

Bulgaria:

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)

End-May:

5 Submission of notification to National Revenue Agency

30 June:

Signing of common draft terms of merger on 30 June at latest for tax retroactivity

In specific cases, specific statements about assets and liabilities to be submitted to National Revenue Agency not later than 30 June

Mid-July:

8 Filing of common draft terms of merger

Filing of common draft terms and supporting documents with Commercial Register one month prior to general meeting

9 Making available legal documents

Legal documents to be put at disposal of shareholders and employee representatives

Convening of general meeting

Shareholders to be convened to shareholders' general meeting

Mid-August:

10 General meetings of shareholders

30 September:

14 Completion of CBM (legal effect)

Registration of merger with Commercial Register not earlier than 14 days from the filing date

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January February March April May June July August September October November December

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 common draft terms of merger
- Appointment of an expert examiner and preparation of the independent expert report
- Drafting of information to employee representatives
- Drafting of management report

Mid-June:

6 Finalisation of corporate documentation

End-June:

7 Signing of common draft terms of merger

11 Scrutiny of legality

Mid-September:

12 Delivery of pre-merger certificates

13 Filing of merger with Commercial Register

Application to be filed not later than eight months after date the exchange ratio was fixed for common draft terms of merger

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