



Companies Act 2006

2006 CHAPTER 46

PART 17

A COMPANY'S SHARE CAPITAL

CHAPTER 8

ALTERATION OF SHARE CAPITAL

How share capital may be altered

617 Alteration of share capital of limited company

- (1) A limited company having a share capital may not alter its share capital except in the following ways.
- (2) The company may—
 - (a) increase its share capital by allotting new shares in accordance with this Part, or
 - (b) reduce its share capital in accordance with Chapter 10.
- (3) The company may—
 - (a) sub-divide or consolidate all or any of its share capital in accordance with section 618, or
 - (b) reconvert stock into shares in accordance with section 620.
- (4) The company may redenominate all or any of its shares in accordance with section 622, and may reduce its share capital in accordance with section 626 in connection with such a redenomination.
- (5) Nothing in this section affects—
 - (a) the power of a company to purchase its own shares, or to redeem shares, in accordance with Part 18;

Status: This is the original version (as it was originally enacted).

- (b) the power of a company to purchase its own shares in pursuance of an order of the court under—
 - (i) section 98 (application to court to cancel resolution for re-registration as a private company),
 - (ii) section 721(6) (powers of court on objection to redemption or purchase of shares out of capital),
 - (iii) section 759 (remedial order in case of breach of prohibition of public offers by private company), or
 - (iv) Part 30 (protection of members against unfair prejudice);
- (c) the forfeiture of shares, or the acceptance of shares surrendered in lieu, in pursuance of the company's articles, for failure to pay any sum payable in respect of the shares;
- (d) the cancellation of shares under section 662 (duty to cancel shares held by or for a public company);
- (e) the power of a company—
 - (i) to enter into a compromise or arrangement in accordance with Part 26 (arrangements and reconstructions), or
 - (ii) to do anything required to comply with an order of the court on an application under that Part.