



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 29.1.2008  
COM(2008) 26 final

2008/0009 (COD)

Proposal for a

**DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

**concerning mergers of public limited liability companies**

**(Codified version)**

(presented by the Commission)

## EXPLANATORY MEMORANDUM

1. In the context of a people's Europe, the Commission attaches great importance to simplifying and clarifying Community law so as to make it clearer and more accessible to the ordinary citizen, thus giving him new opportunities and the chance to make use of the specific rights it gives him.

This aim cannot be achieved so long as numerous provisions that have been amended several times, often quite substantially, remain scattered, so that they must be sought partly in the original instrument and partly in later amending ones. Considerable research work, comparing many different instruments, is thus needed to identify the current rules.

For this reason a codification of rules that have frequently been amended is also essential if Community law is to be clear and transparent.

2. On 1 April 1987 the Commission therefore decided<sup>1</sup> to instruct its staff that all legislative acts should be codified after no more than ten amendments, stressing that this is a minimum requirement and that departments should endeavour to codify at even shorter intervals the texts for which they are responsible, to ensure that the Community rules are clear and readily understandable.

3. The Conclusions of the Presidency of the Edinburgh European Council (December 1992) confirmed this<sup>2</sup>, stressing the importance of codification as it offers certainty as to the law applicable to a given matter at a given time.

Codification must be undertaken in full compliance with the normal Community legislative procedure.

Given that no changes of substance may be made to the instruments affected by codification, the European Parliament, the Council and the Commission have agreed, by an interinstitutional agreement dated 20 December 1994, that an accelerated procedure may be used for the fast-track adoption of codification instruments.

4. The purpose of this proposal is to undertake a codification of Third Council Directive 78/855/EEC of 9 October 1978 based on Article 54(3)(g) of the Treaty concerning mergers of public limited liability companies<sup>3</sup>. The new Directive will supersede the various acts incorporated in it<sup>4</sup>; this proposal fully preserves the content of the acts being codified and hence does no more than bring them together with only such formal amendments as are required by the codification exercise itself.

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<sup>1</sup> COM(87) 868 PV.

<sup>2</sup> See Annex 3 to Part A of the Conclusions.

<sup>3</sup> Carried out pursuant to the Communication from the Commission to the European Parliament and the Council – Codification of the Acquis communautaire, COM(2001) 645 final.

<sup>4</sup> Annex I, Part A of this proposal.

5. The codification proposal was drawn up on the basis of a preliminary consolidation, in all official languages, of Directive 78/855/EEC and the instrument amending it, carried out by the Office for Official Publications of the European Communities, by means of a data-processing system. Where the Articles have been given new numbers, the correlation between the old and the new numbers is shown in a table contained in Annex II to the codified Directive.

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↓ 78/855/EEC (adapted)

2008/0009 (COD)

Proposal for a

**DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL**

**concerning mergers of public limited liability companies**

**(Text with EEA relevance)**

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 44 (2)(g) thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Economic and Social Committee<sup>1</sup>,

Acting in accordance with the procedure laid down in Article 251 of the Treaty<sup>2</sup>,

Whereas:

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- (1) Third Council Directive 78/855/EEC of 9 October 1978 based on Article 54(3)(g) of the Treaty concerning mergers of public limited liability companies<sup>3</sup> has been substantially amended several times<sup>4</sup>. In the interests of clarity and rationality the said Directive should be codified.

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<sup>1</sup> OJ C [...], [...], p. [...].

<sup>2</sup> OJ C [...], [...], p. [...].

<sup>3</sup> OJ L 295, 20.10.1978, p. 36. Directive as last amended by Directive 2007/63/EC of the European Parliament and of the Council (OJ L 300, 17.11.2007, p. 47).

<sup>4</sup> See Annex I, Part A.

