Committee on Legal Affairs

2026/0074(COD)

29.6.2026

***I
DRAFT REPORT

on the proposal for a regulation of the European Parliament and of the Council on the 28th regime corporate legal framework - 'EU Inc.'
(COM(2026)0321 – C10-0080/2026 – 2026/0074(COD))

Committee on Legal Affairs

Rapporteur: René Repasi

Symbols for procedures

*	Consultation procedure
***	Consent procedure
***I	Ordinary legislative procedure (first reading)
***II	Ordinary legislative procedure (second reading)
***III	Ordinary legislative procedure (third reading)

(The type of procedure depends on the legal basis proposed by the draft act.)

Amendments to a draft act

Amendments by Parliament set out in two columns

Deletions are indicated in ***bold italics*** in the left-hand column. Replacements are indicated in ***bold italics*** in both columns. New text is indicated in ***bold italics*** in the right-hand column.

The first and second lines of the header of each amendment identify the relevant part of the draft act under consideration. If an amendment pertains to an existing act that the draft act is seeking to amend, the amendment heading includes a third line identifying the existing act and a fourth line identifying the provision in that act that Parliament wishes to amend.

Amendments by Parliament in the form of a consolidated text

New text is highlighted in ***bold italics***. Deletions are indicated using either the ▌ symbol or strikeout. Replacements are indicated by highlighting the new text in ***bold italics*** and by deleting or striking out the text that has been replaced.
By way of exception, purely technical changes made by the drafting departments in preparing the final text are not highlighted.

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DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a regulation of the European Parliament and of the Council on the 28th regime corporate legal framework - 'EU Inc.'
(COM(2026)0321 – C10-0080/2026 – 2026/0074(COD))

(Ordinary legislative procedure: first reading)

The European Parliament,

– having regard to the Commission proposal to Parliament and the Council (COM(2026)0321),

– having regard to Article 294(2) and Article 114 of the Treaty on the Functioning of the European Union, pursuant to which the Commission submitted the proposal to Parliament (C10-0080/2026),

– having regard to Article 294(3) of the Treaty on the Functioning of the European Union,

– having regard to the opinion of the European Economic and Social Committee of …[1],

– having regard to Rules 60, 41 and 58 of its Rules of Procedure,

– having regard to the opinion of the Committee on Employment and Social Affairs,

– having regard to the letter from the Committee on Economic and Monetary Affairs

– having regard to the report of the Committee on Legal Affairs (A10-0000/2026),

1. Adopts its position at first reading hereinafter set out;

3. Calls on the Commission to refer the matter to Parliament again if it replaces, substantially amends or intends to substantially amend its proposal;

4. Instructs its President to forward its position to the Council, the Commission and the national parliaments.

Amendment 1

Proposal for a regulation
Recital 2

[1] [OJ C, C/2024/..., 2.7.2024, ELI: http://data.europa.eu/eli/C/2024/.../oj/ Not yet published in the Official Journal].

Text proposed by the Commission	*Amendment*
(2) The European Council called on the Commission, in March and October 2025, to propose in line with the respective competences under the Treaties without delay an optional 28th company law regime allowing innovative companies to scale up. The European Parliament resolution “The 28th regime: a new legal framework for innovative companies” of 20 January 2026 called for an ambitious proposal focusing on company law rules and introducing a new corporate form into national laws for limited liability companies not listed on the stock market, ***while also, among others*** stressing the need for measures to facilitate employee stock ownership, ensure more efficient dispute resolution and provide strong safeguards to protect employee participation rights.	(2) The European Council called on the Commission, in March and October 2025, to propose in line with the respective competences under the Treaties without delay an optional 28th company law regime allowing innovative companies to scale up. The European Parliament resolution “The 28th regime: a new legal framework for innovative companies” of 20 January 2026 called for an ambitious proposal focusing on company law rules and introducing a new corporate form into national laws for limited liability companies not listed on the stock market, stressing the need for measures to facilitate employee stock ownership, ensure more efficient dispute resolution and provide strong safeguards to protect employee participation rights***, while warning of the risk of circumvention of mandatory domestic protections through the application of a 28th regime***.

Or. en

Amendment 2

Proposal for a regulation
Recital 3

Text proposed by the Commission	*Amendment*
(3) ***The*** 27 national legal systems with distinct rules, procedures and ***national*** legal forms for limited liability companies ***create*** a fragmented ***and complicated*** corporate landscape ***in*** the Union, resulting in legal uncertainty and costs for founders, companies as well as Union and third country investors. Therefore, in order to boost the Union competitiveness, it is necessary to simplify the regulatory framework and reduce fragmentation through the approximation of laws, in particular by introducing a harmonised set	(3) ***Company law in the Union is still mainly rooted in*** 27 national legal systems with distinct rules, procedures and legal forms for ***corporations, including*** limited liability companies***. While this diversity of corporate forms reflects the legal, economic and social models and traditions of Member States, as well as the limits to harmonisation laid down in the Treaties, it leaves part of the potential of the internal market untapped and contributes to*** a fragmented corporate landscape ***across*** the Union, resulting in

of corporate rules***, including*** a new harmonised national legal form covering the lifecycle of a company including liquidation and insolvency. Harmonised rules are also needed to enable companies to attract private investment through common fast, digital and cost-effective rules and procedures, which would make it easier for high-growth companies to scale up in the internal market and enable both Union and third country investors to invest in companies as well as offer such investors with more flexible exit options to liquidate their investment.	legal uncertainty and costs for founders, companies as well as Union and third country investors. Therefore, in order to boost the Union competitiveness, it is necessary to simplify the regulatory framework and reduce fragmentation through the approximation of laws, in particular by introducing a harmonised set of corporate rules ***for*** a new harmonised national legal form covering the lifecycle of a company including liquidation and insolvency. Harmonised rules are also needed to enable companies to attract private investment through common fast, digital and cost-effective rules and procedures, which would make it easier for high-growth companies to scale up in the internal market and enable both Union and third country investors to invest in companies as well as offer such investors with more flexible exit options to liquidate their investment.

Or. en

Amendment 3

Proposal for a regulation
Recital 3 a (new)

Text proposed by the Commission	*Amendment*
	(3a) Previous Commission proposals aimed at introducing a harmonised regulatory framework for limited liability companies, such as the Proposal for a Regulation on the statute for a European private company – SPE and the Proposal for a Directive on single-member private limited liability companies – SUP, failed, largely due to their missing social dimension and inadequacy of safeguards provided. Any new initiative seeking to harmonise a substantial set of rules of corporate law should therefore be designed in a holistic manner by duly taking into account its social implications

	and address the risk of forum shopping that will arise from the creation of an additional corporate regime.

Or. en

Amendment 4

Proposal for a regulation
Recital 4

Text proposed by the Commission	*Amendment*
(4) A harmonised corporate framework should be ***set out*** with a new harmonised legal form of a limited liability 'EU ***Inc***.' company. This new company legal form should be introduced in the national legal orders of all Member States. The framework and the specific features of the new national legal form draw on the diversity of national rules and procedures and harmonise those rules and procedures in order to meet the needs of companies, in particular start-ups and scale-ups, and their Union and third country investors. As other national legal forms, the EU Inc. should be incorporated in a Member State and generally be governed by the law of the Member State of registration. At the same time, it should benefit from a harmonised set of rules introduced by this Regulation. Such harmonisation would facilitate cross-border business in the internal market and investment by Union and third country investors in such companies and ensure that those rules and procedures result in reduced administrative burden and costs for founders and companies as well as for investors.	(4) A harmonised corporate framework should be ***established*** with a new harmonised legal form of a limited liability 'EU ***Incorporated***' company***, abbreviated 'EU Inc.'***. This new company legal form should be introduced in the national legal orders of all Member States. The framework and the specific features of the new national legal form draw on the diversity of national rules and procedures and harmonise those rules and procedures in order to meet the needs of companies, in particular start-ups and scale-ups, and their Union and third country investors. As other national legal forms, the EU Inc. should be incorporated in a Member State and***, as regards company law rules not covered by this Regulation,*** generally be governed by the law of the Member State of registration. At the same time, it should benefit from a harmonised set of rules introduced by this Regulation. Such harmonisation would facilitate cross-border business in the internal market and investment by Union and third country investors in such companies and ensure that those rules and procedures result in reduced administrative burden and costs for founders and companies as well as for investors.

