

“Market purchase”, “overseas market purchase” and “off-market purchase”

1072. (1) For the purposes of sections 1073 to 1081, a purchase by a PLC of its own shares is—

(a) an “off-market purchase” if the shares are purchased either—

(i) otherwise than on a securities market; or

(ii) on a securities market but are not subject to a marketing arrangement on that market;

(b) a “market purchase” if the shares are purchased on a securities market within the State and are subject to a marketing arrangement.

(2) For the purposes of sections 1073 to 1081, a purchase by a PLC that issues shares, or by a subsidiary of that PLC, of the first-mentioned company's shares, is an “overseas market purchase” if the shares—

(a) are purchased on—

(i) a regulated market; or

(ii) another market recognised for the purposes of this section;

being, in either case, a market outside the State; and

(b) are subject to a marketing arrangement.

(3) For the purposes of subsections (1) and (2), a PLC's shares are subject to a marketing arrangement on a securities market or, in the case of subsection (2)(a), a regulated market or another market recognised for the purposes of this section, if either—

(a) they are listed or admitted to trading on that market; or

(b) the PLC has been afforded facilities for dealings in those shares to take place on that market without prior permission for individual transactions from the—

(i) authorised market operator concerned; or

(ii) in the case of subsection (2)(a), the authority in the state concerned that governs the market;

and without limit as to the time during which those facilities are to be available.

(4) Sections 1073 to 1081 shall apply to American depositary receipts as those sections apply to shares.

(5) In this section—

“American depositary receipt” means an instrument—

(a) which acknowledges—

(i) that a depositary or a nominee acting on his or her behalf, holds stocks or marketable securities which are dealt in and quoted on a market recognised for the purposes of this section; and

(ii) that the holder of the instrument has rights in or in relation to such stocks or marketable securities, including the right to receive such stocks or marketable securities from the depositary or his or her nominee;

and

(b) which—

(i) is dealt in and quoted on a market recognised for the purposes of this section, being a market which is situated in the United States of America; or

(ii) represents stocks or marketable securities which are so dealt in and quoted;

“recognised for the purposes of this section”, in relation to a market, means recognised by order made by the Minister (and such an order may provide for different markets to be recognised for the purposes of different provisions of this section);

“securities market” means—

(a) a regulated market;

(b) a multilateral trading facility (within the meaning of Article 4(1), point (15) of Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004); or

(c) such other securities market as may be prescribed.