



Stock Transfer Act 1963

CHAPTER 18

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ELIZABETH II



1963 CHAPTER 18

An Act to amend the law with respect to the transfer of securities. [10th July 1963]

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

1.—(1) Registered securities to which this section applies may be transferred by means of an instrument under hand in the form set out in Schedule 1 to this Act (in this Act referred to as a stock transfer), executed by the transferor only and specifying (in addition to the particulars of the consideration, of the description and number or amount of the securities, and of the person by whom the transfer is made) the full name and address of the transferee. Simplified transfer of securities.

(2) The execution of a stock transfer need not be attested; and where such a transfer has been executed for the purpose of a stock exchange transaction, the particulars of the consideration and of the transferee may either be inserted in that transfer or, as the case may require, supplied by means of separate instruments in the form set out in Schedule 2 to this Act (in this Act referred to as brokers transfers), identifying the stock transfer and specifying the securities to which each such instrument relates and the consideration paid for those securities.

(3) Nothing in this section shall be construed as affecting the validity of any instrument which would be effective to transfer securities apart from this section; and any instrument purporting to be made in any form which was common or usual before the commencement of this Act, or in any other form authorised or required for that purpose apart from this section, shall be sufficient, whether or not it is completed in accordance with the

form, if it complies with the requirements as to execution and contents which apply to a stock transfer.

(4) This section applies to fully paid up registered securities of any description, being—

- (a) securities issued by any company within the meaning of the Companies Act 1948 except a company limited by guarantee or an unlimited company;
- (b) securities issued by any body (other than a company within the meaning of the said Act) incorporated in Great Britain by or under any enactment or by Royal Charter except a building society within the meaning of the Building Societies Act 1962 or a society registered under the Industrial and Provident Societies Act 1893;
- (c) securities issued by the Government of the United Kingdom, except stock or bonds in the Post Office register or the register of the Bank of Ireland in Dublin, and except national savings certificates;
- (d) securities issued by any local authority;
- (e) units of a unit trust scheme, or other shares of the investments subject to the trusts of such a scheme, being a scheme in the case of which there is in force an order of the Board of Trade under section 17 of the Prevention of Fraud (Investments) Act 1958.

Supplementary provisions as to simplified transfer.

2.—(1) Section 1 of this Act shall have effect in relation to the transfer of any securities to which that section applies notwithstanding anything to the contrary in any enactment or instrument relating to the transfer of those securities; but nothing in that section affects—

- (a) any right to refuse to register a person as the holder of any securities on any ground other than the form in which those securities purport to be transferred to him: or
- (b) any enactment or rule of law regulating the execution of documents by companies or other bodies corporate, or any articles of association or other instrument regulating the execution of documents by any particular company or body corporate.

(2) Subject to the provisions of this section, any enactment or instrument relating to the transfer of securities to which section 1 of this Act applies shall, with any necessary modifications, apply in relation to an instrument of transfer authorised by that section as it applies in relation to an instrument of transfer to which it applies apart from this subsection; and without prejudice to the generality of the foregoing provision, the reference in section 79 (1) of the Companies Act 1948 (certification of transfers) to any instrument of transfer shall be construed as including a reference to a brokers transfer.

(3) In relation to the transfer of securities by means of a stock transfer and a brokers transfer—

- (a) any reference in any enactment or instrument (including in particular section 75 of the Companies Act 1948 and section 56 (4) of the Finance Act 1946) to the delivery or lodging of an instrument (or proper instrument) of transfer shall be construed as a reference to the delivery or lodging of the stock transfer and the brokers transfer;
- (b) any such reference to the date on which an instrument of transfer is delivered or lodged shall be construed as a reference to the date by which the later of those transfers to be delivered or lodged has been delivered or lodged; and
- (c) subject to the foregoing provisions of this subsection, the brokers transfer (and not the stock transfer) shall be deemed to be the conveyance or transfer for the purposes of the enactments relating to stamp duty.

