



# Companies Act 2006

## 2006 CHAPTER 46

### PART 30

#### PROTECTION OF MEMBERS AGAINST UNFAIR PREJUDICE

##### *Main provisions*

#### **994 Petition by company member**

- (1) A member of a company may apply to the court by petition for an order under this Part on the ground—
- (a) that the company's affairs are being or have been conducted in a manner that is unfairly prejudicial to the interests of members generally or of some part of its members (including at least himself), or
  - (b) that an actual or proposed act or omission of the company (including an act or omission on its behalf) is or would be so prejudicial.

[<sup>F1</sup>(1A) For the purposes of subsection (1)(a), a removal of the company's auditor from office—

- (a) on grounds of divergence of opinions on accounting treatments or audit procedures, or
- (b) on any other improper grounds,

shall be treated as being unfairly prejudicial to the interests of some part of the company's members.]

- (2) The provisions of this Part apply to a person who is not a member of a company but to whom shares in the company have been transferred or transmitted by operation of law as they apply to a member of a company.
- (3) In this section, and so far as applicable for the purposes of this section in the other provisions of this Part, “company” means—
- (a) a company within the meaning of this Act, or
  - <sup>F2</sup>(b) .....

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*Changes to legislation:* There are outstanding changes not yet made by the legislation.gov.uk editorial team to Companies Act 2006. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

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#### Textual Amendments

- F1** S. 994(1A) inserted (6.4.2008) by [The Statutory Auditors and Third Country Auditors Regulations 2007 \(S.I. 2007/3494\)](#), [reg. 42\(1\)](#) (with [reg. 42\(2\)](#))
- F2** S. 994(3)(b) omitted (26.5.2015) by virtue of [Deregulation Act 2015 \(c. 20\)](#), s. 115(3)(r), [Sch. 23 para. 28\(7\)](#)

#### Modifications etc. (not altering text)

- C1** Ss. 994-996 applied (with modifications) (1.10.2009) by [The Limited Liability Partnerships \(Application of Companies Act 2006\) Regulations 2009 \(S.I. 2009/1804\)](#), [regs. 2, 48](#) (as amended (1.4.2013) by [S.I. 2013/472](#), [Sch. 2 para. 174](#))

#### Commencement Information

- I1** S. 994 wholly in force at 1.10.2007; s. 994 not in force at Royal Assent see s. 1300; s. 994 in force at 1.10.2007 by [S.I. 2007/2194](#), [art. 2\(1\)\(j\)](#) (with saving in [art. 12](#) and subject to transitional adaptations specified in [Sch. 1](#) and with transitional provisions and savings in [Sch. 3](#))

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

- Act amendment to earlier affecting provision S.I. 1989/638, Sch. 4 by [S.I. 2024/410 Sch. 2 para. 1](#)
- Act amendment to earlier affecting provision S.I. 2008/373 reg. 11(1) by [S.I. 2013/1971 reg. 9\(a\)](#) (This amendment not applied to legislation.gov.uk. Amending Regulations revoked (1.10.2013) without ever being in force by S.I. 2013/2224, reg. 2)
- Act amendment to earlier affecting provision S.I. 2008/373 reg. 3(4) by [S.I. 2013/1971 reg. 4](#) (This amendment not applied to legislation.gov.uk. Amending Regulations revoked (1.10.2013) without ever being in force by S.I. 2013/2224, reg. 2)

**Whole provisions yet to be inserted into this Act (including any effects on those provisions):**

- s. 479A(2)(c)(zi) inserted by [S.I. 2019/177 reg. 4\(b\)\(i\)](#) (This amendment not applied to legislation.gov.uk. Reg. 4 substituted by regs. 4, 4A immediately before IP completion day by S.I. 2019/1392, regs. 1(2), 4)
- s. 479B(a)(iii) amendment to earlier affecting provision S.I.2008/1991 reg.34 by [S.R. 2024/78 reg. 31\(4\)](#)
- s. 479B(a)(iii) amendment to earlier affecting provision S.I.2008/1991 reg.34A by [S.R. 2024/78 reg. 31\(5\)](#)
- s. 1087A-1807C applied by S.I. 2009/2436, Sch. 1 para. 20(1)(ca) (as substituted) by [S.I. 2024/410 Sch. 2 para. 5\(d\)\(ii\)](#)
- Sch. 10 para. 6(2D) inserted by [S.I. 2019/177 reg. 28\(e\)](#) (This amendment not applied to legislation.gov.uk. Reg. 28(e) omitted immediately before IP completion day by virtue of S.I. 2020/523, regs. 1(2), 14(e)(iv))
- Sch. 10 para. 7(2A) inserted by [S.I. 2019/177 reg. 29\(b\)](#) (This amendment not applied to legislation.gov.uk. Reg. 29 substituted immediately before IP completion day by S.I. 2020/523, regs. 1(2), 14(f))