

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

[^{F1}CONVERSIONS, MERGERS AND DIVISIONS OF LIMITED LIABILITY COMPANIES]

[^{F1}CHAPTER IV

Cross-border divisions of limited liability companies

[^{F1}Article 160d

Draft terms of cross-border divisions

The administrative or management body of the company being divided shall draw up the draft terms of a cross-border division. The draft terms of a cross-border division shall include at least the following particulars:

- (a) the legal form and name of the company being divided and the location of its registered office, and the legal form and name proposed for the new company or companies resulting from the cross-border division and the proposed location of their registered offices;
- (b) the ratio applicable to the exchange of securities or shares representing the companies' capital and the amount of any cash payment, where appropriate;
- (c) the terms for the allotment of securities or shares representing the capital of the recipient companies or of the company being divided;
- (d) the proposed indicative timetable for the cross-border division;
- (e) the likely repercussions of the cross-border division on employment;
- (f) the date from which the holding of securities or shares representing the companies' capital will entitle the holders to share in profits, and any special conditions affecting that entitlement;
- (g) the date or dates from which the transactions of the company being divided will be treated for accounting purposes as being those of the recipient companies;
- (h) any special advantages granted to members of the administrative, management, supervisory or controlling bodies of the company being divided;
- (i) the rights conferred by the recipient companies on members of the company being divided enjoying special rights or on holders of securities other than shares representing the divided company capital, or the measures proposed concerning them;

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- (j) the instruments of constitution of the recipient companies, where applicable, and the statutes if they are contained in a separate instrument, and any changes to the instrument of constitution of the company being divided in the case of a partial division or a division by separation;
- (k) where appropriate, information on the procedures by which arrangements for the involvement of employees in the definition of their rights to participation in the recipient companies are determined pursuant to Article 160l;
- (l) a precise description of the assets and liabilities of the company being divided and a statement of how those assets and liabilities are to be allocated between the recipient companies, or are to be retained by the company being divided in the case of a partial division or a division by separation, including provisions on the treatment of assets or liabilities not explicitly allocated in the draft terms of cross-border division, such as assets or liabilities which are unknown on the date on which the draft terms of cross-border division are drawn up;
- (m) information on the evaluation of the assets and liabilities which are to be allocated to each company involved in the cross-border division;
- (n) the date of the accounts of the company being divided used to establish the conditions of the cross-border division;
- (o) where appropriate, the allocation to the members of the company being divided of shares and securities in the recipient companies, in the company being divided or in both, and the criterion upon which such allocation is based;
- (p) details of the offer of cash compensation for members in accordance with Article 160i;
- (q) any safeguards offered to creditors, such as guarantees or pledges.]

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 \(Text with EEA relevance\)](#).