(4) Without prejudice to subsection (1) of this section, section 1 of this Act shall have effect, in its application to Scotland, notwithstanding anything to the contrary in any enactment relating to the execution of instruments or the validity of instruments delivered with particulars left blank; but so much of subsection (2) of that section as provides that the execution of a stock transfer need not be attested shall not apply to a transfer executed in accordance with section 18 of the Conveyancing (Scotland) Act 1924 on behalf of a person who is blind or unable to write.

3.—(1) References in this Act to the forms set out in Schedule 1 and Schedule 2 include references to forms substantially corresponding to those forms respectively.

Additional provisions as to transfer forms.

(2) The Treasury may by order amend the said Schedules either by altering the forms set out therein or by substituting different forms for those forms or by the addition of forms for use as alternatives to those forms; and references in this Act to the forms set out in those Schedules (including references in this section) shall be construed accordingly.

(3) Any order under subsection (2) of this section which substitutes a different form for a form set out in Schedule 1 to this Act may direct that subsection (3) of section 1 of this Act shall apply, with any necessary modifications, in relation to the form for which that form is substituted as it applies to any form which was common or usual before the commencement of this Act.

(4) Any order of the Treasury under this section shall be made by statutory instrument, and may be varied or revoked by a subsequent order; and any statutory instrument made by virtue of this section shall be subject to annulment in pursuance of a resolution of either House of Parliament.

Interpretation. 4.—(1) In this Act the following expressions have the meanings hereby respectively assigned to them, that is to say—

“local authority” means, in relation to England and Wales, any authority being, within the meaning of the Local Loans Act 1875, an authority having power to levy a rate and, in relation to Scotland, a county council, a town council and any statutory authority, commissioners or trustees to whom section 270 of the Local Government (Scotland) Act 1947 applies;

“registered securities” means transferable securities the holders of which are entered in a register (whether maintained in Great Britain or not);

“securities” means shares, stock, debentures, debenture stock, loan stock, bonds, units of a unit trust scheme, or other shares of the investments subject to the trusts of such a scheme, and other securities of any description;

“stock exchange transaction” means a sale and purchase of securities in which each of the parties is a member of a stock exchange acting in the ordinary course of his business as such or is acting through the agency of such a member;

“stock exchange” means the Stock Exchange, London, and any other stock exchange (whether in Great Britain or not) which is declared by order of the Treasury to be a recognised stock exchange for the purposes of this Act.

(2) Any order of the Treasury under this section shall be made by statutory instrument, and may be varied or revoked by a subsequent order.

Application to Northern Ireland.

5.—(1) This Act, so far as it applies to things done outside Great Britain, extends to Northern Ireland.

(2) Without prejudice to subsection (1) of this section, the provisions of this Act affecting securities issued by the Government of the United Kingdom shall apply to any such securities entered in a register maintained in Northern Ireland.

(3) Notwithstanding anything in the Government of Ireland Act 1920, the Parliament of Northern Ireland shall have power to make laws for purposes similar to any of the purposes of this Act.

(4) Except as provided by this section, this Act shall not extend to Northern Ireland.

Short title and commencement.

6.—(1) This Act may be cited as the Stock Transfer Act 1963.

(2) Subsection (3) of section 5 of this Act shall come into force on the passing of this Act, and the remaining provisions of this Act shall come into force on such date as the Treasury may by order made by statutory instrument direct.

SCHEDULES

SCHEDULE 1

Section 1

STOCK TRANSFER FORM

Certificate lodged with the Registrar

(For completion by the Registrar/ Stock Exchange)

Consideration Money £.....

Full name of Undertaking.

Full description of security.

Number or amount of Shares, Stock or other security and, in figures column only, number and denomination of units, if any.

Words

Figures

(units of)

Name(s) of registered holder(s) should be given in full: the address should be given where there is only one holder.

in the name(s) of

If the transfer is not made by the registered holder(s) insert also the name(s) and capacity (e.g., Executor(s)), of the person(s) making the transfer.

Delete words in italics except for stock exchange transactions. Bodies corporate should execute under their common seal.

