

NOTICE – Changes Regarding Bearer Shares

The following is a non exhaustive overview of the amendments pertaining to bearer shares. It is recommended that corporations familiarize themselves with all amendments contained within *The Business Registration, Supervision and Ownership Transparency Act* (“The Act”). This document is not a substitute for legal advice and you should consult your legal counsel and/or accountant if you have any questions.

➤ New Restrictions

1. A corporation must not issue a certificate, warrant or other evidence of a conversion privilege, option, or right to acquire a share of the corporation in bearer form.
2. Whereas previously a corporation could issue a certificate for a fractional share or may issue in place thereof scrip certificates in bearer form that entitle the holder to receive a certificate for a full share by exchanging scrip certificates aggregating a full share, scrip certificates must now be issued in registered form.
3. If a corporation continued under this Act had, before it continued, issued a share certificate in registered form that is convertible to bearer form, the corporation must not, if a holder of the share certificate exercises the conversion privilege attached to the certificate, issue a share certificate in bearer form.

➤ Replacement of Bearer Shares

1. A corporation must, once requested from the holder of a certificate, warrant or other evidence of a conversion privilege, option or right to acquire a share of the corporation that is in bearer form and that was issued before these changes took effect, issue in exchange to that holder, in registered form, a certificate, warrant or other evidence as the case may be.
2. A corporation must, once requested from the holder of a certificate for a fractional share or scrip certificate that was issued in bearer form before these changes took effect, issue in exchange to that holder, in registered form, a certificate for a fractional share or a scrip certificate as the case may be.