Or. en

Amendment 5

Proposal for a regulation
Recital 5

Text proposed by the Commission	*Amendment*
(5) The EU Inc. framework set out in this Regulation responds in particular to the needs of startup and scaleup companies but should be legally open to all founders and companies who see it fit for their business model. Both natural and legal persons should be able to form an EU Inc. company. It should be possible to create an EU Inc. company ex nihilo and existing companies should be also able to convert into EU Inc. companies. Furthermore, existing companies, including EU Inc. companies, should also be able to set up EU Inc. subsidiaries, making the EU Inc. company legal form available for groups of companies. In addition, in particular to ensure that scale-ups could benefit from the EU Inc. framework, it should be possible to create an EU Inc. company through a domestic division or merger, or by carrying out a cross-border conversion, merger or division in accordance with the rules already harmonised by Directive (EU) 2017/1132 of the European Parliament and of the Council[5] .	(5) The EU Inc. framework set out in this Regulation responds in particular to the needs of startup and scaleup companies but should be legally open to all founders and companies who see it fit for their business model***. However, in order to ensure that the EU Inc. legal form is targeted at innovative and growth oriented companies, economic activities that are considered unlikely to develop a new or improved product, service or process and that correspond to economic sectors with a heightened risk of circumvention of Union and national labour law as well as social security legislation should be excluded from the scope of this Regulation. The Commission should be empowered to adopt delegated acts to amend Annex II of this Regulation to update, in close cooperation with the Member States and social partners, the list of economic activities to be excluded from the scope of this Regulation***. Both natural and legal persons should be able to form an EU Inc. company. It should be possible to create an EU Inc. company ex nihilo and existing companies should be also able to convert into EU Inc. companies. Furthermore, existing companies, including EU Inc. companies, should also be able to set up EU Inc. subsidiaries, making the EU Inc. company legal form available for groups of companies. In addition, in particular to ensure that scale-ups could benefit from the EU Inc. framework, it should be possible to create an EU Inc. company through a domestic division or merger, or by carrying out a cross-border conversion, merger or division in accordance with the rules already harmonised by Directive (EU) 2017/1132 of the European

	Parliament and of the Council[5] .
[5] Directive (EU) 2017/1132 of the European Parliament and of the Council of 14 June 2017 relating to certain aspects of company law (OJ L 169, 30.6.2017, p. 46), ELI: http://data.europa.eu/eli/dir/2017/1132/oj	[5] Directive (EU) 2017/1132 of the European Parliament and of the Council of 14 June 2017 relating to certain aspects of company law (OJ L 169, 30.6.2017, p. 46), ELI: http://data.europa.eu/eli/dir/2017/1132/oj

Or. en

Amendment 6

Proposal for a regulation
Recital 6

Text proposed by the Commission	*Amendment*
(6) In order to ensure a common and unified corporate legal framework for EU Inc. companies regardless of the Member State in which they are incorporated, aspects relating to corporate matters should generally be governed by this Regulation or by the articles of association of EU Inc. companies. National law should apply to all matters where this is provided for by this Regulation and for matters not covered by this Regulation.	(6) In order to ensure a common and unified corporate legal framework for EU Inc. companies regardless of the Member State in which they are incorporated, aspects relating to corporate matters should generally be governed by this Regulation or by the articles of association of EU Inc. companies***, where expressly authorised by this Regulation***. National law should apply to all matters where this is provided for by this Regulation and for matters not covered by this Regulation.

Or. en

Amendment 7

Proposal for a regulation
Recital 7

Text proposed by the Commission	*Amendment*
(7) EU Inc. companies formed in the Member State of registration and operating across the Union in accordance with the provisions of this Regulation should be	(7) EU Inc. companies formed in the Member State of registration and operating across the Union in accordance with the provisions of this Regulation should be

recognised in all Member States. To this end, these companies should add to their name the common, distinct and clear ***denomination*** ‘EU Inc.’. This denomination should be used unaltered and should not be translated. The ‘EU Inc.’ denomination would increase transparency and strengthen trust by ensuring that business partners, investors, other stakeholders and consumers as well as public authorities know that they are dealing with a company with the same harmonised features across the Union. As of registration, an EU Inc. company would acquire legal personality, being a body corporate with the name contained in its articles of association and having perpetual succession.	recognised in all Member States. To this end, these companies should add to their name the common, distinct and clear ***abbreviation*** ‘EU Inc.’. This denomination should be used unaltered and should not be translated. The ‘EU Inc.’ denomination would increase transparency and strengthen trust by ensuring that business partners, investors, other stakeholders and consumers as well as public authorities know that they are dealing with a company with the same harmonised features across the Union. As of registration, an EU Inc. company would acquire legal personality, being a body corporate with the name contained in its articles of association and having perpetual succession.

Or. en

Amendment 8

Proposal for a regulation
Recital 8

Text proposed by the Commission	*Amendment*
(8) To ensure legal certainty when using the common denomination ‘EU Inc.’ across the internal market, it is important that no more than one company operates under the same name. Therefore, the company name with the denomination ‘EU Inc.’ should be subject to specific rules to ensure that the name is fit for its use and unique for each company. Similarly, subsidiaries within a group should have distinguishable names, while branch names should include the unique name of the EU Inc. company that they are part of. Names which are misleading, for example where the company name refers to a public function or ownership that does not exist or suggests a purpose or object of the company that is not in accordance with its articles of association, should be	(8) To ensure legal certainty when using the common denomination ‘EU Inc.’ across the internal market, it is important that no more than one company operates under the same name. Therefore, the company name with the denomination ‘EU Inc.’ should be subject to specific rules to ensure that the name is fit for its use and unique for each company. Similarly, subsidiaries within a group should have distinguishable names, while branch names should include the unique name of the EU Inc. company that they are part of. Names which are misleading, for example where the company name refers to a public function or ownership that does not exist or suggests a purpose or object of the company that is not in accordance with its articles of association, should be

prohibited. The automatic verification based on a connection between the Business Register Interconnecting System (BRIS) and the IT tools developed by the European Union Intellectual Property Office (EUIPO) central database for registered trade marks should make it easier to check that the proposed name of the EU Inc. company does not conflict with an already registered trade mark. Such connection should also serve for indicative purposes to EUIPO to inform trade mark applicants whether a trade mark is identical or similar to the name of an existing EU Inc. company.	prohibited. The automatic verification based on a connection between the Business Register Interconnecting System (BRIS) and the IT tools developed by the European Union Intellectual Property Office (EUIPO) central database for registered trade marks should make it easier to check that the proposed name of the EU Inc. company does not conflict with an already registered trade mark. Such connection should also serve for indicative purposes to EUIPO to inform trade mark applicants whether a trade mark is identical or similar to ***the name of an existing trademark,*** EU Inc. company ***or other corporate form***.

Or. en

Amendment 9

Proposal for a regulation
Recital 11

Text proposed by the Commission	*Amendment*
(11) Each EU Inc. company, like any other Union company, should be subject to the fundamental freedoms ***including*** the case-law of the Court of Justice of the European Union. Therefore, an EU Inc. company ***may*** be established in any Member State and choose where it carries out its main economic activities. This means that the founders of an EU Inc. company should be able to choose in which Member State to incorporate an EU Inc., and therefore, in which Member State it would have its registered office. EU Inc. cannot be required to have its central administration or principal place of business in the same Member State as its registered office. All Member States should recognise the legal capacity of ***an EU Inc. company*** lawfully incorporated ***in another*** Member State.	(11) Each EU Inc. company, like any other Union company, should be subject to the fundamental freedoms ***guaranteed by the Treaties and remain subject to any justified restrictions thereon in accordance with Union law, including*** the case-law of the Court of Justice of the European Union. Therefore, an EU Inc. company ***can*** be established in any Member State and choose where it carries out its main economic activities. This means that the founders of an EU Inc. company should be able to choose in which Member State to incorporate an EU Inc., and therefore, in which Member State it would have its registered office. ***An*** EU Inc. ***company*** cannot be required to have its central administration or principal place of business in the same Member State as its registered office. ***The absence of any genuine link requirement between the***

	place of an EU Inc. company's registered office and its economic activity, in particular the place of employment of its employees, opens up the possibility for regime shopping which can ultimately facilitate regulatory arbitrage and circumvention of mandatory rules. Since awarding a company the name of EU Inc. should become a seal of quality, it is in the interest of innovative undertakings that the most obvious cases of regulatory arbitrage and circumvention are addressed by this Regulation. All Member States should recognise the legal capacity of ***a*** lawfully incorporated ***EU Inc. company, no matter in which*** Member State ***it is incorporated, whilst retaining, as a matter of principle, their ability to impose rules on EU Inc. companies that are justified by imperative requirements of general interest and that do not go beyond what is necessary to attain them, in line with the case law of the Court of Justice of the European Union.***

