

Market purchase of own shares

1074. (1) A PLC shall not make a market purchase or overseas market purchase of its own shares unless the purchase has first been authorised by the PLC by ordinary resolution and any such authority may be varied, revoked or from time to time renewed by the PLC by ordinary resolution.

(2) Subsection (1) shall not be read as requiring any particular contract for the market purchase or overseas market purchase of shares to be authorised by the PLC in general meeting and, for the purposes of this Part, where a market purchase or overseas market purchase of shares has been authorised in accordance with this section any contract entered into pursuant to that authority in respect of such a purchase shall be deemed also to be so authorised.

(3) Section 198 shall apply to a resolution under subsection (1). (4) The authority granted under subsection (1) shall—

(a) specify the maximum number of shares authorised to be acquired;

(b) determine both the maximum and minimum prices which may be paid for the shares, either by—

(i) specifying a particular sum; or

(ii) providing a basis or formula for calculating the amount of the price in question without reference to any person's discretion or opinion;

(c) specify the date on which the authority is to expire which shall not be later than 5 years after the date on which the ordinary resolution granting the authority is passed.

(5) A PLC may make a purchase referred to in subsection (1) after the expiry of any time limit imposed by virtue of subsection (4)(c) in any case where the contract of purchase was concluded before the authority conferred on it expired and the terms of that authority permit the PLC to make a contract of purchase which would or might be executed wholly or partly after the authority expired.