

United Kingdom: 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

Early April:

4 Execution of common draft terms of merger

Mid-April:

5 Filing/publication of common draft terms of merger, merging companies' particulars and form CB01

Directors' report to be made available to employee representatives/ employees

Court hearing to convene shareholders' and (if required) creditors' meetings

Mid-June:

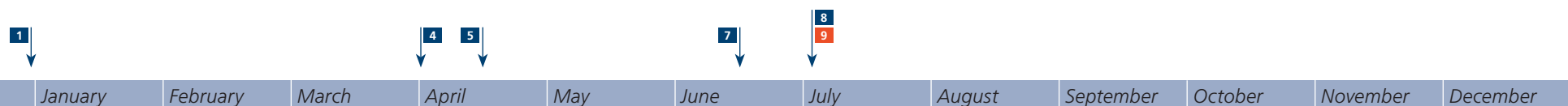
7 General meetings of transferring and receiving companies; Creditors' meetings (if any); Court hearing in relation to application for pre-merger certificate

Early July:

8 Delivery of pre-merger certificates

9 Application to UK court

(where receiving company is a UK company) within six months of pre-merger certificates for final order confirming CBM
— Under the Scottish procedure, this application to the court is made earlier in the process and runs in parallel with other stages



2 Closing of accounts

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

3 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
- Draw up list of creditors/creditors' consents

Mid-May:

6 Making available legal documents

- Legal documents to be put at disposal of the shareholders and employee representatives/employees
- Publication in gazette

Mid-July:

10 Court order

11 Deliver final court order to Companies House
Within seven days of court order if receiving company is a UK company, and 14 days if transferring company is a UK company

31 July:

12 Completion of CBM

(legal effect)
At least 21 days after final UK court order (where receiving company is a UK company)

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