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↓ 78/855/EEC Recital 1 (adapted)

- (2) The co-ordination provided for in Article  44  (2)(g) of the Treaty and in the general programme for the abolition of restrictions on freedom of establishment<sup>5</sup> was begun with Council Directive 68/151/EEC<sup>6</sup>.

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↓ 78/855/EEC Recital 2 (adapted)

- (3) This co-ordination was continued, as regards the formation of public limited liability companies and the maintenance and alteration of their capital, with  the Second Council Directive 77/91/EEC of 13 December 1976 on coordination of safeguards which, for the protection of the interests of members and others, are required by Member States of companies within the meaning of the second paragraph of Article 58 of the Treaty, in respect of the formation of public limited liability companies and the maintenance and alteration of their capital, with a view to making such safeguards equivalent <sup>7</sup>, and, as regards the annual accounts of certain types of companies, with  the Fourth Council Directive 78/660/EEC of 25 July 1978 based on Article 54(3)(g) of the Treaty on the annual accounts of certain types of companies <sup>8</sup>.

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↓ 78/855/EEC Recital 3

- (4) The protection of the interests of members and third parties requires that the laws of the Member States relating to mergers of public limited liability companies be co-ordinated and that provision for mergers should be made in the laws of all the Member States.

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↓ 78/855/EEC Recital 4 and  
2007/63/EC Recital 4 (adapted)

- (5) In the context of such co-ordination it is particularly important that the shareholders of merging companies be kept adequately informed in as objective a manner as possible and that their rights be suitably protected.  However, there is no reason to require an examination of the draft terms of merger by an independent expert for the shareholders if all the shareholders agree that it may be dispensed with.

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<sup>5</sup> OJ 2, 15.1.1962, p. 36/62.

<sup>6</sup> OJ L 65, 14.3.1968, p. 8. Directive repealed by Directive [.../.../EC] of the European Parliament and of the Council.

<sup>7</sup> OJ L 26, 31.1.1977, p. 1. Directive as last amended by Directive 2006/99/EC.

<sup>8</sup> OJ L 222, 14.8.1978, p. 11. Directive as last amended by Directive 2006/46/EC of the European Parliament and of the Council (OJ L 224, 16.8.2006, p. 1).

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↓ 78/855/EEC Recital 5 (adapted)

- (6) The protection of employees' rights in the event of transfers of undertakings, businesses or parts of ☒ undertakings or ☒ businesses is at present regulated by ☒ Council Directive 2001/23/EC of 12 March 2001 on the approximation of the laws of the Member States relating to the safeguarding of employees' rights in the event of transfers of undertakings, businesses or parts of undertakings or businesses ☒<sup>9</sup>.

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↓ 78/855/EEC Recital 6 (adapted)

- (7) Creditors, including debenture holders, and persons having other claims on the merging companies ☒ should ☒ be protected so that the merger does not adversely affect their interests.

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↓ 78/855/EEC Recital 7 (adapted)

- (8) The disclosure requirements of Directive ☒ [...] of the European Parliament and of the Council of [...] on co-ordination of safeguards which, for the protection of the interests of members and others, are required by Member States of companies within the meaning of the second paragraph of Article 48 of the Treaty, with a view to making such safeguards equivalent throughout the Community<sup>10</sup> ☒ ☒ should ☒ be extended to include mergers so that third parties are kept adequately informed.

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↓ 78/855/EEC Recital 8 (adapted)

- (9) The safeguards afforded to members and third parties in connection with mergers ☒ should ☒ be extended to cover certain legal practices which in important respects are similar to merger, so that the obligation to provide such protection cannot be evaded.

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↓ 78/855/EEC Recital 9

- (10) To ensure certainty in the law as regards relations between the companies concerned, between them and third parties, and between the members, it is necessary to limit the cases in which nullity can arise by providing that defects be remedied wherever that is possible and by restricting the period within which nullification proceedings may be commenced.

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<sup>9</sup> OJ ☒ L 82, 22.3.2001, p. 16. ☒

<sup>10</sup> OJ L [...], [...], p. [...].