I/We hereby transfer the above security out of the name(s) aforesaid to the person(s) named below or to the several persons named in Parts 2 of Brokers Transfer Forms relating to the above security:

Stamp of Selling Broker(s) or, for transactions which are not stock exchange transactions, of Agent(s), if any, acting for the Transferor(s)

Signature(s) of transferor(s)

1..... 3.....
2..... 4.....

Date

Full name(s), full postal address(es) (including County or, if applicable, Postal District number) of the person(s) to whom the security is transferred.

Please state title, if any, or whether Mr., Mrs. or Miss.

Please complete in typewriting or in Block Capitals.

I/We request that such entries be made in the register as are necessary to give effect to this transfer.

Stamp of Buying Broker(s) (if any).

Stamp or name and address of person lodging this form (if other than the Buying Broker(s))

(Endorsement for use only in stock exchange transactions)

The security represented by the transfer overleaf has been sold as follows:—

| | |
|---------------------------|---------------------------|
| <i>Shares/Stock</i> | <i>Shares/Stock</i> |
| <i>Shares/Stock</i> | <i>Shares/Stock</i> |
| <i>Shares/Stock</i> | <i>Shares/Stock</i> |
| <i>Shares/Stock</i> | <i>Shares/Stock</i> |
| <i>Shares/Stock</i> | <i>Shares/Stock</i> |
| <i>Shares/Stock</i> | <i>Shares/Stock</i> |
| <i>Shares/Stock</i> | <i>Shares/Stock</i> |
| <i>Shares/Stock</i> | <i>Shares/Stock</i> |

Balance (if any) due to Selling Broker(s) _____

Amount of Certificate(s) _____

Brokers Transfer Forms for above amounts certified
Stamp of certifying Stock Exchange *Stamp of Selling Broker(s)*

SCHEDULE 2

Section 1.

BROKERS TRANSFER FORM

Certificate lodged with the Registrar

(For completion by the Registrar/ Stock Exchange)

Consideration Money £.....

| | |
|--|-----------------------------|
| Part 1 | |
| Full name of Undertaking. | |
| Full description of security. | |
| Number or amount of Shares, Stock or other security and, in figures column only, number and denomination of units, if any. | Words |
| | Figures (units of) |
| Name(s) of registered holder(s) should be given in full: the address should be given where there is only one holder. <small>If the transfer is not made by the registered holder(s) insert also the name(s) and capacity (e.g., Executor(s)), of the person(s) making the transfer.</small> | in the name(s) of |

I/We confirm that the Stock Transfer Form relating to the security set out above has been lodged with the Registrar, and that the said security has been sold by me/us by a stock exchange transaction within the meaning of the Stock Transfer Act 1963.

Date and Stamp of Selling Broker(s)

| | |
|--|---|
| Part 2 Full name(s), full postal address(es) (including County or, if applicable, Postal District number) of the person(s) to whom the security is transferred. Please state title, if any, or whether Mr., Mrs. or Miss. Please complete in typewriting or in Block Capitals. | |
| I/We confirm that the security set out in Part 1 above has been purchased by a stock exchange transaction within the meaning of the Stock Transfer Act 1963, and I/we request that such entries be made in the register as are necessary to give effect to this transfer. | |
| Stamp of Buying Broker(s). | Stamp of Lodging Agent (if other than the Buying Broker(s)) |

Table of Statutes referred to in this Act

| Short Title | Session and Chapter |
|---|-------------------------|
| Local Loans Act 1875 | 38 & 39 Vict. c. 83. |
| Industrial and Provident Societies Act 1893 ... | 56 & 57 Vict. c. 39. |
| Government of Ireland Act 1920 | 10 & 11 Geo. 5. c. 67. |
| Conveyancing (Scotland) Act 1924 | 14 & 15 Geo. 5. c. 27. |
| Finance Act 1946 | 9 & 10 Geo. 6. c. 64. |
| Local Government (Scotland) Act 1947 | 10 & 11 Geo. 6. c. 43. |
| Companies Act 1948 | 11 & 12 Geo. 6. c. 38. |
| Prevention of Fraud (Investments) Act 1958 ... | 6 & 7 Eliz. 2. c. 45. |
| Building Societies Act 1962 | 10 & 11 Eliz. 2. c. 37. |

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