

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 I

**GENERAL PROVISIONS AND THE ESTABLISHMENT AND
FUNCTIONING OF LIMITED LIABILITY COMPANIES**

CHAPTER IV

Capital maintenance and alteration

Section 5

Rules for the increase and reduction of capital

Article 70

Shares issued for consideration other than in cash

1 Where shares are issued for consideration other than in cash in the course of an increase in the subscribed capital, the consideration shall be transferred in full within a period of five years from the decision to increase the subscribed capital.

2 The consideration referred to in paragraph 1 shall be the subject of a report drawn up before the increase in capital is made by one or more experts who are independent of the company and appointed or approved by an administrative or judicial authority. Such experts may be natural persons as well as legal persons and companies and firms under the laws of each Member State.

Article 49(2) and (3) and Articles 50 and 51 shall apply.

3 Member States may decide not to apply paragraph 2 in the event of an increase in subscribed capital made in order to give effect to a merger, a division or a public offer for the purchase or exchange of shares and to pay the shareholders of the company which is being absorbed or divided, or which is the object of the public offer for the purchase or exchange of shares.

In the case of a merger or a division, however, Member States shall apply the first subparagraph only where a report by one or more independent experts on the draft terms of merger or division is drawn up.

Where Member States decide to apply paragraph 2 in the case of a merger or a division, they may provide that the report under this Article and the report by one or more independent experts on the draft terms of merger or division may be drawn up by the same expert or experts.

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4 Member States may decide not to apply paragraph 2 if all the shares issued in the course of an increase in subscribed capital are issued for a consideration other than in cash to one or more companies, on condition that all the shareholders in the company which receive the consideration have agreed not to have an experts' report drawn up and that the requirements of points (b) to (f) of Article 49(4) are met.