Index

acquisition (of shares) 46–71
advance indemnity against costs 132
advance voting 159
advisory voting 122, 128
allotment 52
‘alphabet shares’ 44
Alternative Investment Market (AIM) 28
appraisal rights 129
appropriation (financial collateral) 94
arbitration 108, 110
Articles of Association 106–107, 140
asset purchase agreement 53
assignment (of dividend) 116
authorised capital 125
Authorised Persons (FSMA) 10, 51
‘bad leaver’ 77
bankruptcy 57, 73, 131
Bearer Shares 37–38, 99
beneficial ownership 90–92, 131
beneficial shareholders 131
‘Big Bang’ 27
Bilateral Investment Treaties (BITs) 134
Bitcoin 25, 161
‘Black Monday’ (19/10/87) 29
blind capital 69
blind trusts (of shareholdings) 90
Blockchain 161
‘boiler rooms’ 11, 21
bonus issue 56, 113
Brexit 158, 160–161
brokers 9, 46, 93
‘bucket shops’ 27
building societies 19, 31
Buttonwood Tree Agreement 28
buybacks (of shares) 59
buyout orders 57, 79
call option 41
calls 137
‘Calvo doctrine’ 83
cancellation of shares 38
capital duties 161
Capital gains tax 13
capital markets 51
‘Carpetbaggers’ 155
CCPS (Cumulative convertible preference shares) 35
Central registry of beneficial interests 92
charges (on shares) 93–94
charging order 95
charitable companies 3
chose in action 72, 72
class actions 133
class rights 43–44, 140, 175
Clearstream 95
‘cold calling’ 11, 27
community interest companies 20
community shares 42
companies limited by guarantee 3, 20
companies limited by shares 20
compensation 124
competition law 12, 64, 78
compulsory acquisition 79
concert parties 146
conflict of laws 101–102
consolidation (of shares) 15
constitution (of company) 106
contributory 142–143
‘contributory rule’ 143
convergence (of corporate law) xi, 105, 152
convertible debentures 14, 45
CREST (Certificateless Registry for Electronic Share Transfer) 29
cross holdings (of shares) 67
The company share

cross listing 28
crowdfunding 163
cumulative voting 121–122
custodial international law 134

Darien scheme 65
dark pools' 30
dawn raids 145
debentures 44–45
debt/equity swap 55–67
deceit (tort) 48–49
deferred shares 34
delisting 46, 104
dematerialisation (of shares) 32, 99, 152–153
demutualisation 19, 30, 155, 173
denomination (of shares) 14
depostitory 38
derivative claims 5, 110, 132
dilution of shareholder power 109
disclosure of interests in shares 145–149
discount 45, 62
discrimination (against foreign shareholders) 111
dispersed shareholdings 133
distributable profits 115, 138
distributable reserves 113
distributions (to shareholders) 112–116, 123
dividend
cap 114
final 112
interim 113
tax free allowance 13
dividend cover 66, 113
dividend policy 66, 113
Dot com bubble 25
drag along' 76
dual class share structure 34, 44, 117
dual listing 28
duration of shareholding 110
earnings per share 87
electronic voting 159
emotional value of shares 68, 89
employee shareholders 22, 39–40
employee share schemes 13, 22, 39–40
Enron 2
Enterprise Investment Scheme 35
equity derivatives 41
equity shares 34
ESMA (European Securities and Market Authority) 164
ESOPs (Employee Share Ownership Plans) 39
ethical investments 68
Euroclear 95
exchange control 13
exit rights 124
expropriation 75, 79
fiduciary 51, 139
financial assistance 22, 59–61
financial collateral 94
Financial Action Task Force (FATF) 37, 153
Financial Conduct Authority (FCA) 29, 51
Financial Markets Law Committee 161
Financial Reporting Council (FRC) 66
Financial Services Authority (FSA) 29
'flowering shares' 39
foreign shareholders 6, 157–158, 170
forestalling (dividends) 115
forfeiture 75
forgeries 73
Founders' shares 34
fractional shares 41
fraud 21–22, 152
freezing order 97, 146–147
FTSE 100 28
FTSE 350 28
FTSE All Share 28
Fungibles 72
global custody (of shares) 10, 95
Global Economic Crisis 165
globalisation 6, 151
Index

