

Conversion of securities. CGTA75 s51(1) and Sch2 par3 585.—(1) In this section—

“conversion of securities” includes—

- (a) a conversion of securities of a company into shares in the company,
- (b) a conversion at the option of the holder of the securities converted as an alternative to the redemption of those securities for cash, and
- (c) any exchange of securities effected in pursuance of any enactment which provides for the compulsory acquisition of any shares or securities and the issue of securities or other securities instead;

“security” includes any loan stock or similar security, whether of any government or of any public or local authority or of any company and whether secured or unsecured but excluding securities within section 607.

(2) Section 584 shall apply with any necessary modifications in relation to the conversion of securities as it applies in relation to the reorganisation or reduction of a company's share capital.