

CO.SH.PR.08

CHF – SH06 Notice of Cancellation

A purchase of own shares is when a company purchases its own shares from a shareholder and the shares purchased are then cancelled. Please see ["Own Share Purchase Out of Profits/New Shares"](#) for more information.

There are several conditions that a company must fulfil in order to be able to purchase its own shares.

Once the shares have been purchased using distributable profits, any shares purchased from cash are no longer eligible to be held as treasury shares and therefore must be cancelled.

Shares not to be held as treasury shares must be cancelled and Form SH06 must be filed with the Registrar of Companies. Failure to do so is an offence and the company and any director found guilty is liable to a fine if found guilty.

This document is in PDF format and can be found on the Companies House website by clicking on the relevant page: <https://www.gov.uk/government/publications/cancellation-of-shares-sh06>

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