

Spain:

simplified timeline of a CBM



Assumptions regarding an envisaged cross-border merger (CBM)

1. Both transferring and receiving companies are governed by the laws of a Member State of the EU (two distinct States by definition), and cross-border merger is governed by the EU directive.
2. Latest financial years of both transferring and receiving company entities match calendar year.
3. Latest financial statements are approved prior to execution of draft cross-border merger agreement.
4. Shareholders of both companies decide not to involve an independent expert.
5. All shareholders consent to merger.



31 December:
1 End of the latest fiscal year

1 January:
2 Effective date
 of CBM (tax and accounting effect)*

Mid-June:
5 Finalisation of corporate documentation

End-June:
6 Execution of common draft terms of merger

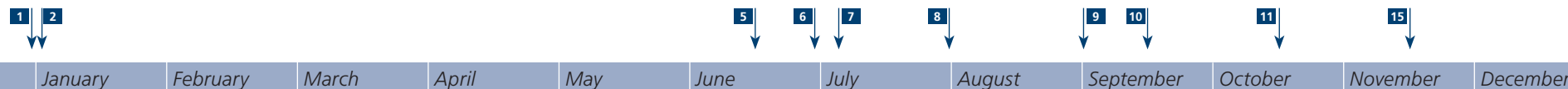
Early July:
7 Filing/publication of common draft terms of merger

End-July:
8 Making available legal documents
 Legal documents to be put at disposal of shareholders and employee representatives
Convening of general meeting
 Directors to convene shareholders' general meetings

Mid-October:
11 Notarisation of merger approval and subsequent filing with Commercial Register
 Notarisation cannot be carried out prior to expiry of period of opposition by creditors

Mid-/Late November:
15 Completion of CBM
 (legal effect)

Early September:
9 General meetings of transferring and receiving companies



3 Closing of accounts
 — Closing of accounts of transferring and receiving companies
 — Audit by statutory auditors of each company

4 Preparatory stage
 — Due diligence
 — Drafting of corporate documentation, i.e. common draft terms of merger, management reports, draft shareholder resolutions
 — Drafting of information to employee representatives
 — Prior authorisation or approval from regulatory/third parties, if required

Mid-September:
10 Publication of merger approval
 Commencement of one month period of opposition by creditors

14 Scrutiny of legality

Early November:
12 Issuance of pre-merger certificates
13 Application to Register

Legend:

- ↓ Action without a fixed time limit
- ⋮ Action with a fixed time limit
- Action in transferring and receiving country
- Action in receiving country
- Action in transferring country

* Accounting effects shall mandatorily take place (i) as of 1 January, if the merging companies pertain to the same group of companies; or (ii) as of the date of the general shareholders' meeting of the transferring company, if the merging companies do not pertain to the same group of companies.