Or. en

Amendment 10

Proposal for a regulation
Recital 12

Text proposed by the Commission	*Amendment*
(12) Fully digital procedures are necessary to enable a truly efficient and competitive company set-up, operations and investment procedures that can attract both founders and investors. Therefore, while considerable progress has already been made with digitalisation of the existing Union company law, including through Directives (EU) 2019/1151[6] and (EU) 2025/25 of the European Parliament and of the Council[7] , the corporate legal framework for EU Inc. should go further in harmonising rules and procedures by	(12) Fully digital procedures are necessary to enable a truly efficient and competitive company set-up, operations and investment procedures that can attract both founders and investors. Therefore, while considerable progress has already been made with digitalisation of the existing Union company law, including through Directives (EU) 2019/1151[6] and (EU) 2025/25 of the European Parliament and of the Council[7] , the corporate legal framework for EU Inc. should go further in harmonising rules and procedures by

providing "digital-only" rules and processes applicable throughout the company lifecycle including as regards investment-related communications and procedures. Fully digital procedures should also apply where the completion of a procedure requires a payment. In that regard, it is appropriate to ensure that such payment can be made by means of widely available cross-border payment services***, such as credit cards, bank transfers and any other commonly used payment instruments***.	providing "digital-only" rules and processes applicable throughout the company lifecycle including as regards investment-related communications and procedures ***while ensuring that no overlaps or duplication are created***. Fully digital procedures should also apply where the completion of a procedure requires a payment. In that regard, it is appropriate to ensure that such payment can be made by means of widely available cross-border payment services.
[6] Directive (EU) 2019/1151 of the European Parliament and of the Council of 20 June 2019 amending Directive (EU) 2017/1132 as regards the use of digital tools and processes in company law (OJ L 186, 11.7.2019, p. 80), ELI: http://data.europa.eu/eli/dir/2019/1151/oj	[6] Directive (EU) 2019/1151 of the European Parliament and of the Council of 20 June 2019 amending Directive (EU) 2017/1132 as regards the use of digital tools and processes in company law (OJ L 186, 11.7.2019, p. 80), ELI: http://data.europa.eu/eli/dir/2019/1151/oj
[7] Directive (EU) 2025/25 of the European Parliament and of the Council of 19 December 2024 amending Directives 2009/102/EC and (EU) 2017/1132 as regards further expanding and upgrading the use of digital tools and processes in company law (OJ L, 2025/25, 10.1.2025), ELI: http://data.europa.eu/eli/dir/2025/25/oj	[7] Directive (EU) 2025/25 of the European Parliament and of the Council of 19 December 2024 amending Directives 2009/102/EC and (EU) 2017/1132 as regards further expanding and upgrading the use of digital tools and processes in company law (OJ L, 2025/25, 10.1.2025), ELI: http://data.europa.eu/eli/dir/2025/25/oj

Or. en

Amendment 11

Proposal for a regulation
Recital 16

Text proposed by the Commission	*Amendment*
(16) It is important to ensure that the EU Inc. corporate legal framework provides an easily recognisable but also reliable and trustworthy legal form for founders, companies, investors and other stakeholders and that this legal form	(16) It is important to ensure that the EU Inc. corporate legal framework provides an easily recognisable but also reliable and trustworthy legal form for founders, companies, investors and other stakeholders and that this legal form ***is not***

cannot be used to circumvent rights, including notably employees' rights to participation in company boards. Therefore, ***where*** employee participation rules ***exist*** in the Member State ***in which*** an EU Inc. ***has*** its registered office***, those rules apply to that*** company. This ensures equal treatment between EU Inc. companies and comparable national company forms and safeguards existing national protections and acquired employee rights. It is also hereby recalled that Regulation (EC) 593/2008 of the European Parliament and of the Council[9] applies to individual employment relationships involving an EU Inc. company.

[9] Regulation (EC) No 593/2008 of the European Parliament and of the Council of 17 June 2008 on the law applicable to contractual obligations, Rome I (OJ L 177, 4.7.2008, pp. 6–16), ELI: Regulation - 593/2008 - EN - Rome I Regulation - EUR-Lex

used to circumvent rights, including notably employees' rights to participation in company boards. Therefore, ***and in order to prevent abuse and circumvention of employee participation rights, in its various forms, that are deeply rooted in the national systems of a majority of Member States,*** employee participation rules ***should be applicable*** in the Member State ***of employment of the employees of the EU Inc. company.*** An EU Inc. ***company with employees in a Member State other than that of*** its registered office ***should introduce board-level employee representation rights, in accordance with the applicable national law of the place of employment, where the thresholds triggering board-level employee representation are reached. Where the EU Inc.*** company ***has employees in more than two Member States whose laws provide for board-level employee representation, the arrangements providing the highest level of employee participation should apply***. This ensures equal treatment between EU Inc. companies ***and their employees*** and comparable national company forms and safeguards existing national protections and acquired employee rights. It is also hereby recalled that Regulation (EC) 593/2008 of the European Parliament and of the Council[9] applies to individual employment relationships involving an EU Inc. company.

[9] Regulation (EC) No 593/2008 of the European Parliament and of the Council of 17 June 2008 on the law applicable to contractual obligations, Rome I (OJ L 177, 4.7.2008, pp. 6–16), ELI: Regulation - 593/2008 - EN - Rome I Regulation - EUR-Lex

Or. en

Amendment 12

Proposal for a regulation
Recital 20

Text proposed by the Commission	*Amendment*
(20) The formation of an EU Inc. and in particular the articles of association, and any amendments thereof, should be subject to preventive administrative judicial or notarial control and a legality check, as set out in this Regulation, to ensure their reliability and facilitate their use especially in cross-border situations. As with any other company form, ***the*** preventive control is essential for prevention of abusive or fraudulent letter-box companies linked to tax evasion or money laundering. At the same time, a harmonised and efficient preventive control is also key to reducing administrative formalities in the use of company information by companies, as e.g. business partners, creditors and public authorities, and to ensuring mutual recognition, and therefore, the efficient application of the “once-only” principle.	(20) The formation of an EU Inc. ***company*** and in particular the articles of association, and any amendments thereof, should be subject to preventive administrative judicial or notarial control and a legality check, as set out in this Regulation, to ensure their reliability and facilitate their use especially in cross-border situations. ***Such preventive control should not be limited to a formal examination of the documents submitted but should also verify, prior to registration, the legality of the formation of the EU Inc. company, including the identity and legal capacity of the applicants and the authenticity, accuracy and reliability of the information submitted for registration. Effective preventive control is essential to ensure trust in digital company formation procedures and the integrity of company registers across the Union.*** As with any other company form, preventive control is essential for prevention of abusive or fraudulent letter-box companies linked to tax evasion or money laundering ***that are aimed at the evasion or circumvention of Union or national law, or intended for criminal purposes. It also contributes to preventing the misuse of legal entities for circumvention of sanctions, concealment of beneficial ownership, identity fraud or other forms of corporate abuse***. At the same time, a harmonised and efficient preventive control is also key to reducing administrative formalities in the use of company information by companies, as e.g. business partners, creditors and public authorities, and to ensuring mutual recognition, and therefore, the efficient application of the “once-only” principle.

