

member had subscribed his name and fixed his seal thereto and there were in the memorandum contained on the part of himself, his heirs, executors and administrators a covenant to observe all the conditions of such memorandum, subject to the provisions of this Ordinance.

Power of
company limited
by shares to alter
its capital.

12.—(1) A company limited by shares or a company limited by guarantee and having a share capital, if so authorised by its articles, may by special resolution alter the conditions of its memorandum to—

(a) increase its nominal capital by new shares of such amount as it thinks expedient;

(b) consolidate and divide all or any of its share capital;

(c) convert all or any of its paid-up shares into stock, and reconvert that stock into paid-up shares of any denomination;

(d) subdivide its shares, or any of them, into shares of an amount smaller than that fixed by the memorandum, so, however, that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived; and

(e) cancel shares of nominal capital which at the date of the passing of the resolution in that behalf have not been taken or agreed to be taken by any person, and diminish the amount of its share capital by the amount of the shares so cancelled.

(2) The powers conferred by this section may not be exercised by the company except in general meeting.

(3) A cancellation of shares in pursuance of this section shall not be deemed to be a reduction of share capital within the meaning of this Ordinance.

Special
resolution for
reduction of
share capital.

13.—(1) Subject to confirmation by the Court, a company limited by shares or a company limited by guarantee and having a share capital may, if so authorised by its articles, by special resolution reduce its share capital in any way, and in particular (but