

Purchase of own shares

The example given here uses the Purchase of Own Share special share transaction. The same steps can be followed for both the Redemption of Share by Company and Forfeiture special share transactions.

In this example the company has 10,000 authorised Ordinary shares of $\pounds 1$ and 2,000 shares currently in issue.

PCSec Share Example Lim	nited			Code: 01234567	Change Company
nare Classes					
Share Class No. 1	Description From Ordinary 177	m To 01/2010		Authorised 10000	Issued 2000
<u>M</u> aintain	Increase	Allotments	Iransfers	Schemes/Option	15
<u>M</u> aintain Add <u>Q</u> lass	Increase Special Share Transactions	Allotments	<u></u> ransfers Vew Shareholders	Schemes/Option	15

The current shareholdings are:

Nigel Albert with 500 shares David Christopher Barrington with 1,000 shares Paul Cole with 300 shares Robert David 200 shares

On 30 June 2010 the company reduced both its authorised and issued share capital by 10% via a purchase of own shares.

To update PCSec with this information we need to carry out the following steps:

1. Buy back 10% of each shareholders current shareholdings via Purchase of own shares

2. Decrease the company's authorised capital by 10%.

Please note that PCSec can only purchase/redeem/forfeit whole shares.

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Step 1: Buy back 10% of each shareholders current shareholding

In the Share Classes screen select Share Class No 1 Ordinary click on the Special Share Transactions button

e: PCSec Share Example	Limited			Code: 01234567	Change Compa
Share Classes—					
Share Class No.	Description	From To 17/01/2010		Authorised 10000	Issued 2000
01	Ordinary	1770172010		10000	2000
			1	1	-1
<u>M</u> aintain	Increase	∆llotments	Iransfers	Schemes)Options	1
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		e Dividende		Schemes/Options	
Maintain Add Qlass		e Dividende	Iransfers View Shareholders	Schemes/Options	
		e Dividende		Schemes/Options	Help

Ensure Class is set to Ordinary and click on the Add button.

Speci	al Share Transactions					
Name	: PCSec Share Example Lim	ited				Code: 01234567
Class:	1 Ordinary			•		
Г	Conf.	Transferee	Transferor	Transfer Date	No. Shares	Trans. Type
-		No Special Share Transactio				
		1	1	1		
	<u>M</u> aintain	<u>A</u> dd	Show All			
				_		
					Exit	Help
					<u>⊏X</u> it	Deih
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Company Secretarial Software

In Transaction Type select Purchase of own shares

Ī,	Add Special Share	Fransaction		
٢	ame: PCSec Share E	xample Limited		Code: 01234567
	Transaction Type	Conversion to bearer warrant Conversion from bearer warrant Conversion to another class Subdivision Consolidation Forfeiture Redemption of shares by company Purchase of own shares		
			<u>0</u> K	Cancel <u>H</u> elp

All current shareholders will be displayed. Select the first shareholder to purchase back 10% of their shares and click **OK**.

Ac	ld Special Share	Transaction			
Na	me: PCSec Share	Example Limited			Code: 01234567
т	ransaction Type	Purchase of own :	shares		-
Г					
	Holder Code	Share Holder N	Paid Up Price	Shareholding	
	ALBERT N	Nigel, Albert	1.00	500	
	BARRIDC	David Christoph	1.00	1000	
	COLE P DAVID R	Paul, Cole Robert, David	1.00 1.00	300 200	
	DAVID H	HODEIC, D'AVIU	1.00	200	
				<u>о</u> к	Cancel Help

Complete the purchase of own shares as follows:

Date of Registration: 30/06/2010 (being the date the shares were converted)

Number of Shares: 50 (the number of Ordinary shares being purchased back by the company)

Shares Surrendered: 500 (the number of Ordinary shares on the surrendered share certificate)

Balancing Shares: PCSec will automatically calculate any balancing shares requiring a certificate

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Confirmed: Yes

Balancing Share Cert. Number: Share certificate number for the remaining 450 Ordinary shares. (*Please note that PCSec cannot automatically produce this share certificate. It will need to be created from the Blank Forms section of the software*)

Remarks: You can enter any of your own remarks or notes connected with the purchase of own shares.

