

LexisNexis Practical Research - Corporate

iWidgets Ltd is in the process of issuing new shares, adopting new articles and a shareholders' agreement. In the meantime, one of the shareholders has died.

Memo

To: NewCorporate Trainee
From: Supervising Associate
Client: – iWidgets Ltd.
Status: URGENT

- 1) Which provision in the Companies Act 2006 deals with legal title to shares on the death of a shareholder?
- 2) Which model article in the Companies Act 2006 Model Articles deals with transfer of shares of a deceased shareholder?
- 3) Sometimes shareholders enter into a 'cross option agreement' or include specific 'put and call' options clauses in a shareholders' agreement to agree a mechanism for the transfer of the legal and beneficial ownership of each shareholder's shares in the event of their death. Locate a precedent cross-option agreement or specific options clauses for a shareholders' agreement and be able to explain a little more about the workings of such an agreement.

In addition, locate a relevant company law case which considers the ability of directors to veto registration of the personal representatives or of any person to whom the personal representatives elect to transfer the shares as if the registered holder were transferring his shares.
- 4) Within Halsbury's Laws of England is there any information on voting rights and pre-emption rights, more specifically, what happens in connection with the transmission of rights on death of a shareholder in this context?
- 5) Are there any other materials available on LexisNexis which focus on Company Law on this topic i.e. deceased shareholder? List 3 of them.

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