



# Small Business, Enterprise and Employment Act 2015

## 2015 CHAPTER 26

### PART 7

#### COMPANIES: TRANSPARENCY

##### *Abolition of share warrants to bearer*

#### **84 Abolition of share warrants to bearer**

- (1) In section 779 of the Companies Act 2006 (issue and effect of share warrant to bearer), after subsection (3) insert—

“(4) No share warrant may be issued by a company (irrespective of whether its articles purport to authorise it to do so) on or after the day on which section 84 of the Small Business, Enterprise and Employment Act 2015 comes into force.”

- (2) For the heading of that section substitute “ Prohibition on issue of new share warrants and effect of existing share warrants ”.

- (3) Schedule 4—

- (a) makes provision for arrangements by which share warrants issued before this section comes into force are to be converted into registered shares or cancelled, and
- (b) makes amendments consequential on that provision.

#### **85 Amendment of company's articles to reflect abolition of share warrants**

- (1) This section applies in the case of a company limited by shares if, immediately before the day on which section 84 comes into force, the company's articles contain provision authorising the company to issue share warrants (“the offending provision”).

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*Status: Point in time view as at 01/10/2015.*

*Changes to legislation: There are currently no known outstanding effects for the Small Business, Enterprise and Employment Act 2015, Cross Heading: Abolition of share warrants to bearer. (See end of Document for details)*

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- (2) The company may amend its articles for the purpose of removing the offending provision—
  - (a) without having passed a special resolution as required by section 21 of the Companies Act 2006;
  - (b) without complying with any provision for entrenchment which is relevant to the offending provision (see section 22 of that Act).
- (3) Section 26 of the Companies Act 2006 sets out the duty of a company to send the registrar a copy of its articles where they have been amended.
- (4) Expressions defined for the purposes of the Companies Act 2006 have the same meaning in this section as in that Act.

## **86 Review of section 84**

- (1) The Secretary of State must, as soon as reasonably practicable after the end of the period of 5 years beginning with the day on which section 84 comes into force—
  - (a) carry out a review of section 84, and
  - (b) prepare and publish a report setting out the conclusions of the review.
- (2) The report must in particular—
  - (a) set out the objectives intended to be achieved by the section, and
  - (b) assess the extent to which those objectives have been achieved.
- (3) The Secretary of State must lay the report before Parliament.

**Status:**

Point in time view as at 01/10/2015.

**Changes to legislation:**

There are currently no known outstanding effects for the Small Business, Enterprise and Employment Act 2015, Cross Heading: Abolition of share warrants to bearer.