- (11) This Directive should be without prejudice to the obligations of the Member States relating to the time-limits for transposition into national law of the Directives set out in Annex I, Part B,
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↓ 78/855/EEC

HAVE ADOPTED THIS DIRECTIVE:

## CHAPTER I

### Scope

#### *Article 1*

1. The co-ordination measures laid down by this Directive shall apply to the laws, regulations and administrative provisions of the Member States relating to the following types of company:

- Belgium:

la société anonyme / de naamloze vennootschap;

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↓ 2006/99/EC Art. 1 and Annex,  
Section A. 3.

- Bulgaria:

акционерно дружество;

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↓ 2003 Act of Accession Art. 20  
and Annex II, p. 339

- the Czech Republic:

akciová společnost;

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↓ 78/855/EEC

- Denmark:

aktieselskaber;

– Germany:

die Aktiengesellschaft;

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↓ 2003 Act of Accession Art. 20  
and Annex II, p. 339

– Estonia:

aktsiaselts;

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↓ 78/855/EEC

– Ireland:

public companies limited by shares, and public companies limited by guarantee  
having a share capital;

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↓ 1979 Act of Accession Art. 21  
and Annex I, p. 89

– Greece:

ανώνυμη εταιρία;

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↓ 1985 Act of Accession Art. 26  
and Annex I, p. 157

– Spain:

la sociedad anónima;

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↓ 78/855/EEC

- France:  
la société anonyme;
- Italy:  
la società per azioni;

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↓ 2003 Act of Accession Art. 20  
and Annex II, p. 339

- Cyprus:  
Δημόσιες εταιρείες περιορισμένης ευθύνης με μετοχές, δημόσιες εταιρείες  
περιορισμένης ευθύνης με εγγύηση που διαθέτουν μετοχικό κεφάλαιο;
- Latvia:  
akciju sabiedrība;
- Lithuania:  
akcinė bendrovė;

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↓ 78/855/EEC

- Luxembourg:  
la société anonyme;

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↓ 2003 Act of Accession Art. 20  
and Annex II, p. 339

- Hungary:  
résztvénytársaság;
- Malta:  
kumpanija pubblika/public limited liability company, kumpanija  
privata/private limited liability company;

<p>– the Netherlands: de naamloze vennootschap;</p>	<p>↓ 78/855/EEC</p>
<p>– Austria: die Aktiengesellschaft;</p>	<p>↓ 1994 Act of Accession Art. 29 and Annex I, p. 194</p>
<p>– Poland: spółka akcyjna;</p>	<p>↓ 2003 Act of Accession Art. 20 and Annex II, p. 339</p>
<p>– Portugal: a sociedade anónima de responsabilidade limitada;</p>	<p>↓ 1985 Act of Accession Art. 26 and Annex I, p. 157</p>
<p>– Romania: societate pe acțiuni;</p>	<p>↓ 2006/99/EC Art. 1 and Annex, section A. 3.</p>
<p>– Slovenia: delniška družba;</p> <p>– Slovakia:</p>	<p>↓ 2003 Act of Accession Art. 20 and Annex II, p. 339</p>

akciová spoločnosť;

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↓ 1994 Act of Accession Art. 29  
and Annex I, p. 194.

- Finland:  
osakeyhtiö/aktiebolag;
- Sweden:  
aktiebolag;

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↓ 78/855/EEC

- the United Kingdom:  
public companies limited by shares, and public companies limited by guarantee  
having a share capital.

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↓ 78/855/EEC (adapted)

2. The Member States need not apply this Directive to co-operatives incorporated as one of the types of company listed in paragraph 1. In so far as the laws of the Member States make use of this option, they shall require such companies to include the word ‘co-operative’ in all the documents referred to in Article 5 of Directive  [./.../.] .

3. The Member States need not apply this Directive in cases where the company or companies which are being acquired or will cease to exist are the subject of bankruptcy proceedings, proceedings relating to the winding-up of insolvent companies, judicial arrangements, compositions and analogous proceedings.

