



TYPES OF SPANISH COMPANIES
Sociedad Anónima (SA) and Sociedad Limitada (SL) in a nutshell

	S.A.	S.L. (or S.R.L.)	Article LSC
Capital represented by	Shares (i.e. securities)	Participation units (not securities)	1 & 90
Minimum Capital	EUR 60,000	EUR 3,000	4
Of which, minimum upfront payment	25%	100%	78 & 79
Payments in kind	Expert's valuation generally required	Expert's valuation not required (personal liability of partners if unfair value of assets)	73 & 76
Public offering of shares (IPO, SPO)	Permitted	Not permitted	92
Sale of existing shares / participation units	General rule: Shareholders are free to sell their shares to anyone	General rule: limits & preferential acquisition rights by other partners	108 & 123
Public Notary required for acquiring shares	No	Yes	106
Can the company pay-out fixed amounts to shareholders/partners	Not permitted (preferential dividend allowed, but subject to availability of distributable profits)		96.1
Can they be listed on the Stock exchange	Yes	No	92
Attendance of a notary to shareholders meetings	Compulsory, when requested by shareholders with at least 1% of capital	Compulsory, when requested by partners with at least 5% of capital	203
Issuance of non-voting stock	Permitted. Up to 50% of paid-in capital.	Permitted. Up to 50% of capital stock.	98
Treasury stock	Permitted, with limits: < 20% (or <10% if listed company)	General rule: not permitted (few exceptions)	146

Right to attend to the General Meetings	Can be limited to shareholders who own more than 0.1% of the capital	Cannot be limited (all partners may attend)	179
Right to request the calling of a General Meeting	Shareholders/partners with > 5% of stock capital		168
Quorum to validly celebrate a General Meeting	>25% on 1 st call or no quorum on 2 nd call Important decisions: >50% 1 st call or >25% 2 nd call	No legal minimum, but favourable votes of at least 1/3 of capital required for passing resolutions	201 198, 199
Right of information - deadline to request information before a meeting	7 days	No deadline	196, 197
Right of information – No refusal when...	request made by shareholders with > 25 % of stock capital (smaller % may be set in bylaws, but not below 5%)	request made by partners with > 25 % of stock capital	196, 197
Majorities for passing resolutions	> 50% of votes in the meeting (when at least 50% of capital has attended) For certain resolutions > or 2/3 of capital	> 50% of votes in the meeting, with a minimum of 1/3 of capital For certain resolutions >50% of capital or 2/3 of capital	201 198&199
Can they grant stock options?	Yes	No	
Can they issue bonds?	Yes	Yes (since 2015)	402
Maximum term of Directors in office	6 years (reappointment permitted)	Indefinite	221
Minimum and maximum number of Board Members	Minimum 3; no maximum.	From 3 to 12	242
Proportional representation system for the Board of Directors	Yes	No	243
Appointment of Directors by co-option	Permitted (needs to be ratified in a General Meeting)	Not permitted	244
Equivalent type of entities in UK / USA	PLC / Corp	LLC / LP	-