

No. 13 OF 1948.

A LAW TO MAKE PROVISION FOR THE CONTROL OF TRANSFER OF SECURITIES.

WINSTER,]

[10th March, 1948.

Governor.

BE it enacted by His Excellency the Governor and
Commander-in-Chief of the Colony of Cyprus as
follows:—

1. This Law may be cited as the Securities (Control of Transfer) Law, 1948. Short title.

Interpre-
tation.

2. In this Law, unless the context otherwise requires, the following expressions shall have the meaning respectively assigned to them, that is to say :—

“ bearer security ” means any bearer bond, share warrant to bearer or other document of title by the delivery of which the title to securities or to any interest in securities is transferable, and also includes, for the purpose of paragraph (7) of section 3, any such document as aforesaid which has been cancelled ;

“ coupon ” means a coupon representing dividends or interest on a security ;

“ holder ”, in relation to a bearer security, means the person having physical custody of the security :

Provided that, where a bearer security is deposited with any person in a locked or sealed receptacle from which the person with whom it is deposited is not entitled to remove it without the authority of some other person, that other person shall be deemed to be the holder of the security ;

“ nominee ” means a holder of any security (including a bearer security) or any coupon representing dividends or interest who, as respects the exercise of any rights in respect of the security or coupon, is not entitled to exercise those rights except in accordance with instructions given by some other person, and a person holding a security or coupon as a nominee shall be deemed to act as nominee for the person who is entitled to give instructions, either directly or through the agency of one or more persons, as to the exercise by the holder of the security or coupon of any rights in respect thereof and is not, in so doing, himself under a duty to comply with instructions given by some other person :

Provided that—

(i) a person shall not, by reason only that he has a controlling interest in a body corporate, be deemed to be entitled to give instructions to that body corporate as to the exercise of rights in respect of any security or coupon held by it ;

(ii) a person shall not be deemed to hold a security or coupon as a nominee by reason only that he holds it as a trustee for some other person, but if, by virtue of an express provision in the instrument creating the trust, he is not entitled to transfer the security or coupon except with the consent of, or in accordance with instructions given by, some other person, he shall be deemed to be the nominee of that person ;

“ securities ” means shares, stock, bonds, notes (other than promissory notes), debentures, debenture stock, units under a unit trust scheme and shares in an oil royalty ;

“ sterling area ” means the United Kingdom, the Isle of Man and such other territories as may be declared by order of the Treasurer to be included in the sterling area and references in this Law to the United Kingdom shall be construed as if the Isle of Man were part of the United Kingdom ;

“ unit trust scheme ” means any arrangements made for the purpose, or having the effect, of providing for persons having funds available for investment, facilities for the participation by them, as beneficiaries under a trust, in profits or income arising from the acquisition, holding, management or disposal of any property whatsoever ;

“ unit ” means, in relation to a unit trust scheme, a right or interest (whether described as a unit, as a sub-unit or otherwise) which may be acquired under the scheme.

3.—(1) Subject to any exemptions which may be granted by order of the Treasurer, no person shall, except with permission granted by the Treasurer or by a person authorized by him on his behalf, transfer any security, either on his own behalf or on behalf of any other person, unless—

Restrictions upon transfer of securities.

- (a) the holder of the security and, if the holder is a nominee, the person for whom he is acting as nominee are resident in the sterling area ; and
- (b) the transferor has produced to the person to whom the security is to be transferred or to his agent such evidence of the facts aforesaid as may be prescribed by instructions issued by or on behalf of the Treasurer ;

and no person shall, except with such permission as aforesaid, acquire any security, either on his own behalf or on behalf of any other person, unless such evidence as aforesaid has been produced to him or to his agent.

(2) Subject to any exemptions which may be granted by order of the Treasurer, no person shall, except with permission granted by the Treasurer or by a person authorized by him or on his behalf—

- (a) transfer any registered or inscribed security or any coupon representing dividends or interest on any security, either on his own behalf or on behalf of any other person, to any person resident