## CHAPTER II

### **Regulation of merger by the acquisition of one or more companies by another company and of merger by the formation of a new company**

#### *Article 2*

The Member States shall, as regards companies governed by their national laws, make provision for rules governing merger by the acquisition of one or more companies by another  company  and merger by the formation of a new company.

*Article 3*

1. For the purposes of this Directive, ‘merger by acquisition’ shall mean the operation whereby one or more companies are wound up without going into liquidation and transfer to another all their assets and liabilities in exchange for the issue to the shareholders of the company or companies being acquired of shares in the acquiring company and a cash payment, if any, not exceeding 10% of the nominal value of the shares so issued or, where they have no nominal value, of their accounting par value.

2. A Member State's laws may provide that merger by acquisition may also be effected where one or more of the companies being acquired is in liquidation, provided that this option is restricted to companies which have not yet begun to distribute their assets to their shareholders.

*Article 4*

1. For the purposes of this Directive, ‘merger by the formation of a new company’ shall mean the operation whereby several companies are wound up without going into liquidation and transfer to a company that they set up all their assets and liabilities in exchange for the issue to their shareholders of shares in the new company and a cash payment, if any, not exceeding 10% of the nominal value of the shares so issued or, where they have no nominal value, of their accounting par value.

2. A Member State's laws may provide that merger by the formation of a new company may also be effected where one or more of the companies which are ceasing to exist is in liquidation, provided that this option is restricted to companies which have not yet begun to distribute their assets to their shareholders.

## **CHAPTER III**

### **Merger by acquisition**

*Article 5*

1. The administrative or management bodies of the merging companies shall draw up draft terms of merger in writing.

2. Draft terms of merger shall specify at least:

- (a) the type, name and registered office of each of the merging companies;
- (b) the share exchange ratio and the amount of any cash payment;
- (c) the terms relating to the allotment of shares in the acquiring company;

- (d) the date from which the holding of such shares entitles the holders to participate in profits and any special conditions affecting that entitlement;
- (e) the date from which the transactions of the company being acquired shall be treated for accounting purposes as being those of the acquiring company;
- (f) the rights conferred by the acquiring company on the holders of shares to which special rights are attached and the holders of securities other than shares, or the measures proposed concerning them;
- (g) any special advantage granted to the experts referred to in Article 10(1) and members of the merging companies' administrative, management, supervisory or controlling bodies.

#### *Article 6*

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↓ 78/855/EEC (adapted)

Draft terms of merger must be published in the manner prescribed by the laws of each Member State in accordance with Article 3 of Directive  [../.../..]  , for each of the merging companies, at least one month before the date fixed for the general meeting which is to decide thereon.

#### *Article 7*

1. A merger shall require at least the approval of the general meeting of each of the merging companies. The laws of the Member States shall provide that this decision shall require a majority of not less than two thirds of the votes  attached  either to the shares or to the subscribed capital represented.

The laws of a Member State may, however, provide that a simple majority of the votes specified in the first subparagraph shall be sufficient when at least half of the subscribed capital is represented. Moreover, where appropriate, the rules governing alterations to the memorandum and articles of association shall apply.

2. Where there is more than one class of shares, the decision concerning a merger shall be subject to a separate vote by at least each class of shareholders whose rights are affected by the transaction.

3. The decision  referred to in paragraph 2  shall cover both the approval of the draft terms of merger and any alterations to the memorandum and articles of association necessitated by the merger.

