Amalgamation Agreement

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This Amalgamation Agreement (the “Agreement”) is effective [DATE],

**BETWEEN: [YOUR COMPANY NAME]** (the "First Party"), a company organised and existing under the laws of the [COUNTRY], located:

[YOUR ADDRESS]

**AND: [COMPANY]** (the "Second Party"), a company organised and existing under the laws of the [COUNTRY], with its head office located at:

[YOUR COMPLETE ADDRESS]

WHEREAS the authorised capital of [YOUR COMPANY NAME] consists of an unlimited number of Class [SPECIFY] shares, of which only [NUMBER] of shares are issued and outstanding;

AND WHEREAS the authorised capital of [NUMBER] consists of an unlimited number of [NUMBER] and preferred shares, of which ([NUMBER]) [NUMBER] share is issued and outstanding;

AND WHEREAS the First Party and the Second Party have agreed to amalgamate under the laws of [COUNTRY], and continue as one company on the terms and conditions hereinafter set forth;

AND WHEREAS [COMPANY NAME] beneficially owns [%] of the outstanding shares of [COMPANY NAME];

AND WHEREAS the First Party and the Second Party together beneficially own [%] of the outstanding shares of [COMPANY NAME];

**NOW THEREFORE THIS AGREEMENT WITNESSETH AS FOLLOWS:**

1. **DEFINITIONS**

1.1 In this Agreement:

1.1.1 “Act” means the [COUNTRY] Business Companies Act, as amended;

1.1.2 “Agreement” means this Amalgamation Agreement;

1.1.3 “Amalgamated Company” means the continuing company constituted upon the Amalgamation becoming effective;

1.1.4 “Amalgamating company’s” means [YOUR COMPANY NAME] and [COMPANY NAME];

1.1.5 “Amalgamation” means the amalgamation of [YOUR COMPANY NAME] and [COMPANY NAME] pursuant to the Act as contemplated by this Agreement;

1.1.6 “Effective Date” means the date on which the Amalgamation becomes effective.

* 1. Unless the context otherwise requires, words and phrases used herein that are defined in the Act have the same meaning herein as in the Act.
  2. **AMALGAMATION**

2.1 The Amalgamating companies hereby agree to amalgamate pursuant to the Act as of the Effective Date and to continue as one company on the terms and conditions set forth in this Agreement.

1. **THE AMALGAMATED COMPANY**

3.1 The name of the Amalgamated Company shall be [NAME].

3.2 The registered office of the Amalgamated Company shall be situated in [CITY], in the [Country] of [COUNTRY].

3.3 The share capital of the Amalgamated Company shall consist of an unlimited number of [SPECIFY] shares.

3.4 The right to transfer shares of the Amalgamated Company shall be restricted in that no shares shall be transferred without the approval of the directors evidenced by resolution of the board, provided that approval of any transfer of shares may be given as aforesaid after the transfer has been effected upon the books of the Company in which event, unless the said resolution stipulates otherwise, the said transfer shall be valid and shall take effect as from the date of its entry upon the books of the Amalgamated Company.

3.5 The number of shareholders of the Amalgamated Company shall be limited to [NUMBER], not including shareholders who are or where employees of the Amalgamated Company, [NUMBER] or more persons holding of [NUMBER] or more shares being counted as a single shareholder.

3.6 Any distribution of securities to the public to subscribe for or to purchase securities of the Amalgamated Company shall be prohibited.

3.7 There shall be no restriction on the business that the Amalgamated Company may carry on or on the powers that the Amalgamated Company may exercise.

3.8 The board of directors of the Amalgamated Company shall consist of not less than a minimum of [NUMBER] nor more than a maximum of [NUMBER] members. The person named below, who is a resident [NATIONALITY], shall be the first director of the Amalgamated Company:

Name Residential Address

[FULL NAME] [FULL ADDRESS]

The aforesaid person shall hold office as the sole director of the Amalgamated Company until the first meeting of the shareholders of the Amalgamated Company or until his successors is elected or appointed. The business and affairs of the Amalgamated Company shall be under the management of the board of directors from time to time, subject to the provisions of the Act.

