

COMPANIES ACT 2006

EXPLANATORY NOTES

EXISTING LAW

Notice of meetings

Section 307: Notice required of general meeting

552. This section replaces part of section 369 of the 1985 Act. It retains the current minimum notice period requirement of 21 days for public company AGMs, with 14 days' notice required for all other general meetings (whether public or private company general meetings). A general meeting may be called on shorter notice if the requisite majority of members agree. The key substantive change from the position under existing legislation is that the requisite majority required to agree a short notice period has been reduced for private companies from 95% to 90% of the voting rights, although the articles may specify up to 95% if the company wishes. For public companies, the majority required to agree a short notice period remains at 95% of the voting rights.

Section 308: Manner in which notice to be given

553. This section should be read in conjunction with the general requirements for companies in sending and supplying information as set out in Part 37 and Schedule 5.

Section 309: Publication of notice of meeting on website

554. This section contains some specific provisions on communications by means of a website and needs to be read with the general provisions on communications referred to above. The overall effect is similar to that of the website provisions in the current section 369 of the 1985 Act.

Section 310: Persons entitled to receive notice of meetings

555. This section puts into statute part of article 38 of Table A. The new provision ensures that notice of meetings must be sent to all members, directors and any person entitled to a share as a consequence of the death or bankruptcy (or the equivalent in Scots insolvency law) of a member. The provision is subject to any enactment and to any provision in the articles. This means that a company may, for example, make provision in its articles to stop sending notice of meeting to members for whom the company no longer has a valid address.

Section 311: Contents of notices of meetings

556. This section puts into statute another part of article 38 of Table A. The new provision ensures that the notice of meeting must include the time, date and place of the meeting and, subject to the articles, the general nature of the business to be conducted at the meeting.

Section 312: Resolution requiring special notice

557. This section replaces section 379 of the 1985 Act setting out the requirements for special notice resolutions. It makes provision only in relation to resolutions passed at meetings. This is because the resolutions for which special notice is required are either resolutions that are not capable of being passed as written resolutions (in the case of sections 168 and 510) or in relation to which written resolutions have their own special procedure (see sections 514 and 515).
558. There is no change from the existing law whereby at least 28 days' notice must be given to the company of the intention to move a resolution requiring special notice. Where it is not practicable for the company to give members notice of such a resolution at the same time as it gives notice of the meeting at which the resolution is to be moved, the company must in future give at least 14 days' notice either by newspaper advertisement or by any other manner allowed by the articles.

Section 313: Accidental failure to give notice of resolution or meeting

559. This section expands on article 39 of Table A. It contains the rule that an accidental failure to give notice of a resolution or a general meeting is generally disregarded. Under *subsection (2)*, this rule can be altered by the articles in some but not all cases.