Golden shares 40, 84–85
'goods' (shares excluded) 11
'growth shares' 39
Guinness affair 11

hawking (of shares) 10
'Hull formula' 83
'hurdle shares' 39

increase of capital 125
indemnity (lost share certificate) 73
indirect investors 16
Initial Coin Offerings (ICOs) 164
Initial Public Offering (IPO) 46
insider dealing 21, 67
insolvency 5
institutional shareholders 130
interim dividend 113
intermediated securities 9, 32, 90, 92
investigation into share ownership
  147–148
Investment Association 159
issuer liability 50

jobbers 27
joint shareholding 90

legal capital 58
lien 93, 139
limited liability 23, 137, 141,
  166–167
limited liability partnerships 18–19
liquidation 11, 105, 124
listing particulars 32, 50
Listing Rules 50
'loaded shares' 34
London Stock Exchange 27–29

majority control 76
management shares 34
mandatory bids 57
mandatory dividends 113
market abuse 11, 51
market for corporate control 10
market investor principle 9
member 16, 70–71, 103
membership 70–71

merger 16–17, 55
merger relief 55
minimum share capital 15, 62, 167
minimum shareholding 108, 110
misrepresentation 49
mutual societies 42

nationalisation 30, 81, 171
negligent misrepresentation 49
negotiability 37
nominal value 41
nominee directors 141
non-binding voting 122, 128
non-voting shares 36
Northern Rock 31, 82, 173
notifiable interests 145
numerosity test 140

official listing 10
open-ended investment company 20
options 41
ordinary shares 34
Organisation for Economic
  Cooperation and Development
  (OECD) 7, 37, 153
organised shareholder groups 133
outsider rights 107
overseas shareholders 70

'Panama Papers' 37
par value 14, 41
'Paradise Papers' 37
participating preference shares 36
partnership share 18, 97
Penny shares 40
pension fund deficits 115, 116, 156
Pensions and Investments Research
  Consultants (PIRC) 121
Permanent Interest-Bearing shares
  (PIBS) 42
Personal Equity Plans (PEPs) 13
personal representatives 74
personal rights (of shareholder) 117
personation (of a shareholder) 6
PFI (Private Finance Initiative) 162
poison pill 109
poll 119
political donations by companies 151
pre-emption rights 98, 125–127, 149
preference shares 35, 58
premium 52, 55, 64, 108
private company 20
privatisation 13, 30, 31, 84–85, 172
promoters 51
property 72
ProShare 39
prospectus 46–49
proxy 120
Prudential Regulation Authority 29
PSC register 92, 148–149
public offer 46, 47
‘pump and dump’ 11
put option 41
qua shareholder (rights) 107
qualification shares (of directors) 37, 68–69
RBS rights issue 133
redemption (of shares) 58
redenomination 15
reduction of capital 89, 105
reflective loss 75, 105, 129
Register of members 104
access to 108, 131
rectification of 70–71, 103, 132
Register of people with significant control 92–93, 148–149, 153
registered shares 36
regulatory alignment 161
‘regulatory takings’ xii, 12
relinquishment 130
repurchase of shares 58
residual rights 112
restrictive covenants (in an SPA) 66
restructuring 67
return of capital 123, 129
‘reverse stock splitting’ 15
rights issue 55, 133
Royal Mail 31
‘say on pay’ 151, 159
scheme of arrangement 78
Scrip dividend 113
Scrip issue 56
Scripophily 2
Securities and Investments Board (SIB) 29
Shadow director 141
share certificate 2, 12, 72, 73
share for share exchange 55
share options 41
share premium account 55, 64
Share Purchase Agreement (SPA) 53–54
share pushing 27
share registrars 9
‘Sharesave’ 39
‘Share splitting’ 122
share warrants 37, 38
shareholder 16
shareholder activism 133
shareholder agreement 139
shareholder engagement 158–159
shareholder wealth maximisation 151, 155–157
Sharia Law 1
Situs of shares 101
social enterprise 40
Society of Share and Business Valuers 87
South Sea Bubble 21, 24–25, 176
Sovereign wealth funds 8, 165
speaking valuation 89
‘squeeze out’ 79–80
stakeholders 20, 151, 157
Stamp duty 36
Stamp duty reserve tax 29
State aids 9
statements of capital 9
stewardship 143
Stewardship Code 144
stock 42–43
Stock market 28, 154
stock options 41
‘stock splitting’ 122
Stop notices 95
subscriber 46
subsidiaries 66
Suez Canal 33, 82, 165
surrender (of shares) 75, 100

The company share
Index

suspension of listing 97

‘tag along’ 57
Takeover Code 57, 108, 109
Takeover Panel 57
takeovers 57
TALISMAN 29
TAURUS (Transfer and Automated
   Registration of Uncertified
   Stock) 29
taxation 12, 13, 39, 69, 116
the Pre–Emption Group 126
Tontines 163
transfer of shares 96–100
transfer of undertakings 65, 100
transmission of shares 16
‘transparency and trust’ 37, 153
Treasury shares 38–39, 59
Trustee in bankruptcy 57, 73, 131
trusts (of shares) 90–91, 144

‘Tulipmania’ 24–25

UK Government Investments Ltd 82
UK Listing Authority 50
uncalled capital 137
unfair prejudice 78, 92, 132–133
unit trusts 42
unlimited liability 20
Unlisted Securities Market 28

valuation of shares 85–90
virtual meetings 119, 159
voting rights 111, 117–123

weighted votes 119–120
winding up 11, 105, 124
World Trade Organisation (WTO) 9

yield 66, 87
Yukos affair 74, 134