

Formalities for Convening a General Shareholders' Meeting

Convening a General Meeting is a crucial event in the life of a company, as it is the mechanism through which the shareholders make key decisions about the management and direction of the company.

Types of General Meetings

Ordinary:

Held within six months following the end of the financial year to approve the annual accounts and decide on the allocation of profits.

Extraordinary:

Any other non-ordinary meeting convened when urgent or strategic decisions must be made.

Universal:

A meeting (ordinary or extraordinary) held by unanimous agreement of all shareholders, without the need for a formal notice. It may take place at any location, provided that the entire share capital is present or represented and the attendees unanimously agree to hold the meeting.

Who Should Convene the General Meeting and When?

The General Meeting must be convened by the company's directors and, if the company is in liquidation, by the liquidators.

Shareholders representing at least 5% of the share capital may request that the directors convene a General Meeting through a notarised request. In such cases, the meeting must be called within two months of the request, and the proposed items must be included on the agenda.

If the General Meeting is not convened when required, any shareholder may request that it be convened by the Court Clerk or the Registrar of Companies of the registered office, following a hearing with the directors.

Notice Period and Form of Convening

	<i>Limited Liability Company (SL)</i>	<i>Public Limited Company (SA)</i>
Minimum notice period	15 days prior to the meeting.	1 month prior to the meeting.
Form of Notice	The provisions of the Articles of Association shall prevail. Notice shall be sent individually and in writing, by a means that ensures receipt (registered mail, certified fax, or electronic means). However, if the Company has created, registered and published its website (in accordance with the provisions of Article 11bis of the LSC), the notice shall be published on the website. Failing this, the notice shall be published in the BORME (Official Gazette of the Commercial Registry) and in a widely circulated newspaper.	The provisions of the Articles of Association shall prevail. Notice shall be sent individually and in writing, by a means that ensures receipt (registered mail, certified fax, or electronic means). However, if the Company has created, registered and published its website (in accordance with the provisions of Article 11bis of the LSC), the notice shall be published on the website. Failing this, the notice shall be published in the BORME and in a widely circulated newspaper.

¹ In this regard, it is important to emphasise that ordinary mail is not admissible as a means of convening the meeting. However, registered mail or burofax with acknowledgement of receipt is admissible. Likewise, email is an admissible form of convocation if there is a mechanism for verifying its receipt by the recipient members and provided that this is accounted for in the Articles of Association.

Mandatory content of the notice

- **The company's name.**
- **The date**, time and place of the meeting.
- **The agenda**, listing the items to be discussed in detail and without ambiguity, as agreements can only be made on the items included.
- **The position of the person(s)** issuing the notice.
- **An indication of shareholders' rights** to request information or documentation.

Notice of Meeting Checklist

To ensure that the notice of the General Meeting is valid and effective, follow these steps:

- ✓ Confirm the necessity of holding the General Meeting (ordinary or extraordinary).
- ✓ Verify who has the authority to call the meeting (directors, qualified shareholders).
- ✓ Draft the notice in compliance with legal requirements (company name, date, place, agenda, etc.).
- ✓ Publish or, where appropriate, send the notice within the required timeframe, ensuring proof of receipt.
- ✓ Ensure the agenda is clear, precise and comprehensive.
- ✓ Attach relevant documentation to enable informed decision-making.
- ✓ Review the company's articles of association to ensure that there are no additional requirements.
- ✓ Keep a record of the notices sent and their acknowledgements of receipt.

² In the case of listed companies, they must have a corporate website, registered in the Commercial Registry, and must publish all notices of General Shareholders' Meetings on it.

Example of Notice of Ordinary General Meeting

"Dear Shareholders of [Company Name],

In accordance with the provisions of Royal Legislative Decree 1/2010, of 2 July, approving the revised text of the Capital Companies Act (the 'Capital Companies Act') and the articles of association, I hereby call the Ordinary General Meeting (the 'Meeting') to be held at the registered office on [date], at [time], with the following:

Agenda

- 1. Review and approval, where appropriate, of the Annual Accounts for the financial year ended 31 December 20[**].*
- 2. Review and approval, where appropriate, of the proposed allocation of profits for the financial year ended 31 December 20[**].*
- 3. Approval, where appropriate, of the management of the company by the management body during the financial year ended 31 December 20[**].*
- 4. Questions and comments.*
- 5. Granting of express powers.*
- 6. Reading and, if applicable, approval of the minutes of the meeting.*

Attendance

All shareholders of the Company may attend the Meeting in person at the registered office.

Shareholders are also reminded that, if unable to attend, they may delegate their vote in accordance with the provisions of the Articles of Association.

Information

Pursuant to Article 196 of the Capital Companies Act, the following documentation is made available to the Company's shareholders:

- Annual Accounts for the financial year ended 31 December 20[**].*

However, shareholders may also request in writing before the Meeting, or verbally during it, any clarifications they deem necessary regarding the items on the agenda.

*In [city], on [day] of [month] of 20[**].*

Signature."



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Seegman refers to the company Seegman Servicios Jurídicos, S.L.P., with tax identification number B88144852.

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