



# Companies Act 2006

## 2006 CHAPTER 46

### PART 21

#### CERTIFICATION AND TRANSFER OF SECURITIES

#### CHAPTER 2

#### EVIDENCING AND TRANSFER OF TITLE TO SECURITIES WITHOUT WRITTEN INSTRUMENT

#### *Powers exercisable*

#### **786 Provision enabling or requiring arrangements to be adopted**

- (1) Regulations under this Chapter may make provision—
  - (a) enabling the members of a company or of any designated class of companies to adopt, by ordinary resolution, arrangements under which title to securities is required to be evidenced or transferred (or both) without a written instrument; or
  - (b) requiring companies, or any designated class of companies, to adopt such arrangements.
- (2) The regulations may make such provision—
  - (a) in respect of all securities issued by a company, or
  - (b) in respect of all securities of a specified description.
- (3) The arrangements provided for by regulations making such provision as is mentioned in subsection (1)—
  - (a) must not be such that a person who but for the arrangements would be entitled to have his name entered in the company's register of members [<sup>F1</sup> [<sup>F2</sup> (or, as the case may be, delivered to the registrar under Chapter 2A of Part 8)]] ceases to be so entitled, and

*Status: Point in time view as at 26/10/2023.*

*Changes to legislation: Companies Act 2006, Section 786 is up to date with all changes known to be in force on or before 20 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*

- (b) must be such that a person who but for the arrangements would be entitled to exercise any rights in respect of the securities continues to be able effectively to control the exercise of those rights.
- (4) The regulations may—
- (a) prohibit the issue of any certificate by the company in respect of the issue or transfer of securities,
  - (b) require the provision by the company to holders of securities of statements (at specified intervals or on specified occasions) of the securities held in their name, and
  - (c) make provision as to the matters of which any such certificate or statement is, or is not, evidence.
- (5) In this section—
- (a) references to a designated class of companies are to a class designated in the regulations or by order under section 787; and
  - (b) “specified” means specified in the regulations.

#### Textual Amendments

- F1** Words in s. 786(3)(a) omitted (26.10.2023 but only so far as it confers a power to make regulations or relates to the exercise of the power, otherwise prosp.) by virtue of [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), s. 219(1)(2)(b), [Sch. 1 para. 18](#)
- F2** Words in s. 786(3)(a) inserted (30.6.2016) by [Small Business, Enterprise and Employment Act 2015 \(c. 26\)](#), s. 164(1), [Sch. 5 para. 29](#); S.I. 2016/321, reg. 6(c)

#### Commencement Information

- I1** S. 786 wholly in force at 6.4.2008; s. 786 not in force at Royal Assent, see s. 1300; s. 786 in force for specified purposes at 20.1.2007 by [S.I. 2006/3428](#), [art. 3\(3\)](#) (subject to [art. 5](#), [Sch. 1](#) and with [arts. 6, 8](#), [Sch. 5](#)); s. 786 in force at 6.4.2008 by [S.I. 2007/3495](#), [art. 3\(1\)\(i\)](#) (with savings in [arts. 7, 12](#), subject to transitional adaptations in [Sch. 1 para. 13](#) and with savings in [Sch. 4 paras. 30-31](#))

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