names of all the persons holding shares issued on behalf of the core and each of the cells of the protected cell company.

(3) Against each entry of a person's name into a part of the register, the protected cell company must indicate—

- (a) the person's address;
- (b) the date the entry was made in the register; and
- (c) in relation to the part of the register in question, a statement of the aggregate number of shares held by that person, distinguishing the share by its number (if it has one) and, if the share belongs to a particular class of shares, by its class.

(4) Where the aggregate number of shares includes shares to which there are attached rights expressed in two denominations, the aggregate number of shares is to be taken to be—

$$N + \frac{n}{p}$$

where—

$N$  is the relevant number of larger denomination shares of that class;

$n$  is the relevant number of smaller domination shares of that class; and

$p$  is the number of smaller denomination shares of that class that are equivalent to one larger denomination share of that class.

(5) Where all the shares issued on behalf of the core of a protected cell company are held by one person, then—

(a) that fact must be recorded in the register; and

(b) the FCA must be notified of that fact.

(6) In the case of a protected cell company registered in England and Wales, or Northern Ireland, notice given to the protected cell company of any trust of shares (whether express, implied or constructive) is not to be recorded on the register.

### **Location**

**115.** The register of shareholders of a protected cell company must be kept available for inspection at its registered office or an alternative inspection location notified to the FCA in accordance with regulation 67.

### **Index**

**116.**—(1) A protected cell company must keep an index of the names of the persons holding shares issued by the protected cell company.

(2) The index must contain cross-references to all of the entries of that person's name in the register.

(3) The index must be kept at the same place as the register.

(4) Where a protected cell company amends the register, the index must be updated before the end of a period of 14 days beginning with the day the register is amended.

### **Inspection**

**117.**—(1) The register of shareholders and the index must be open to the inspection of any person holding a share issued by a protected cell company.

(2) A protected cell company must, on the request of a person holding a share issued by the protected cell company, send the shareholder a copy of all of the entries in the register which relate to that shareholder.

(3) If the copy can be sent electronically, the copy must be sent free of charge.

(4) If an inspection required under this regulation is refused, or a copy so requested is not sent, the High Court or, in Scotland, the Court of Session may by order compel an immediate inspection of the register and index, or direct that the copy requested by the shareholder be sent.

### **Power of court to rectify the register**

**118.**—(1) An application to the High Court or, in Scotland, the Court of Session may be made under this regulation if—

(a) the name of a person is, without sufficient cause, entered into or omitted from a part of the register of shareholders;

(b) default is made as to the details contained in any entry on the register in respect of a person's holding of shares; or

- (c) default is made or unnecessary delay takes place in amending the register so as to reflect the fact that a person has ceased to be a shareholder.
- (2) An application may be made by the protected cell company, a shareholder or by the person aggrieved.
- (3) On such an application, the court may—
  - (a) refuse the application;
  - (b) order rectification of the register; or
  - (c) decide any question necessary or expedient to be decided for rectification of the register of shareholders including, in particular, any question relating to the right of a person who is a party to the application to have the person's name entered in or omitted from the register.