

CHAPTER 5 Acquisition of own shares and certain acquisitions by subsidiaries

Additional (general) provisions relating to acquisition by PLCs of own shares

1071. (1) In addition to the requirements set out in sections 105 and 106 —

(a) an acquisition by a PLC of its own shares, in so far as the consideration therefor is profits available for distribution, shall be in compliance with the restriction on the distribution of assets specified in section 1082; and

(b) a PLC shall not purchase any of its shares if as a result of such purchase the nominal value of its issued share capital which is not redeemable would be less than one-tenth of the nominal value of the total issued share capital of the PLC.

(2) With regard to the purchase by a PLC of its own shares, the requirements of sections 105 and 106 and the preceding subsection shall have effect without prejudice to—

(a) the principle of equal treatment of all shareholders who are in the same position; and

(b) Chapter 2 of Part 23 and regulations thereunder.