Or. en

Amendment 13

Proposal for a regulation
Recital 22

Text proposed by the Commission	*Amendment*
(22) The EU central interface should provide for a "fast track" company formation procedure including preventive administrative, judicial or notarial control within ***48 hours*** and at a maximum cost of EUR 100 where the EU Inc. is formed by using the harmonised application form and EU templates for articles of association. The application form and EU templates should be made available in a machine-readable and searchable format to foster cross-border interoperability and facilitate the automatic exchange of data between public authorities and should be available on the EU central interface. Similarly, existing companies, including EU Inc. companies, should be able to set up a subsidiary through the same procedure. In this context, the information about the company setting up the subsidiary should be automatically retrieved from BRIS by the business register in which the subsidiary is to be registered. In addition, founders and companies should also have the possibility to form a company with tailor-made articles of association or set up a company directly with national business registers.	(22) The EU central interface should provide for a "fast track" company formation procedure including preventive administrative, judicial or notarial control within ***two working days*** and at a maximum cost of EUR 100 where the EU Inc. is formed by using the harmonised application form and EU templates for articles of association***. By way of exception, it should be possible to extend that period for the time strictly necessary to carry out additional checks pursuant to Article 14 in cases presenting a higher risk of fraud or abuse***. The application form and EU templates should be made available in a machine-readable and searchable format to foster cross-border interoperability and facilitate the automatic exchange of data between public authorities and should be available on the EU central interface***. The maximum cost of EUR 100 should cover all requirements for the fast-track company formation procedure and no additional national formalities, including publication in official bulletins, should be required for the registration of an EU Inc. company as the relevant information should be publicly available through BRIS and the national business registers***. Similarly, existing companies, including EU Inc. companies, should be able to set up a subsidiary through the same procedure. In this context, the information about the company setting up the subsidiary should be automatically retrieved from BRIS by the business register in which the subsidiary is to be registered. In addition,

founders and companies should also have the possibility to form a company with tailor-made articles of association or set up a company directly with national business registers.

Or. en

Amendment 14

Proposal for a regulation
Recital 31 a (new)

Text proposed by the Commission	*Amendment*
	(31a) In order to promote entrepreneurial freedom, long-term company building, corporate resilience and the diversity of business models within the internal market, it is appropriate to allow an EU Inc. company to be established as a steward-owned EU Inc. company ('EU Inc. SO'). Steward ownership is characterized by the permanent separation of control rights from economic participation rights. Control rights should be exercised by stewards who are entrusted with preserving the company's long-term independence and purpose and who are not entitled to participate in the profits or residual value of the company. Economic participation rights may be granted to investors or other persons through redeemable shares. Once an EU Inc. has been established or registered as an EU Inc. SO company, the permanent separation of control rights and economic participation rights should form part of the mandatory legal framework applicable to that company. The stewards acting as the general meeting, the board of directors, the holders of economic shares and any other company body should therefore not be able to remove, waive, suspend or circumvent that separation by amending the articles of association,

adopting resolutions or carrying out equivalent corporate acts.

Or. en

Amendment 15

Proposal for a regulation
Recital 31 b (new)

Text proposed by the Commission	*Amendment*
	(31b) The permanent preservation of the steward-owned character of an EU Inc. SO company should not depend on a veto share or on a contractual veto right held by a third party. Instead, it should result directly from this Regulation, the articles of association and the registration of the company as an EU Inc. SO The business register and, where applicable, the competent court or administrative authority should refuse to register amendments, conversions, mergers, divisions or other transactions that would remove or materially weaken the permanent separation of control rights and economic participation rights. Oversight and enforcement should ensure compliance with that separation.

Or. en

Amendment 16

Proposal for a regulation
Recital 31 c (new)

Text proposed by the Commission	*Amendment*
	(31c) This Regulation recognises that the preservation of a legally binding and permanent separation of control rights and economic participation rights may constitute a legitimate objective of

	company law. The rules of this Regulation should therefore ensure that an EU Inc. SO company may carry out a conversion, merger or division only where the resulting, acquiring or recipient company or legal person is subject to safeguards ensuring a comparable permanent separation of control rights and economic participation rights.

Or. en

Amendment 17

Proposal for a regulation
Recital 31 d (new)

Text proposed by the Commission	*Amendment*
	(31d) Without prejudice to the competence of Member States in matters of taxation, where national law requires the valuation of steward shares, Member States are encouraged to ensure that such valuation reflects the rights actually attached to such steward shares. Since steward shares do not confer economic participation rights and may be transferred only for consideration limited in accordance with Article 8a(5), their value should not be determined by reference to the market value, enterprise value or residual value of the EU Inc. SO company as a whole, but on a basis comparable to shares or membership interests in cooperatives or other legal persons whose members do not participate in the residual value of the undertaking.

Or. en

Amendment 18

Proposal for a regulation
Recital 32

Text proposed by the Commission	Amendment
(32) EU Inc. companies should have the flexibility to organise and manage their business in accordance with their divergent needs in terms of their size, activities or market needs. Therefore, shareholders should have the freedom to determine the organisation of the EU Inc. in the articles of association while complying with the harmonised requirements laid down in this Regulation. The EU Inc. should have a board of directors with one or more directors who are natural persons and at least one director should be resident in the Union. The EU Inc. may also have additional bodies, such as a supervisory body.	(32) EU Inc. companies should have the flexibility to organise and manage their business in accordance with their divergent needs in terms of their size, activities or market needs. Therefore, shareholders should have the freedom to determine the organisation of the EU Inc. in the articles of association while complying with the harmonised requirements laid down in this Regulation. The EU Inc. should have a board of directors with one or more directors who are natural persons and at least one director should be resident in the Union. The EU Inc. may also have additional bodies, such as a supervisory body. ***Where the national law applicable to the relevant national legal form provides for the establishment of a supervisory board, the rights assigned to that supervisory board under the applicable national law should remain unaffected.***

Or. en

Amendment 19

Proposal for a regulation
Recital 36 a (new)

Text proposed by the Commission	Amendment
	(36a) Shareholders play a key role in the governance and long-term success of the EU Inc. In exercising their rights and performing their obligations, shareholders should act in good faith and with due regard to the legitimate interests of the company and of the other shareholders. While shareholders remain free to pursue their own interests, the exercise of shareholder rights should not constitute an abuse of a majority or minority position resulting in unfair

	prejudice to the company or to other shareholders. This Regulation should therefore promote responsible shareholder conduct and contribute to fair and balanced corporate governance within the EU Inc. company.

Or. en

Amendment 20

Proposal for a regulation
Recital 37

Text proposed by the Commission	*Amendment*
(37) In order to strike a balance between the significant influence of majority shareholders and the board of directors, the important autonomy granted by the articles of association of EU Inc. and the need for minority shareholder protection, a right of withdrawal should be provided for minority shareholders in exceptional cases of flagrant prejudice. Scenarios that could justify such a withdrawal may include, for example, cases where the company has been deprived of a significant proportion of its assets, where the general meeting has instructed directors to miss a significant business opportunity without the consent of the withdrawing shareholder ***or*** where the company's activities have changed substantially. However, the assessment of whether the company's affairs are being conducted in an oppressive manner should be reserved to the competent court, which should take into account all relevant circumstances of the individual case.	(37) In order to strike a balance between the significant influence of majority shareholders and the board of directors, the important autonomy granted by the articles of association of EU Inc. and the need for minority shareholder protection, a right of withdrawal should be provided for minority shareholders in exceptional cases of flagrant prejudice. Scenarios that could justify such a withdrawal may include, for example, cases where the company has been deprived of a significant proportion of its assets, where the general meeting has instructed directors to miss a significant business opportunity without the consent of the withdrawing shareholder**,** where the company's activities have changed substantially ***or where the company has failed to take reasonable steps to prevent, reduce or eliminate adverse impacts on human rights and the environment related to the EU Inc. company's operations in accordance with Directive (EU) 2024/1760 of the European Parliament and of the Council, as well as decisions aiming at ensuring that the business model and strategy of the company are aligned with limiting global warming to 1.5°C in line with the Paris Agreement and the objective of achieving climate neutrality as established in Regulation***

	(EU) 2021/1119 of the European Parliament and of the Council as regards its operations in the Union, including the 2050 climate neutrality target and the 2030 climate target. However, the assessment of whether the company's affairs are being conducted in an oppressive manner should be reserved to the competent court, which should take into account all relevant circumstances of the individual case.

