

Statutory auditors removed from office: their rights to get notice of, attend and be heard at general meeting

398. (1) Statutory auditors of a company who have been removed shall be entitled to attend—

(a) the next annual general meeting of the company after their removal, and

(b) the general meeting of the company at which it is proposed to consider a resolution for the filling of the vacancy occasioned by their removal,

and to receive all notices of, and other communications relating to, any such meeting which a member of the company is entitled to receive and to be heard at any general meeting that such a member attends on any part of the business of the meeting which concerns them as former statutory auditors of the company.

(2) Subject to subsection (4), where notice is given of such an intended resolution as is mentioned in subsection (1) and the statutory auditors there mentioned make, in relation to the intended resolution, representations in writing to the company (not exceeding a reasonable length) and request their notification to be sent to members of the company, the company shall, unless the representations are received by it too late for it to do so—

(a) in any notice of the resolution given to members of the company state the fact of the representations having been made, and

(b) send a copy of the representations to every member of the company to whom notice of the meeting is sent (whether before or after receipt of the representations by the company).

(3) If a copy of the representations is not sent as is mentioned in subsection (2) (because either they were received too late or because of the company's default) the statutory auditors concerned may (without prejudice to their right to be heard orally) require that the representations shall be read out at the meeting.

(4) Copies of the representations need not be sent out and the representations need not be read out at the meeting as mentioned in subsection (2) or (3) if, on the application either of the company or of any other person who claims to be aggrieved, the court is satisfied that the rights conferred by this section are being abused to secure needless publicity for defamatory matter and orders that those things need not be done.

(5) The court may order the company's costs on such an application to be paid in whole or in part by the statutory auditors concerned notwithstanding that they are not a party to the application.