

# Portugal

## 1. A sociedade anónima

*Brief overview: Establishment and structure of the company*

### Statutory basis

Codigo das Sociédades Comerciais (=CSC) of 1986, in the version of the legal decree of 2000, esp.. Art. 271-274.

Founders can choose between the **one-tier system**:

- General meeting (Assemblée Générale), Administrative Board (Conseil d'Administration) and Supervisory Board (Conseil de Surveillance) - hereafter referred to as **model A**

and the **two-tier system**:

- General meeting (Assemblée Générale), Board of Management (Direction), General Council (Conseil Général) and official auditor (Réviseur officiel de comptes) - hereafter referred to as **model B**

### Requirements for establishment (Model A and B)

- Establishment by at least 5 members; Exceptions from this minimum number permissible by law, e.g. for companies that are directly or indirectly establishment by the state or if the company is a wholly-owned subsidiary of a Portuguese mother company: in this case, 2 founders suffices
- Notarized company agreement (= statutes)
- Entry into Commercial Register

### Minimum capital (model A and B)

50,000 euro

### Organisation

#### A) Model A

##### 1. General Meeting (annual)

Tasks include

- Decision-taking on all tasks allocated to it by law or statutes, e.g.
- Decisions on accounting and reporting
- Decisions on use of operating results
- Discharge of management
- Scrutiny of company organs
- Institution of elections

## **2. Administrative Board**

Tasks include

- Management
- Representation of the company

Term of office: 4 years; re-election possible

## **3. Supervisory Board**

Tasks include

- Control of management
- Examination of books for correctness, checking accuracy of accounting, annual accounts, statement of earnings
- Drawing up annual report on examination of the company, year-end report and accounts
- Right of inspection of all documentation related to management of the company
- Right to full information from Administrative Board

Term of office: 4 years; re-election possible

## **B) Model B**

### **1) General meeting (annual)**

Tasks include

- Decision-taking on all tasks allotted to it by law or by the statutes, such as
- Decisions on use of operating results
- Discharge of management
- Scrutiny of company organs
- Institution of elections

### **2) Board of Management**

Tasks include

- Management
- Representation of the company
- Preparation of year-end financial statement

Term of office: 4 years. re-election possible

### **3) General advice**

Tasks include

- Nomination and deselection of members of the Board of Management
- Representation of the company together with the Board of Management members
- Supervising management
- Approval of year-end financial statement

Term of office: 4 years, Re-election possible

#### **4) Auditor**

The tasks of the auditor are comparable with those of the Supervisory Board in Model B:

- Supervising management
- Examining books for correctness, examination of accuracy of accounting, annual accounts, profit and loss accounts
- Drawing up annual report on examination of the company, year-end report and accounts
- Right of inspection of all documentation related to management of the company

Term of office: 3 years

#### **Models A and B**

**Absolutely mandatory for quoted companies: Secretary**

Tasks include

- Written record of General Meetings, Directors' meetings and Administrative Board
- Responsible for orderly accounting
- Authentication of copies of original documents

Term of office: 4 years, re-election possible

<i>Brief overview: Employee participation at board level</i>
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**None.**

## 2. A sociedade por quotas de responsabilidade limitada

*Brief overview: Establishment and structure of the company*

### **Statutory basis**

Codigo das Sociedades comerciais 1986, in the version of the legal decree of 2000, esp. Art. 197-270

### **Requirements for establishment**

- Notarized company agreement (also called “establishment agreement”)
- Entry into Commercial Register

### **Minimum capital**

5,000 euro

### **Organisation**

#### **1) General Meeting**

Tasks include

- Nomination and deselection of Managing Director(s) and Supervisory Board, if this exists
- Approval of annual report and accounts
- Decisions relating to disposal of profits
- Discharge of the management
- Comprehensive rights of information vis a vis management on all business activities
- Amendments to statutes

#### **2) Managing Director**

Tasks include

- Managing the business
- Representation of the company internally and externally
- Convening of the General Meeting
- Preparation of the annual report, annual; accounts, profit and loss account
- Comprehensive duty of information vis a vis shareholders

*Brief overview: Employee participation at board level*

**None.**

*Source: Büggel, A. (2003) Company law and existing legislative provision for employee participation in the EU member states, in R. Köstler and A. Büggel, The European Company and Company law and existing legislative provision for employee participation in the EU member states, Brussels: ETUI. Report 79 (to order the whole report, please send an e-mail to [etui@etuc.org](mailto:etui@etuc.org); price: €20).*