## Article 8

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↓ 78/855/EEC

The laws of a Member State need not require approval of the merger by the general meeting of the acquiring company if the following conditions are fulfilled:

- (a) the publication provided for in Article 6 must be effected, for the acquiring company, at least one month before the date fixed for the general meeting of the company or companies being acquired which is are to decide on the draft terms of merger;
- (b) at least one month before the date specified in point (a), all shareholders of the acquiring company must be entitled to inspect the documents specified in Article 11(1) at the registered office of the acquiring company;
- (c) one or more shareholders of the acquiring company holding a minimum percentage of the subscribed capital must be entitled to require that a general meeting of the acquiring company be called to decide whether to approve the merger; this minimum percentage may not be fixed at more than 5%; the Member States may, however, provide for the exclusion of non-voting shares from this calculation.

## Article 9

The administrative or management bodies of each of the merging companies shall draw up a detailed written report explaining the draft terms of merger and setting out the legal and economic grounds for them, in particular the share exchange ratio.

The report shall also describe any special valuation difficulties which have arisen.

## Article 10

1. One or more experts, acting on behalf of each of the merging companies but independent of them, appointed or approved by a judicial or administrative authority, shall examine the draft terms of merger and draw up a written report to the shareholders. However, the laws of a Member State may provide for the appointment of one or more independent experts for all the merging companies, if such appointment is made by a judicial or administrative authority at the joint request of those companies. Such experts may, depending on the laws of each Member State, be natural or legal persons or companies or firms.

2. In the report mentioned in paragraph 1 the experts must in any case state whether in their opinion the share exchange ratio is fair and reasonable. Their statement must at least:

- (a) indicate the method or methods used to arrive at the share exchange ratio proposed;
- (b) state whether such method or methods are adequate in the case in question, indicate the values arrived at using each such method and give an opinion on the relative importance attributed to such methods in arriving at the value decided on.

The report shall also describe any special valuation difficulties which have arisen.

3. Each expert shall be entitled to obtain from the merging companies all relevant information and documents and to carry out all necessary investigations.

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↓ 2007/63/EC Art. 2(1)

4. Neither an examination of the draft terms of merger nor an expert report shall be required if all the shareholders and the holders of other securities conferring the right to vote of each of the companies involved in the merger have so agreed.

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↓ 78/855/EEC

#### *Article 11*

1. All shareholders shall be entitled to inspect at least the following documents at the registered office at least one month before the date fixed for the general meeting which is to decide on the draft terms of merger:

- (a) the draft terms of merger;
- (b) the annual accounts and annual reports of the merging companies for the preceding three financial years;
- (c) an accounting statement drawn up as at a date which must not be earlier than the first day of the third month preceding the date of the draft terms of merger, if the latest annual accounts relate to a financial year which ended more than six months before that date;

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↓ 78/855/EEC (adapted)

- (d) the reports of the administrative or management bodies of the merging companies ☒ referred to ☒ in Article 9;

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↓ 2007/63/EC Art. 2(2) (adapted)

- (e) where applicable, the report ☒ referred to ☒ in Article 10 ☒ (1) ☒.

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↓ 78/855/EEC (adapted)

2. The accounting statement provided for in paragraph 1(c) shall be drawn up using the same methods and the same layout as the last annual balance sheet.

However, the laws of a Member State may provide that:

- (a) it is not necessary to take a fresh physical inventory;
- (b) the valuations shown in the last balance sheet  are to be  altered only to reflect entries in the books of account; the following shall nevertheless be taken into account:
  - interim depreciation and provisions,
  - material changes in actual value not shown in the books.

3. Every shareholder shall be entitled to obtain, on request and free of charge, full or, if so desired, partial copies of the documents referred to in paragraph 1.

#### *Article 12*

Protection of the rights of the employees of each of the merging companies shall be regulated in accordance with Directive  2001/23/EC .

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↓ 78/855/EEC
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#### *Article 13*

1. The laws of the Member States must provide for an adequate system of protection of the interests of creditors of the merging companies whose claims antedate the publication of the draft terms of merger and have not fallen due at the time of such publication.

2. To this end, the laws of the Member States shall at least provide that such creditors shall be entitled to obtain adequate safeguards where the financial situation of the merging companies makes such protection necessary and where those creditors do not already have such safeguards.