Or. en

Amendment 21

Proposal for a regulation
Recital 38 a (new)

Text proposed by the Commission	*Amendment*
	(38a) Where share transfers are carried out fully online, appropriate safeguards should be in place to ensure the reliable identification of the parties involved and the accuracy of information recorded in the digital share register. Building on the framework for electronic identification and trust services established by Regulation (EU) No 910/2014 of the European Parliament and of the Council, such safeguards should contribute to the reliability of shareholder information and help reduce the risk of fraud and abuse, while preserving the simplicity and efficiency of digital procedures.

Or. en

Amendment 22

Proposal for a regulation
Recital 40

Text proposed by the Commission	*Amendment*
(40) While all shares should have equal rights and obligations, the EU Inc. should also be allowed to decide that classes of shares have different economic or voting rights to adapt to the requirements of certain shareholders. Member States should not prohibit or condition such distinctions by national law. Different economic or voting rights may serve a variety of purposes. For example, they may allow founders to protect the company against hostile takeovers.	(40) While all shares should have equal rights and obligations, the EU Inc. ***company*** should also be allowed to decide that classes of shares have different economic or voting rights to adapt to the requirements of certain shareholders. Member States should not prohibit or condition such distinctions by national law. Different economic or voting rights may serve a variety of purposes. For example, they may allow founders to protect the company against hostile takeovers ***and to secure the strategic independence and the long-term orientation of the company with steward ownership***.

Or. en

Amendment 23

Proposal for a regulation
Recital 41

Text proposed by the Commission	*Amendment*
(41) To provide an EU Inc. company with a wide spectrum of financing options and its investors with credible exit opportunities, thereby enhancing the free movement of capital within the Union and from third countries, ***the trading of the securities of*** an EU Inc. company should ***not be limited to debt instruments. An EU Inc. company should have the possibility to access multilateral trading facilities such as SME growth markets for the trading of its shares and Member States should not prohibit such access. Where an EU Inc. company seeks the*** admission of its shares to trading on ***such markets, it should comply with all applicable requirements under Union and national laws, including those already harmonised through Regulation (EU) No 596/2014***[18]	(41) To provide an EU Inc. company with a wide spectrum of financing options and its investors with credible exit opportunities, thereby enhancing the free movement of capital within the Union and from third countries, an EU Inc. company should ***be able seek*** admission of its shares to trading on ***a regulated*** market ***or*** a multilateral trading facility. ***However, where an EU Inc. company intends to seek admission of its shares to trading, it should first be required to convert into a public limited company under Union or national law, in accordance with Union and national conversion rules.***

on market ***abuse and Directive (EU) 2024//2810[19] on multiple-vote share structures in companies that seek admission to trading of their shares on*** a multilateral trading facility.

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[18] Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/(OJ L 173, 12.6.2014, pp. 1–61), ELI: http://data.europa.eu/eli/reg/2014/596/2024-12-04

[19] Directive (EU) 2024/2810 of the European Parliament and of the Council of 23 October 2024 on multiple-vote share structures in companies that seek admission to trading of their shares on a multilateral trading facility (OJ L, 2024/2810, 14.11.2024), ELI: http://data.europa.eu/eli/dir/2024/2810/oj

Or. en

Amendment 24

Proposal for a regulation
Recital 42

Text proposed by the Commission	*Amendment*
(42) To further support scaleups and other more mature EU Inc. companies in meeting their equity financing needs, Member States may allow an EU Inc. company to seek admission to trading of its shares on a regulated market. Such access should equally require compliance with all applicable Union and national laws, for example the requirements set out in Regulation (EU) 2017/1129[20] on the prospectus to be published when securities	***deleted***

are offered to the public or admitted to trading on a regulated market, Directive 2007/36/EC[21] on the exercise of certain rights of shareholders in listed companies and Directive 2004/109/EC[22] on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market.

[20] Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (OJ L 168, 30.6.2017, pp. 12–82), ELI: http://data.europa.eu/eli/reg/2017/1129/2024-12-04

[21] Directive 2007/36/EC of the European Parliament and of the Council of 11 July 2007 on the exercise of certain rights of shareholders in listed companies (OJ L 184, 14.7.2007, pp. 17–24), ELI: http://data.europa.eu/eli/dir/2007/36/2024-01-09

[22] Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC (OJ L 390, 31.12.2004, pp. 38–57), ELI: http://data.europa.eu/eli/dir/2004/109/2024-01-09

Or. en

Amendment 25

Proposal for a regulation
Recital 46

Text proposed by the Commission	*Amendment*
(46) An EU Inc. should be able to raise equity in a flexible way and founders and shareholders should be free to choose the appropriate financing options without facing ***unnecessary legal constraints arising from*** divergent national rules. The amount of capital of the EU Inc. should therefore not be required by law and may be 0 EUR throughout the company's lifetime. In the absence of capital, modern and highly effective safeguards for creditors should be achieved through other means, notably through balance sheet and solvency tests governing distributions to shareholders. Only where founders and shareholders choose to build up capital, such capital should be subject to conventional maintenance rules.	(46) An EU Inc. ***company*** should be able to raise equity in a flexible way and founders and shareholders should be free to choose the appropriate financing options without facing divergent national rules. The amount of capital of the EU Inc. should therefore not be required by law and may be 0 EUR throughout the company's lifetime. In the absence of capital, modern and highly effective safeguards for creditors should be achieved through other means, notably through balance sheet and solvency tests governing distributions to shareholders. Only where founders and shareholders choose to build up capital, such capital should be subject to conventional maintenance rules.

Or. en

Amendment 26

Proposal for a regulation
Recital 48

Text proposed by the Commission	*Amendment*
(48) To facilitate all types of equity investment in an EU Inc., any transfer of economic value should be permitted as a consideration for a share in the company. Unless shares are issued for consideration in the form of a capital contribution, an EU Inc. should not have to require immediate payment of a consideration for shares. In particular, to avoid delays in registration caused by the requirement to open a corporate bank account for the consideration for the first shares, such consideration should not have to be paid before registration. In-kind considerations should also be possible in the form of work and services but should always have their	(48) To facilitate all types of equity investment in an EU Inc. ***company***, any transfer of economic value should be permitted as a consideration for a share in the company. Unless shares are issued for consideration in the form of a capital contribution, an EU Inc. should not have to require immediate payment of a consideration for shares. In particular, to avoid delays in registration caused by the requirement to open a corporate bank account for the consideration for the first shares, such consideration should not have to be paid before registration. In-kind considerations should also be possible in the form of work and services but should

value determined. Where the value of an in-kind consideration is overstated, shareholders should have to compensate the company for the shortfall in value provided.	always have their value determined. Where the value of an in-kind consideration is overstated, shareholders should have to compensate the company for the shortfall in value provided. ***Where shares are issued in consideration for work or services under an employee share ownership plan, the terms governing their allocation and the rights attached to those shares should be specified in the articles of association.***

Or. en

Amendment 27

Proposal for a regulation
Recital 49

Text proposed by the Commission	*Amendment*
(49) While the subscription of the first shares of an EU Inc. is declared in the articles of association, the issuance of further shares should be generally subject to a decision of the general meeting. To facilitate the swift execution of financing rounds, an EU Inc. should also be able to have its board of directors authorised to decide on the issuance of such new shares. Such authorisation should only be required to set out the maximum number of authorised shares but may be subject to any further limitations deemed appropriate by the shareholders. To ensure a low level of transaction costs and remove barriers to cross-border investment, subscriptions for new shares should be made by electronic means and should not be subject to additional formalities imposed by Member States.	(49) While the subscription of the first shares of an EU Inc. ***company*** is declared in the articles of association, the issuance of further shares should be generally subject to a decision of the general meeting. To facilitate the swift execution of financing rounds, an EU Inc. ***company*** should also be able to have its board of directors authorised to decide on the issuance of such new shares. Such authorisation should only be required to set out the maximum number of authorised shares but may be subject to any further limitations deemed appropriate by the shareholders. To ensure a low level of transaction costs and remove barriers to cross-border investment, subscriptions for new shares should be made by electronic means and should not be subject to additional formalities imposed by Member States. ***This should be without prejudice to proportionate public controls provided for under Union or national law to verify identity, legal capacity and compliance with anti-money laundering requirements.***

