



Commonwealth Development Corporation Act 1999

1999 CHAPTER 20

Miscellaneous

16 Requirement to issue securities.

- (1) This section applies while the Corporation is wholly owned by the Crown.
- (2) If the Corporation or a company associated with the Corporation is directed to do so by the Secretary of State, it shall issue such securities as are specified in the direction—
 - (a) to the Secretary of State, or
 - (b) if the direction so requires, to a person nominated by the Secretary of State.
- (3) Securities issued pursuant to a direction under subsection (2) shall be issued at such times, and on such terms, as may be specified in the direction.
- (4) A direction under subsection (2) requiring the issue of shares shall specify the nominal value of the shares to be issued; and the shares—
 - (a) shall be issued as fully paid,
 - (b) shall be treated for the purposes of the [^{F1}the Companies Act 2006] as having been paid up by virtue of payment of their nominal value in cash, and
 - (c) shall be treated for the purposes of the Corporation Tax Acts as if they had been issued wholly in consideration of a subscription of an amount equal to their nominal value.
- (5) A debenture issued in accordance with a direction under subsection (2) shall be treated for the purposes of the Corporation Tax Acts as if it had been issued wholly in consideration of a loan of an amount equal to the principal sum payable under the debenture.
- (6) The Secretary of State shall consult the Corporation before making a direction under subsection (2).

Changes to legislation: There are currently no known outstanding effects for the Commonwealth Development Corporation Act 1999, Section 16. (See end of Document for details)

Textual Amendments

- F1** Words in s. 16(4)(b) substituted (1.10.2009) by [The Companies Act 2006 \(Consequential Amendments, Transitional Provisions and Savings\) Order 2009 \(S.I. 2009/1941\)](#), art. 1(2), **Sch. 1 para. 177(2)** (with art. 10)

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