3. Such protection may be different for the creditors of the acquiring company and for those of the company being acquired.

#### *Article 14*

Without prejudice to the rules governing the collective exercise of their rights, Article 13 shall apply to the debenture holders of the merging companies, except where the merger has been approved by a meeting of the debenture holders, if such a meeting is provided for under national laws, or by the debenture holders individually.

#### *Article 15*

Holders of securities, other than shares, to which special rights are attached, must be given rights in the acquiring company at least equivalent to those they possessed in the company

being acquired, unless the alteration of those rights has been approved by a meeting of the holders of such securities, if such a meeting is provided for under national laws, or by the holders of those securities individually, or unless the holders are entitled to have their securities repurchased by the acquiring company.

#### *Article 16*

1. Where the laws of a Member State do not provide for judicial or administrative preventive supervision of the legality of mergers, or where such supervision does not extend to all the legal acts required for a merger, the minutes of the general meetings which decide on the merger and, where appropriate, the merger contract subsequent to such general meetings shall be drawn up and certified in due legal form. In cases where the merger need not be approved by the general meetings of all the merging companies, the draft terms of merger must be drawn up and certified in due legal form.

2. The notary or the authority competent to draw up and certify the document in due legal form must check and certify the existence and validity of the legal acts and formalities required of the company for which he or it is acting and of the draft terms of merger.

#### *Article 17*

The laws of the Member States shall determine the date on which a merger takes effect.

#### *Article 18*

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↓ 78/855/EEC (adapted)
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1. A merger must be publicised in the manner prescribed by the laws of each Member State, in accordance with Article 3 of Directive  [../.../..]  , in respect of each of the merging companies.

2. The acquiring company may itself carry out the publication formalities relating to the company or companies being acquired.

#### *Article 19*

1. A merger shall have the following consequences *ipso jure* and simultaneously:

- (a) the transfer, both as between the company being acquired and the acquiring company and as regards third parties, to the acquiring company of all the assets and liabilities of the company being acquired;
- (b) the shareholders of the company being acquired become shareholders of the acquiring company;
- (c) the company being acquired ceases to exist.

2. No shares in the acquiring company shall be exchanged for shares in the company being acquired held either:

- (a) by the acquiring company itself or through a person acting in his own name but on its behalf; or
- (b) by the company being acquired itself or through a person acting in his own name but on its behalf.

3.  Paragraph 1  shall not affect the laws of Member States which require the completion of special formalities for the transfer of certain assets, rights and obligations by the acquired company to be effective as against third parties. The acquiring company may carry out these formalities itself; however, the laws of the Member States may permit the company being acquired to continue to carry out these formalities for a limited period which cannot, save in exceptional cases, be fixed at more than six months from the date on which the merger takes effect.

*Article 20*

The laws of the Member States shall at least lay down rules governing the civil liability towards the shareholders of the company being acquired of the members of the administrative or management bodies of that company in respect of misconduct on the part of members of those bodies in preparing and implementing the merger.

*Article 21*

The laws of the Member States shall at least lay down rules governing the civil liability towards the shareholders of the company being acquired of the experts responsible for drawing up on behalf of that company the report referred to in Article 10(1) in respect of misconduct on the part of those experts in the performance of their duties.

*Article 22*

1. The laws of the Member States may lay down nullity rules for mergers in accordance with the following conditions only:

- (a) nullity must be ordered in a court judgement;
- (b) mergers which have taken effect pursuant to Article 17 may be declared void only if there has been no judicial or administrative preventive supervision of their legality, or if they have not been drawn up and certified in due legal form, or if it is shown that the decision of the general meeting is void or voidable under national law;
- (c) nullification proceedings may not be initiated more than six months after the date on which the merger becomes effective as against the person alleging nullity or if the situation has been rectified;
- (d) where it is possible to remedy a defect liable to render a merger void, the competent court shall grant the companies involved a period of time within which to rectify the situation;