Or. en

Amendment 28

Proposal for a regulation
Recital 51

Text proposed by the Commission	*Amendment*
(51) Provided that the relevant requirements foreseen in Union and national laws are complied with, an EU Inc. company can issue any type of securities. To facilitate particularly early-stage investments such as Simple Agreements for Future Equity (SAFE) and Keep It Simple Security (KISS) convertible notes as well as employee stock ownership in an EU Inc., the company should also have broad flexibility in issuing instruments that entitle their holders to new shares. As is the case for the issuance of new shares, the swift issuance of such instruments should be facilitated by providing for the possibility to authorise the board of directors to decide on the issuance of the instruments. Since such instruments ultimately lead to the issuance of new shares, existing shareholders should generally have pre-emptive rights in them. As regards the issuance of new shares to satisfy claims from the instruments, the board of directors should not need further authorisation for such issuance and existing shareholders should not have pre-emptive rights in the new shares.	(51) Provided that the relevant requirements foreseen in Union and national laws are complied with, an EU Inc. company can issue any type of securities. To facilitate particularly early-stage investments such as Simple Agreements for Future Equity (SAFE) and Keep It Simple Security (KISS) convertible notes as well as employee stock ***options and*** ownership in an EU Inc. ***company***, the company should also have broad flexibility in issuing instruments that entitle their holders to new shares. As is the case for the issuance of new shares, the swift issuance of such instruments should be facilitated by providing for the possibility to authorise the board of directors to decide on the issuance of the instruments. Since such instruments ultimately lead to the issuance of new shares, existing shareholders should generally have pre-emptive rights in them. As regards the issuance of new shares to satisfy claims from the instruments, the board of directors should not need further authorisation for such issuance and existing shareholders should not have pre-emptive rights in the new shares.

Or. en

Amendment 29

Proposal for a regulation
Recital 55

Text proposed by the Commission	*Amendment*
(55) To further facilitate investment in EU Inc. companies, including from investors that wish to have a predetermined exit option, the EU Inc. should also be able to issue redeemable shares. Upon redemption, such shares should be cancelled and the redemption price be paid to the investor. However, to ensure the viability of the company, the EU Inc. should only be required to pay the redemption price where such payment complies with the safeguards for distributions.	(55) To further facilitate investment in EU Inc. companies, including from investors that wish to have a predetermined exit option, ***and in order to allow*** the EU Inc. ***company the option to retain its long-term independence especially when organised according to principles of steward ownership, the EU Inc. company*** should also be able to issue redeemable shares. Upon redemption, such shares should be cancelled and the redemption price be paid to the investor. However, to ensure the viability of the company, the EU Inc. ***company*** should only be required to pay the redemption price where such payment complies with the safeguards for distributions.

Or. en

Amendment 30

Proposal for a regulation
Recital 57

Text proposed by the Commission	*Amendment*
(57) Providing employees with equity and facilitating investment in their company is an important way to attract and retain talent, and a preferred means of providing them with a stake in the company's growth. Currently, divergent national requirements in this regard impede the scale-up of companies in the internal market. EU Inc. companies should therefore benefit from a harmonised simple employee stock option plan which they can establish for their staff throughout the internal market. Such plan, the EU-ESO, should enable an EU Inc. company to issue warrants to a broad group of eligible persons covering not only members of the board and employees of the EU Inc. but	(57) Providing employees with equity and facilitating investment in their company is an important way to attract and retain talent, and a preferred means of providing them with a stake in the company's growth. Currently, divergent national requirements in this regard impede the scale-up of companies in the internal market. EU Inc. companies should therefore benefit from a harmonised simple employee stock option plan which they can establish for their staff throughout the internal market. ***Participation in the EU-ESO should be voluntary and should be without prejudice to national law and collective agreements regarding remuneration, pensions and social***

Text proposed by the Commission	Amendment
also of its subsidiaries. In line with the purposes of attracting and retaining talent and incentivising employees' participation in the scaleup of the EU Inc., the warrants should be subject to a minimum vesting period and should not be issued to persons who already hold a significant stake in the EU Inc. Where an EU-ESO is established, the board of directors should be authorised to issue warrants and satisfy the claims arising from the warrants either by issuing new shares or transferring own shares held in treasury, within the limits of the plan.	***security contributions. The EU-ESO should complement, and not replace, ordinary remuneration, statutory minimum wages and pay levels established by collective agreements. Holding warrants or shares acquired upon their exercise should also be without prejudice to the exercise of employee participation rights. Employees participating in an EU-ESO should receive clear and comprehensible information on the rights attached to the underlying shares and the financial risks associated with participation in the plan.*** Such plan, the EU-ESO, should enable an EU Inc. company to issue warrants to a broad group of eligible persons covering not only members of the board and employees of the EU Inc. ***company*** but also of its subsidiaries***.*** . In line with the purposes of attracting and retaining talent and incentivising employees' participation in the scaleup of the EU Inc. ***company***, the warrants should be subject to a minimum vesting period and should not be issued to persons who already hold a significant stake in the EU Inc. Where an EU-ESO is established, the board of directors should be authorised to issue warrants and satisfy the claims arising from the warrants either by issuing new shares or transferring own shares held in treasury, within the limits of the plan.

Or. en

Amendment 31

Proposal for a regulation
Recital 57 a (new)

Text proposed by the Commission	*Amendment*
	(57a) In addition to employee stock option plans, EU Inc. companies should be able to establish a European employee share ownership plan (EU-ESOP),

enabling employees and members of the board to acquire shares directly. Given the limited financial resources often available to startups, shares under the EU-ESOP may be issued in consideration for work or services performed or to be performed for the company or its subsidiaries. Participation in the EU-ESOP should be voluntary and should complement, and not replace, ordinary remuneration, statutory minimum wages, pay levels established by collective agreements and rights relating to pensions and social security contributions under Union or national law. Employees participating in an EU-ESOP should receive clear and comprehensible information on the class of shares granted, the rights attached to those shares and the financial risks associated with participation. In order to promote long-term commitment, shares issued under the EU-ESOP should be subject to a minimum vesting period linked to the relevant work or service contribution.

Or. en

Amendment 32

Proposal for a regulation
Recital 58

Text proposed by the Commission	*Amendment*
(58) Currently, under Member States' laws, warrants granted to employees may be taxed at different points in time. This situation makes the warrants unattractive, especially in cross-border cases, as it leads to complexity and may result in taxation of unrealised income, which gives rise to cash-flow disadvantages for employees. To address these issues and ensure that taxation takes place at the same time in all Member States, the income derived from the warrants granted under the EU-ESO	(58) Currently, under Member States' laws, warrants granted to employees may be taxed at different points in time. This situation makes the warrants unattractive, especially in cross-border cases, as it leads to complexity and may result in taxation of unrealised income, which gives rise to cash-flow disadvantages for employees. To address these issues and ensure that taxation takes place at the same time in all Member States, the income derived from the warrants granted under the EU-ESO

Text proposed by the Commission	Amendment
should be taxed only once, when the shares obtained by exercising the warrant are disposed of. No taxable income should be deemed to arise at the time of granting, vesting, or exercising of the warrant. Member States should remain free to determine how the income derived from the disposal of the shares obtained by exercising the warrant is characterised for tax purposes and the rate(s) at which it should be taxed. However, to avoid double taxation or disputes between Member States in cross-border situations, it is crucial that the taxable income is calculated in the same way by all Member States. Therefore, taxation should take place on an amount equal to the difference between the fair market value of the shares at the date of disposal and their acquisition price. Many Member States have already introduced preferential tax regimes for employee stock options or similar instruments. To the extent the EU-ESO meets the relevant criteria of such instruments, the taxation of shares issued by exercising warrants under the EU-ESO should be granted the same treatment as provided under Member States' national law.	should be taxed only once, when the shares obtained by exercising the warrant are disposed of. No taxable income should be deemed to arise at the time of granting, vesting, or exercising of the warrant. Member States should remain free to determine how the income derived from the disposal of the shares obtained by exercising the warrant is characterised for tax purposes and the rate(s) at which it should be taxed. However, to avoid double taxation or disputes between Member States in cross-border situations, it is crucial that the taxable income is calculated in the same way by all Member States. Therefore, taxation should take place on an amount equal to the difference between the fair market value of the shares at the date of disposal and their acquisition price. Many Member States have already introduced preferential tax regimes for employee stock options or similar instruments. To the extent the EU-ESO meets the relevant criteria of such instruments, the taxation of shares issued by exercising warrants under the EU-ESO should be granted the same treatment as provided under Member States' national law. ***Similarly, where Member States provide preferential tax treatment for employee share ownership plans or comparable schemes, shares issued under the EU-ESOP should benefit from the same treatment, provided that the relevant conditions under national law are fulfilled.***

