

# Public limited liability companies: coordination of safeguards in respect of their formation and the maintenance and alteration of their capital.

## Recast

2011/0011(COD) - 15/11/2011 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted by 531 votes to 19, with 0 abstentions, a legislative resolution on the proposal for a directive of the European Parliament and of the Council on coordination of safeguards which, for the protection of the interests of members and others, are required by Member States of companies within the meaning of the second paragraph of Article 54 of the Treaty on the Functioning of the European Union, in respect of the formation of public limited liability companies and the maintenance and alteration of their capital, with a view to making such safeguards equivalent (recast).

Parliament adopted its position at first reading, under the ordinary legislative procedure, taking into account the recommendations of the Consultative Working Party of the legal services of the European Parliament, the Council and the Commission. According to the Consultative Committee, the proposal in question does not include any substantive amendments other than those identified as such in the proposal and whereas, as regards the codification of the unchanged provisions of the earlier acts together with those amendments, the proposal contains a straightforward codification of the existing texts, without any change in their substance.

The Commission proposed Article 50(2)(g) of the Treaty on the Functioning of the European Union as the legal basis. However, Parliament proposes that the legal basis by which the European Parliament and the Council shall adopt directives, in accordance with the ordinary legislative procedure, is set out in **Article 50(1) TFEU**.