

Germany:

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)

Early June:

5 Filing/publication of common draft terms of merger

- The common draft terms have to be submitted to the Commercial Register one month prior to the general meeting
- In case of an outbound merger from Germany, the common draft terms have to be published two months prior to the application for registration at commercial register (pre-merger certificate)

6 Making available legal documents

Legal documents to be put at disposal of shareholders and employee representatives one month prior to general meeting

Convening of general meeting

Early July:

9 General meetings of transferring and receiving companies

End-August:

11 Delivery of pre-merger certificate
12 Application for registration of CBM

31 August:

Application to German commercial register of German transferring company to be filed on 31 August at latest to avoid interim accounts

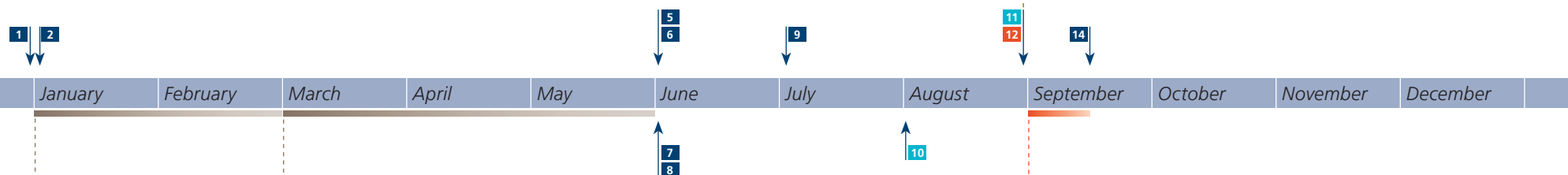
13 Scrutiny of legality

Mid-September:

14 Completion of CBM
(legal effect)

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



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

Early June:

7 Execution of common draft terms of merger

8 Finalisation of the corporate documentation

Early August:

10 Application for pre-merger certificate