



Postal Services Act 2011

2011 CHAPTER 5

PART 1

RESTRUCTURING OF ROYAL MAIL GROUP

Ownership of the Post Office

4 Restrictions on issue and transfer of shares and share rights in a Post Office company etc

- (1) No disposal of the Crown's interest in a Post Office company may be made other than a disposal that—
 - (a) is made pursuant to a direction under subsection (2), or
 - (b) is authorised under subsection (3).
- (2) The Secretary of State may by order—
 - (a) direct a Post Office company (if it is wholly owned by the Crown) to issue shares or share rights to a relevant mutual, or
 - (b) direct a company wholly owned by the Crown to transfer shares or share rights in a Post Office company to a relevant mutual.
- (3) A disposal of the Crown's interest in a Post Office company is authorised under this subsection if—
 - (a) the disposal is by way of an issue or transfer of shares or share rights in a Post Office company to a relevant mutual, and
 - (b) the Secretary of State has by order approved the issue or transfer.
- (4) An order under subsection (2) or (3)(b) is subject to affirmative resolution procedure.
- (5) No disposal of a relevant mutual's interest in a Post Office company may be made other than a disposal to—
 - (a) another relevant mutual,
 - (b) the Secretary of State or the Treasury (or a nominee of either of them), or

Status: This is the original version (as it was originally enacted).

- (c) a company wholly owned by the Crown.
- (6) Any disposal in contravention of subsection (1) or (5) has no effect.
- (7) For the meaning of “Post Office company” and “relevant mutual”, see sections 6 and 7.
- (8) In this section any reference to a disposal of a person’s interest in a Post Office company is to—
 - (a) the issue or transfer of shares in a company the effect of which is to reduce the proportion of the Post Office company owned by the person, or
 - (b) the issue or transfer of share rights to a person the effect of which would be, if the shares to which the share rights relate were issued or transferred to the person, to reduce the proportion of the Post Office company owned by the person.