A share which entitles the holder to a fixed dividend, whose payment takes priority over that of ordinary share dividends.

Preference shares, more commonly referred to as preferred stock, are shares of a company's stock with dividends that are paid out to shareholders before common stock dividends are issued.

An **equity** share, commonly referred to as ordinary share also represents the form of fractional or part ownership in which a shareholder, as a fractional owner, undertakes the maximum entrepreneurial risk associated with a business venture. The holders of such **shares** are members of the company and have voting rights.

Benefits of **equity** share investment are dividend entitlement, **capital** gains, limited liability, control, claim over income and assets, right **shares**, bonus **shares**, liquidity etc.

Disadvantages are dividend uncertainty, high risk, fluctuation in market price, limited control, residual claim etc.

Finance is a broad term that describes activities associated with banking, leverage or debt, credit, capital markets, money, and investments.