

## Requirements as to share capital of a company applying to re-register as a PLC

1292. (1) Subject to subsection (2), a company shall not be re-registered under this Part as a PLC unless, at the time the special resolution that the company should be re-registered as a PLC is passed—

(a) the nominal value of the company's allotted share capital is not less than the authorised minimum,

(b) each of its allotted shares is paid up at least as to one-quarter of the nominal value of that share and the whole of any premium on it,

(c) where any share in the company or any premium payable on it has been fully or partly paid up by an undertaking given by any person that that person or another should do work or perform services for the company or another, the undertaking has been performed or otherwise discharged, and

(d) where shares have been allotted as fully or partly paid up to their nominal value or any premium payable on them otherwise than in cash and the consideration for the allotment consists of or includes an undertaking (other than one to which paragraph (c) applies) to the company either—

(i) that undertaking has been performed or otherwise discharged, or

(ii) there is a contract between the company and any person pursuant to which that undertaking must be performed within 5 years after that time.

(2) Subject to subsection (3), any share allotted by the company—

(a) which was allotted prior to 13 October 1986, or

(b) which was allotted in pursuance of an employees' share scheme and by reason of which the company would, but for this subsection, be precluded under subsection (1)(b), but not otherwise, from being re-registered as a PLC,

may be disregarded for the purpose of determining whether subsection (1)(b) to (d) is complied with in relation to the company, and a share so disregarded shall be treated for the purposes of subsection (1)(a) as if it were not part of the allotted share capital of the company.

(3) A share shall not be disregarded by virtue of subsection (2)(a) if the aggregate in nominal value of that share and the other shares which it is proposed so to disregard is more than one-tenth of the nominal value of the company's allotted share capital (not including any share disregarded by virtue of subsection (2)(b)).