

*These notes refer to the Companies Act 2006 (c.46)
which received Royal Assent on 8 November 2006*

COMPANIES ACT 2006

EXPLANATORY NOTES

EXISTING LAW

Calling meetings

Section 303: Members' power to require directors to call general meeting

547. This section, together with sections 304 and 305 make provision similar to that in section 368 of the 1985 Act requiring the directors to call a general meeting if requested by the members. There are three main changes.
548. First, there is a change in the threshold required for a meeting request. For public companies this remains members with voting rights holding at least 10% of the paid-up capital. For private companies the threshold is 5% or 10% of the paid-up capital (or, in a company with no share capital, 5% or 10% of the total voting rights) depending on when there was last a meeting in advance of which members had a right – equivalent to the right under this clause (see below) – to circulate resolutions. The threshold is lower if there has been no such meeting in the last twelve months. Second, as indicated above, *subsection (4)(b)* extends the provisions of the 1985 Act by enabling members to include the text of a resolution to be moved at the requested meeting. *Subsection (5)* defines what type of resolution may be properly moved. For example, if the resolution would have no effect, then it cannot be properly moved. Third, requests in electronic form are permitted.