* 1. The officers of the Amalgamated Company, until changed or added to by the directors, shall be as follows:

[NAME] [POSITION] [ADDRESS]

[NAME] [POSITION] [ADDRESS]

[NAME] [POSITION] [ADDRESS]

[NAME] [POSITION] [ADDRESS]

[NAME] [POSITION] [ADDRESS]

3.10 The by-laws of the Amalgamated Company shall be those set forth in Annexure A annexed hereto.

3.11 Without in any way limiting the powers conferred on the directors by the Act, the directors of the Amalgamated Company may from time to time without authorisation from the shareholders:

3.11.1 borrow money upon the credit of the Amalgamated Company;

3.11.2 limit or increase the amount to be borrowed;

3.11.3 issue, reissue, sell or pledge debt obligations of the Amalgamated Company for such sums and at such prices as may be deemed expedient;

3.11.4 subject to the Act, give a guarantee on behalf of the Amalgamated Company to secure the performance of an obligation to any person; and

3.11.5 mortgage, hypothecate, pledge or otherwise create a security interest in all or any property of the Amalgamated Company, owned or subsequently acquired, to secure any obligation of the Amalgamated Company.

3.12 The Amalgamated Company shall possess all the property, rights, privileges and franchises of each of the Amalgamating company’s and shall be subject to all the liabilities, including civil, criminal and *quasi*-criminal, and all contracts, disabilities and debts of each of the Amalgamating company’s.

1. **ISSUE OF SHARES UPON THE AMALGAMATION**

4.1 On the Effective Date:

4.1.1 All of the issued and outstanding Class [SPECIFY] shares and [SPECIFY] shares of [YOUR COMPANY NAME] held by [COMPANY NAME] shall be cancelled without any repayment of capital *in re*spect thereof;

* + 1. All of the issued and outstanding Class [SPECIFY] shares and [SPECIFY] shares of [COMPANY NAME] held by [YOUR COMPANY NAME] shall be cancelled without any repayment of capital *in re*spect thereof;
    2. The authorised but unissued share capital of each of the Amalgamating companies shall be cancelled.

4.2 After the Effective Date, the shareholders of the Amalgamating company’s shall be entitled to receive certificates representing shares in the share capital of the Amalgamated Company, on the basis aforesaid, on surrender to the Amalgamated Company of the certificates evidencing the shares in the Amalgamating company’s held by them or on providing the Amalgamated Company with other satisfactory evidence of their entitlement thereto.

1. **TERMINATION OF AGREEMENT**

Notwithstanding any other provision hereof, prior to the issuance of a certificate of amalgamation *in re*spect of the Amalgamation but within the period prescribed by law, this Agreement may be terminated by the board of directors of either company and notwithstanding approval of the Agreement by the shareholders of all or any of the Amalgamating company’s.

1. **ARTICLES OF AMALGAMATION**

Subject to Section 5 hereof, after this Agreement has been approved in accordance with the Act, the Amalgamating company’s shall, on such day as both parties may select, jointly file with the Director under the Act, articles of amalgamation in the form annexed hereto as Annexure B and such other documents as may be required to bring the Amalgamation into effect.

1. **GOVERNING LAW**

This Agreement shall be governed by and construed in accordance with the laws of the [COUNTRY] of [COUNTRY].

IN WITNESS WHEREOF, each party to this agreement has caused it to be executed at [PLACE OF EXECUTION] on the date indicated above.

FIRST PARTY SECOND PARTY

Authorised Signature Authorised Signature

Print Name and Title Print Name and Title

# ANNEXURE A

# BYLAWS OF AMALGAMATED COMPANY

**ANNEXURE B**

**ARTICLES OF AMALGAMATION**