Or. en

Amendment 33

Proposal for a regulation
Recital 62

Text proposed by the Commission	*Amendment*
(62) Simplified rules are in particular	(62) Simplified rules are in particular

needed in simple liquidation cases, for instance, where solvent companies have ceased their economic activity and do not have liabilities, to allow such companies to complete the procedure and be removed or struck off from the business register within a maximum of around ***three*** months. Such fast-track liquidation should be available for the EU Inc. companies with no pending administrative or judicial proceedings, no assets available for economic use, which should in any case be distributed at the latest at the time of the filing for liquidation, and no debts. The fast-track procedure should also cover simple cases where some creditors, and therefore liabilities, still remain but such procedure could only be launched if those creditors give their consent.	needed in simple liquidation cases, for instance, where solvent companies have ceased their economic activity and do not have liabilities, to allow such companies to complete the procedure and be removed or struck off from the business register within a maximum of around ***four*** months. Such fast-track liquidation should be available for the EU Inc. companies with no pending administrative or judicial proceedings, no assets available for economic use, which should in any case be distributed at the latest at the time of the filing for liquidation, and no debts. The fast-track procedure should also cover simple cases where some creditors, and therefore liabilities, still remain but such procedure could only be launched if those creditors give their consent.

Or. en

Amendment 34

Proposal for a regulation
Recital 64

Text proposed by the Commission	*Amendment*
(64) Similarly, to strike the right balance between a short procedure and sufficient creditor protection, creditors of the EU Inc. company should have the possibility to oppose the fast-track procedure but within a relatively short deadline of ***30 days*** following the publication of the information about its launch in the business register. This safeguard particularly aims at protecting creditors whose claims have not been reflected in the statement of directors of the EU Inc. and in the financial statement. The creditors who already consented to the launch of the procedure should only be able to oppose it in case of well justified reasons such as a defect or error in their consent or a serious change of circumstances. To enable the business	(64) Similarly, to strike the right balance between a short procedure and sufficient creditor protection, creditors of the EU Inc. company should have the possibility to oppose the fast-track procedure but within a relatively short deadline of ***three months*** following the publication of the information about its launch in the business register. This safeguard particularly aims at protecting creditors whose claims have not been reflected in the statement of directors of the EU Inc. and in the financial statement. The creditors who already consented to the launch of the procedure should only be able to oppose it in case of well justified reasons such as a defect or error in their consent or a serious change of circumstances. To enable the business

register to disregard manifestly unsubstantiated objections, creditors should state the reasons for their claims against the EU Inc. company when submitting the objections to the business register. In case the business register receives well founded objections from creditors, it should provide the EU Inc. company with the information about the creditors and the reasons for their claims.	register to disregard manifestly unsubstantiated objections, creditors should state the reasons for their claims against the EU Inc. company when submitting the objections to the business register. In case the business register receives well founded objections from creditors, it should provide the EU Inc. company with the information about the creditors and the reasons for their claims.

Or. en

Amendment 35

Proposal for a regulation
Recital 66

Text proposed by the Commission	*Amendment*
(66) After the expiry of the deadlines, both for creditors and for the tax authority, and if no objections have been received by either of them, the business register should remove the registration of the EU Inc. company from its records without delay. In case the business register receives reasoned objections from creditors after the ***30-day*** deadline has expired but before it has removed the EU Inc. from the register, it should be able to take those objections into consideration and decide not to remove the company from the register, to ensure that those claims are safeguarded. In order to ensure that potential assets, liabilities or administrative or judicial proceedings are handled smoothly after the EU Inc. company is removed from the business register, its books and records should be kept for a period of ***six*** years by a person appointed by the general meeting or by the court. The directors of the EU Inc. company which was removed from the business register should remain jointly and severally liable for any claims of creditors that were not satisfied.	(66) After the expiry of the deadlines, both for creditors and for the tax authority, and if no objections have been received by either of them, the business register should remove the registration of the EU Inc. company from its records without delay. In case the business register receives reasoned objections from creditors after the ***three months*** deadline has expired but before it has removed the EU Inc. ***company*** from the register, it should be able to take those objections into consideration and decide not to remove the company from the ***business*** register, to ensure that those claims are safeguarded. In order to ensure that potential assets, liabilities or administrative or judicial proceedings are handled smoothly after the EU Inc. company is removed from the business register, its books and records should be kept for a period of ***ten*** years by a person appointed by the general meeting or by the court. The directors of the EU Inc. company which was removed from the business register should remain jointly and severally liable for any claims of creditors

that were not satisfied.

Or. en

Amendment 36

Proposal for a regulation
Recital 66 a (new)

Text proposed by the Commission	*Amendment*
	(66a) Regarding the insolvency of an EU Inc. company, this Regulation does not affect the rules on determination of international jurisdiction, applicable law and recognition of judgements in insolvency matters, laid down in Regulation (EU) 2015/8484 of the European Parliament and of the Council. The Regulation is also without prejudice to the application of Directive (EU) 2019/10235 of the European Parliament and of the Council on preventive restructuring frameworks, on discharge of debt and disqualifications, and on measures to increase the efficiency of procedures concerning restructuring, insolvency and discharge of debt.

Or. en

Amendment 37

Proposal for a regulation
Recital 66 b (new)

Text proposed by the Commission	*Amendment*
	(66b) This Regulation complements existing national and Union law and the recently adopted approximation of substantive insolvency laws achieved by Directive (EU) 2026/799 of the European Parliament and of the Council[1a], in particular by providing for simplified

	winding up proceedings and a framework for electronic auction of assets within such procedings. ______________ [1a] ***Directive (EU) 2026/799 of the European Parliament and of the Council of 30 March 2026 harmonising certain aspects of insolvency law (OJ L 2026/799, 1.4.2026, ELI: http://data.europa.eu/eli/dir/2026/799/oj)***

Or. en

Amendment 38

Proposal for a regulation
Recital 67

Text proposed by the Commission	*Amendment*
(67) ***National insolvency rules are not always fit to treat insolvent EU Inc. companies*** that are ***innovative startups properly and in a proportionate manner. Innovative startups*** face scarcity of working capital, higher interest rates and larger collateral requirements, which make raising finance, especially in situations of financial distress, difficult, if not impossible. Taking into account the unique characteristics of ***innovative*** startups and their specific needs in financial distress, in particular the need for faster, simpler and affordable ***procedures***, when ***innovative*** startups get insolvent, ***they*** should have access to simplified winding-up procedures that are adapted to these specific needs.	(67) ***Startups,*** that are ***often micro or small enterprises*** face scarcity of working capital, higher interest rates and larger collateral requirements, which make raising finance, especially in situations of financial distress, difficult, if not impossible. Taking into account the unique characteristics of startups and their specific needs in financial distress, in particular the need for faster, simpler and affordable procedures, when startups get insolvent, ***EU Inc. companies that are startups*** should have access to simplified winding-up ***proceedings*** that are adapted to these specific needs. ***The court or competent authority should be able to appoint an insolvency practitioner where this is necessary, for instance to ensure the efficient conduct of the proceedings, protect the interests of creditors or address the complexity of the insolvency estate.***

Or. en

Amendment 39

Proposal for a regulation
Recital 67 a (new)

Text proposed by the Commission	*Amendment*
	(67a) Chapter X of this regulation is without prejudice to Directive 2008/94/EC of the European Parliament and of the Council[1a], which sets out that the institution responsible for meeting employees' outstanding claims is to be the institution in the Member State in whose territory the employees work or habitually work. This Directive is without prejudice to individual and collective workers' rights under Union and national law in the context of insolvency proceedings, in particular, Council Directives 98/59/EC and 2001/23/EC, and Directives 2002/14/EC, 2008/94/EC and 2009/38/EC of the European Parliament and of the Council and national laws transposing them. In particular, this Directive is without prejudice to the obligations concerning the provision of information to, and the consultation of, workers and the rights of workers in the event of the transfer of an undertaking, business or part of an undertaking or business under those Directives and national laws transposing them, including where those national laws contain rules that are more favourable to workers or their representatives than those laid down in those Directives.
	[1a] Directive 2008/94/EC of the European Parliament and of the Council of 22 October 2008 on the protection of employees in the event of the insolvency of their employer (OJ L 283, 28.10.2008, p. 36).

