

Czech Republic: 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 Decisive day

of CBM (tax and accounting effect)

The decisive day of CBM can also be another day in the year period (provided that extraordinary closing accounts are prepared)

End-May:

5 Finalisation of corporate documentation

6 Establishment of special negotiating body

- Establishment by board of directors ("BoD")
- BoD must deliver without undue delay common draft terms of merger to SNB after finalisation

Early June:

7 Execution of common draft terms

Approval and execution of common draft terms of merger by board of directors

End-June:

8 Filing/publication of common draft terms

Common draft terms must be filed at least one month prior to general meeting

Making available legal documents

Statutory specified legal documents to be put at disposal of shareholders (at least one month prior to general meeting: s.r.o. – sent to shareholders, a.s. – placed on display at business premises)

Convening of general meeting

Shareholders to be convened to shareholders' general meeting 15 days (s.r.o.) or 30 days (a.s.) before general meeting

31 December: Application to commercial register to be filed on 31 December at latest to avoid interim accounts