- (e) a judgement declaring a merger void shall be published in the manner prescribed by the laws of each Member State in accordance with Article 3 of Directive  [./.../..]  ;
- (f) where the laws of a Member State permit a third party to challenge such a judgement, he may do so only within six months of publication of the judgement in the manner prescribed by Directive  [./.../..]  ;

- (g) a judgement declaring a merger void shall not of itself affect the validity of obligations owed by or in relation to the acquiring company which arose before the judgement was published and after the date ☒ on which the merger takes effect ☒ ;
- (h) companies which have been parties to a merger shall be jointly and severally liable in respect of the obligations of the acquiring company referred to in point (g).

2. By way of derogation from paragraph 1(a), the laws of a Member State may also provide for the nullity of a merger to be ordered by an administrative authority if an appeal against such a decision lies to a court. Point (b), and points (d) to (h) shall apply by analogy to the administrative authority. Such nullification proceedings may not be initiated more than six months after the date ☒ on which the merger takes effect ☒ .

3. The laws of the Member States on the nullity of a merger pronounced following any supervision other than judicial or administrative preventive supervision of legality ☒ shall not be affected ☒.

## CHAPTER IV

### Merger by formation of a new company

#### *Article 23*

1. Articles 5, 6, 7 and 9 to 22 shall apply, without prejudice to Articles 12 and 13 of Directive ☒ [./.../.] ☒ , to merger by formation of a new company. For this purpose, ‘merging companies’ and ‘company being acquired’ shall mean the companies which will cease to exist, and ‘acquiring company’ shall mean the new company.

Article 5(2)(a) ☒ of this Directive ☒ shall also apply to the new company.

2 . The draft terms of merger and, if they are contained in a separate document, the memorandum or draft memorandum of association and the articles or draft articles of association of the new company shall be approved at a general meeting of each of the companies that will cease to exist.

3 . The Member States need not apply to the formation of a new company the rules governing the verification of any consideration other than cash laid down in Article 10 of Directive 77/91/EEC.

## CHAPTER V

### Acquisition of one company by another which holds 90% or more of its shares

#### *Article 24*

The Member States shall make provision, in respect of companies governed by their laws, for the operation whereby one or more companies are wound up without going into liquidation and transfer all their assets and liabilities to another company which is the holder of all their shares and other securities conferring the right to vote at general meetings. Such operations shall be regulated by the provisions of Chapter III, with the exception of Article 5(2)(b), (c) and (d), Articles 9 and 10, Article 11(1)(d) and (e), Article 19(1)(b), and Articles 20 and 21.

#### *Article 25*

The Member States need not apply Article 7 to the operations  referred to  in Article 24 if the following conditions at least are fulfilled:

- (a) the publication provided for in Article 6 must be effected, as regards each company involved in the operation, at least one month before the operation takes effect;
- (b) at least one month before the operation takes effect, all shareholders of the acquiring company must be entitled to inspect the documents  referred to  in Article 11(1)(a), (b) and (c) at the company's registered office; Article 11(2) and (3) must apply;
- (c) Article 8(c) must apply.

#### *Article 26*

The Member States may apply Articles 24 and 25 to operations whereby one or more companies are wound up without going into liquidation and transfer all their assets and liabilities to another company, if all the shares and other securities specified in Article 24 of the company or companies being acquired are held by the acquiring company and/or by persons holding those shares and securities in their own names but on behalf of that company.

#### *Article 27*

In cases of merger where one or more companies are acquired by another company which holds 90% or more, but not all, of the shares and other securities of each of those companies the holding of which confers the right to vote at general meetings, the Member States need not require approval of the merger by the general meeting of the acquiring company, provided that the following conditions at least are fulfilled:

- (a) the publication provided for in Article 6 must be effected, as regards the acquiring company, at least one month before the date fixed for the general meeting of the company or companies being acquired which is to decide on the draft terms of merger;
- (b) at least one month before the date specified in point (a), all shareholders of the acquiring company must be entitled to inspect the documents  referred to  in Article 11(1)(a), (b) and (c) at the company's registered office; Article 11(2) and (3) must apply;
- (c) Article 8(c) must apply.

