



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.

[^{F1}(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
 - ^{F2}(b)

*Changes to legislation: There are currently no known outstanding effects
for the Companies Act 2006, Section 994. (See end of Document for details)*

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](#))

Changes to legislation:

There are currently no known outstanding effects for the Companies Act 2006, Section 994.