Special Share Trans	action: Purchase of own	shares	
Name: PCSec Share Ex	-		Code: 01234567
Share Class: 1 Ordinary			
Share Holder			
ALBERT N M	fr Nigel Albert		
Member Shareholding	£1 Ordinary shares held:500	Confirmed	Yes 🔽 🔽
Date of Registration	30/06/2010 💌		
Number Of Shares	50	Certificate Number	0
Shares Surrendered	500	Sealing Number	0
Balancing Shares	450	Balancing Share Cert, Number	5 🗂
		Balancing Sealing Number	0
Beneficial Owner	<u></u>		
Bemarks			
			~
1			
		<u>o</u> k	Cancel <u>H</u> elp

Click OK to save the purchase of own shares.

Repeat these steps for each shareholder until 10% of all issued shares have been converted.

Specia	il Sha	re Transactions					
Name:	PCSec	Share Example Lin	nited				Code: 01234567
Class:	1	Ordinary			•		
	,				_		
			[* /	T (
님	Conf.		Transferee	Transferor	Transfer Date	No. Shares	Trans. Type
			PCSec Share Example Limited PCSec Share Example Limited	Albert, Nigel Barrington, David Christopher	30/06/2010 30/06/2010	50 100	PCHOWN PCHOWN
Y			PESec Share Example Limited	Cole, Paul	30/06/2010	30	PCH0WN
Y			PCSec Share Example Limited	David, Robert	30/06/2010	20	PCHOWN
		Maintain	Add	Show All			
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							1
						E⊻it	Help

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You will now be showing

Share class 1 Ordinary: Authorised 10,000 shares and Issued 1,800 shares

	mited		i i	Eode: 01234567 (hange Compar
hare Classes					
Share Class No. D1	Description Drdinary	From To 17/01/2010		Authorised 10000	lssued 1800
<u>M</u> aintain	Increase	Allotments	Iransfers	Schemes/ <u>O</u> ptions	

Step 2: Reduce the authorised Ordinary shares

Now that you have purchased back 10% of the issued Ordinary shares the final step is to reduce the authorised limit on the Ordinary share class also by 10%.

In the Share Classes screen select Share Class No 1 Ordinary click on the Increase button

🚺 Current Confirmed Share	Classes					
Name: PCSec Share Example Li	mited				Code: 01234567	Change Company
Share Classes						
Share Class No.	Description Ordney	From 17/01/2010	Το.		Authorised 10000	Issued 1800
<u>M</u> aintain Add <u>Q</u> lass	Increase Special Share Transactions		Allotments Dividends	Iransfers View Shareholders	Schemes/ <u>O</u> ptic	ons
			127		Exit	<u>H</u> elp

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Complete the Increase screen as follows:

Date of Increase: 30/06/2010 (being the date the cancellation took place) **Authorised Capital**: Yes

TOTAL authorised shares: 9,000 (being the new authorised limit on the Ordinary share class)

Share Class : Increase				_	
Name: PCSec Share Examp	le Limited			Code: 0	1234567
82					
Share Class Number	1				1.00
Short Class Description	Ordinary				
Long Class Description	Ordinary				
Date of Increase	30/06/2010	_			
To Date	_/_/_	T			
Confirmed	Yes 🔻	Electronically Filed			
Authorised Capital	Yes 💌	TOTAL authorised shares	9000	Previous Total	10000
Price Per Share	1.00	Voting Rights	Voting Rights - Shares purposes, On a show		
Currency Sign	۲ ک	Code GBP	have one vote and on	a poll each me	mber shall have
Currency	Pound Sterli	ing 💌	one vote per share he particularly described i	in the articles of	association.
Currency Sign Position	Left 💌		Dividend Rights - Eacl dividend declared as r	nore particularly	described in the
Called Up Amount Per Shar	e 1.00		articles of association	of association.	Distribution
Delete Class			<u>0</u> K	Cano	el <u>H</u> elp

Click OK to save changes.

PCSec will warn you that you have actually added a DECREASE in authorised share capital and not an increase. Click **OK** to continue and save the changes.



You have now finished and will be correctly showing the current company share capital as:

Ordinar	y £1	shares:	9,000	authorised	and 1	,800	issued
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Share Class No. Description From To Authorised Is	e: PCSec Share Example Limit	ed			Code: 01234567	Change Com
Share Carry To Authoritied Is 01 Octaney 5000	hare Classes					
01 Ordney 30,067,2010 -0000 01 Ordney 177,017,2010 28,067,2010 10,000	Share Class No.	Description From	To		Authorised	Issi
	01 01	Ordinary 30/05 Ordinary 17/01	2010 29/06/2	2010	9000 10000	11
	<u>M</u> aintain	Increase	Allotments	Iransfers	Schemes/ <u>O</u> pti	ons
Add Qlass Special Share Dividends View Shareholders		Special Share			Schemes/Qpti	ons

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