

Directive (EU) 2017/1132 of the European Parliament and of the Council of 14 June 2017 relating to certain aspects of company law (codification) (Text with EEA relevance)

TITLE II

[<sup>F1</sup>CONVERSIONS, MERGERS AND DIVISIONS OF LIMITED LIABILITY COMPANIES]

[<sup>F1</sup>CHAPTER IV

*Cross-border divisions of limited liability companies*

[<sup>F1</sup>Article 160b

**Definitions**

For the purposes of this Chapter:

- (1) ‘company’ means a limited liability company of a type listed in Annex II;
- (2) ‘company being divided’ means a company which, in the process of a cross-border division, transfers all its assets and liabilities to two or more companies in the case of a full division, or transfers part of its assets and liabilities to one or more companies in the case of a partial division or division by separation;
- (3) ‘recipient company’ means a company newly formed in the course of a cross-border division;
- (4) ‘division’ means an operation whereby:
  - (a) a company being divided, on being dissolved without going into liquidation, transfers all its assets and liabilities to two or more recipient companies, in exchange for the issue to the members of the company being divided of securities or shares in the recipient companies and, if applicable, a cash payment not exceeding 10 % of the nominal value, or, in the absence of a nominal value, a cash payment not exceeding 10 % of the accounting par value of those securities or shares (‘full division’);
  - (b) a company being divided transfers part of its assets and liabilities to one or more recipient companies, in exchange for the issue to the members of the company being divided of securities or shares in the recipient companies, in the company being divided or in both the recipient companies and the company being divided, and, if applicable, a cash payment not exceeding 10 % of the nominal value, or, in the absence of a nominal value, a cash payment not exceeding 10 % of the accounting par value of those securities or shares (‘partial division’); or
  - (c) a company being divided transfers part of its assets and liabilities to one or more recipient companies, in exchange for the issue to the company

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being divided of securities or shares in the recipient companies (‘division by separation’).]

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**Textual Amendments**

- F1** Inserted by [Directive \(EU\) 2019/2121 of the European Parliament and of the Council of 27 November 2019 amending Directive \(EU\) 2017/1132 as regards cross-border conversions, mergers and divisions \(Text with EEA relevance\)](#).