#### *Article 28*

The Member States need not apply Articles 9 to 11 to a merger within the meaning of Article 27 if the following conditions at least are fulfilled:

- (a) the minority shareholders of the company being acquired must be entitled to have their shares acquired by the acquiring company;
- (b) if they exercise that right, they must be entitled to receive consideration corresponding to the value of their shares;
- (c) in the event of disagreement regarding such consideration, it must be possible for the value of the consideration to be determined by a court.

#### *Article 29*

The Member States may apply Articles 27 and 28 to operations whereby one or more companies are wound up without going into liquidation and transfer all their assets and liabilities to another company, if 90% or more, but not all, of the shares and other securities referred to in Article 27 of the company or companies being acquired are held by that acquiring company and/or by persons holding those shares and securities in their own names but on behalf of that company.

## **CHAPTER VI**

### **Other operations treated as mergers**

#### *Article 30*

Where in the case of one of the operations referred to in Article 2 the laws of a Member State permit a cash payment to exceed 10%, Chapters III and IV and Articles 27, 28 and 29 shall apply.

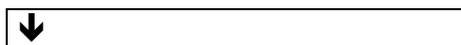
*Article 31*

Where the laws of a Member State permit one of the operations referred to in Articles 2, 24 and 30, without all of the transferring companies thereby ceasing to exist, Chapter III, except for Article 19(1)(c), Chapter IV or Chapter V shall apply as appropriate.

## CHAPTER VII

### Final provisions

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*Article 32*

Directive 78/855/EEC, as amended by the acts listed in Annex I, Part A, is repealed, without prejudice to the obligations of the Member States relating to the time-limits for transposition into national law of the Directives set out in Annex I, Part B.

References to the repealed Directive shall be construed as references to this Directive and shall be read in accordance with the correlation table in Annex II.

*Article 33*

This Directive shall enter into force on 1 January 2009.

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*Article 34*

This Directive is addressed to the Member States.

Done at Brussels, [...]

*For the European Parliament*  
*The President*  
[...]

*For the Council*  
*The President*  
[...]



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**ANNEX I**

**Part A**

**Repealed Directive with list of its successive amendments**  
(referred to in Article 32)

Council Directive 78/855/EEC  
(OJ L 295, 20.10.1978, p. 36)

Annex I, point III. C to the 1979 Act of  
Accession  
(OJ L 291, 19.11.1979, p. 89)

Annex I, point II. d) to the 1985 Act of  
Accession  
(OJ L 302, 15.11.1985, p. 157)

Annex I, point XI.A.3. to the 1994 Act of  
Accession  
(OJ C 241, 29.8.1994, p. 194)

Annex II, point 4.A.3 to the 2003 Act of  
Accession  
(OJ L 236, 23.9.2003, p. 338)

Council Directive 2006/99/EC  
(OJ L 363, 20.12.2006, p. 137)

Only as regards the reference to  
Directive 78/855/EEC in Article 1  
and Annex, Section A. 3.

Directive 2007/63/EC of the European  
Parliament and of the Council  
(OJ L 300, 17.11.2007, p. 47)

Article 2 only

**Part B**

**List of time-limits for transposition into national law**  
(referred to in Article 32)

Directive	Time-limit for transposition
78/855/EEC	13 October 1981
2006/99/EC	1 January 2007
2007/63/EC	31 December 2008

**ANNEX II**

**CORRELATION TABLE**

Directive 78/855/EEC	This Directive
_____	Chapter I
Chapters I to VI	Chapters II to VII
Articles 1 – 31	Articles 1 – 31
Article 32	_____
_____	Article 32
_____	Article 33
Article 33	Article 34
_____	Annex I
_____	Annex II