

Powers to convert shares into stock, etc.

65. (1) Each provision of this section applies save to the extent that the company's constitution provides otherwise.

(2) A company may, by ordinary resolution—

(a) convert any of its paid up shares into stock; and

(b) reconvert any stock into paid up shares of any denomination.

(3) Subject to subsection (4), the holders of stock may transfer the stock, or any part of it, in the same manner and subject to the same regulations as, and subject to which the shares from which the stock arose might, previously to conversion, have been transferred, or as near thereto as circumstances admit.

(4) The directors of a company may from time to time fix the minimum amount of stock that is capable of being transferred but any such minimum so fixed shall not exceed the nominal amount of each share from which the stock arose.

(5) Subject to subsection (6), the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages in relation to dividends, voting at meetings of the company and other matters as if they held the shares from which the stock arose.

(6) No such right, privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that right, privilege or advantage.

(7) Such of the regulations of a company as are applicable to paid up shares shall apply to stock of the company, and the words “share” and “shareholder” in those regulations shall be read as including “stock” and “stockholder”, respectively.