Or. en

Amendment 40

Proposal for a regulation
Recital 68

Text proposed by the Commission	*Amendment*
(68) The cessation of payments test and the balance sheet test are the two usual triggers among Member States for the opening of standard insolvency proceedings. In order to simplify the opening of insolvency proceedings on the basis of easily ascertainable conditions, the inability to pay debts as they mature should be the ***criterion*** for the opening of simplified winding-up proceedings for EU Inc. that are ***innovative*** startups. Member States should also define the specific conditions under which ***this criterion is*** met, as long as these conditions are clear, simple and easily ascertainable by the startup concerned.	(68) The cessation of payments test and the balance sheet test are the two usual triggers among Member States for the opening of standard insolvency proceedings. In order to simplify the opening of insolvency proceedings on the basis of easily ascertainable conditions, the inability to pay debts as they mature ***or the debts exceeding the assets*** should be the ***criteria*** for the opening of simplified winding-up proceedings for EU Inc. ***companies*** that are startups. Member States should also define the specific conditions under which ***those criteria are*** met, as long as these conditions are clear, simple and easily ascertainable by the startup concerned.

Or. en

Amendment 41

Proposal for a regulation
Recital 68 a (new)

Text proposed by the Commission	*Amendment*
	(68a) EU Inc. startups should be able to commence proceedings to address their financial difficulties and obtain a discharge. Access to simplified winding-up proceedings should not depend on the startups ability to cover the administrative costs of such proceedings. The laws of the Member States should introduce rules for covering the costs of administering simplified winding-up proceedings where assets and sources of revenue of the

	debtor are insufficient to cover those costs.

Or. en

Amendment 42

Proposal for a regulation
Recital 69

Text proposed by the Commission	*Amendment*
(69) Unlike in restructuring, in insolvent liquidation it is of utmost importance that the proceedings are conducted with the involvement of an insolvency practitioner who ensures compliance with all legal requirements and acts in the interests of the creditors. This expertise is needed, in particular, when it comes to the protection of the rights of employees or to the conformity with environmental law standards. The smooth administration of simplified winding-up proceedings for EU Inc. that are ***innovative*** startups therefore requires, as a general rule, the appointment of an insolvency practitioner. As an exception, however, and only when the prudent behaviour of the debtor in the period leading to insolvency justifies this, the debtor itself, a creditor or a group of creditors should have the right to request that the winding-up proceeding is conducted without an insolvency practitioner. It is within the discretion of the competent court or authority to decide whether or not to grant such derogation taking into account all relevant circumstances.	(69) Unlike in restructuring, in insolvent liquidation it is of utmost importance that the proceedings are conducted with the involvement of an insolvency practitioner who ensures compliance with all legal requirements and acts in the interests of the creditors. This expertise is needed, in particular, when it comes to the protection of the rights of employees or to the conformity with environmental law standards. The smooth administration of simplified winding-up proceedings for EU Inc. that are startups therefore requires, as a general rule, the appointment of an insolvency practitioner. As an exception, however, and only when the prudent behaviour of the debtor in the period leading to insolvency justifies this, the debtor itself, a creditor or a group of creditors should have the right to request that the winding-up proceeding is conducted without an insolvency practitioner. ***In such cases, in order to enable the court or competent authority to assess swiftly whether the conditions for opening simplified winding-up proceedings are fulfilled and to ensure their efficient conduct, the request for the opening of such proceedings should contain sufficient information on the financial and legal situation of the debtor, including outstanding obligations towards employees, tax authorities, social security institutions and suppliers, as well as a declaration confirming the completeness***

and accuracy of the information provided. It is within the discretion of the competent court or authority to decide whether or not to grant such derogation taking into account all relevant circumstances ***and necessary information provided***.

Or. en

Amendment 43

Proposal for a regulation
Recital 70

Text proposed by the Commission	*Amendment*
(70) In order to establish cost-effective and expeditious simplified winding-up proceedings for EU Inc. that are ***innovative*** startups, the procedure should be conducted and concluded within six months as of the submission of the request to open simplified winding-up proceedings. Similarly, formalities for the major procedural steps, including for the opening of the proceedings, the lodgement and the admission of claims or the realisation of the assets should be minimised. EU Inc. that are ***innovative*** startups should be able to commence simplified winding-up proceedings without the representation by a lawyer or another legal professional by using a standard form developed for that purpose.	(70) In order to establish cost-effective and expeditious simplified winding-up proceedings for EU Inc. that are startups, the procedure should be conducted and concluded within six months as of the submission of the request to open simplified winding-up proceedings. Similarly, formalities for the major procedural steps, including for the opening of the proceedings, the lodgement and the admission of claims or the realisation of the assets should be minimised. EU Inc. ***companies*** that are startups should be able to commence simplified winding-up proceedings without the representation by a lawyer or another legal professional by using a standard form developed for that purpose.

Or. en

Amendment 44

Proposal for a regulation
Recital 72

Text proposed by the Commission	*Amendment*
(72) A debtor of an EU Inc. that is ***an***	(72) A debtor of an EU Inc. that is ***a***

innovative startup should be able to benefit from a temporary stay of individual enforcement actions, in order to be able to preserve the value of the insolvency estate and ensure a fair and orderly conduct of the proceedings.	startup should be able to benefit from a temporary stay of individual enforcement actions, in order to be able to preserve the value of the insolvency estate and ensure a fair and orderly conduct of the proceedings. ***Employee claims should, as a rule, not be affected by such a stay in order to ensure the timely payment of wages and other employment related claims. By way of derogation, Member States should be permitted to extend the stay to employee claims where, and to the extent that, they ensure that employees enjoy a level of protection that is equivalent to that available in the absence of a stay, including through guarantee institutions within the meaning of Directive 2008/94/EC, advance payments mechanisms or other arrangements in accordance with Directive (EU) 2019/1023.***

Or. en

Amendment 45

Proposal for a regulation
Recital 74

Text proposed by the Commission	*Amendment*
(74) In order to ensure uniform conditions for the implementation of this Regulation ***as regards the establishment of the multilingual EU templates, the multilingual application form, the data to be transmitted and made available through BRIS and the compatibility between the EU Company Certificate and the digital EU power of attorney with the Business Wallets referred to in [PO: Reference to Proposal for a Regulation of the European Parliament and of the Council on the establishment of European Business Wallets]***, implementing powers should be conferred on the Commission.	(74) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission ***as regards the technical specifications of the central digital register, the EU Inc. digital platform, and the standard form for the request for the opening of simplified winding-up proceedings. Those implementing powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council***[1a]***.***

___

[1a] ***Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13, ELI: http://data.europa.eu/eli/reg/2011/182/oj).***

Or. en

Amendment 46

Proposal for a regulation
Recital 74 a (new)

Text proposed by the Commission	*Amendment*
	(74a) In order to fulfil the objectives of this Regulation, the power to adopt acts in accordance with Article 290 TFEU should be delegated to the Commission in respect of amending or supplementing this Regulation with regard to the establishment of multilingual EU templates for standard association articles and shareholder agreements for an EU Inc. company or an EU Inc. SO company, the update of the minimum content of the articles of association, contained in Annex I, the update of the list of economic activities in Annex II, the multilingual application form, the data to be transmitted and made available through BRIS and the compatibility between the EU Company Certificate and the digital EU power of attorney with the Business Wallets referred to in … [PO: Reference to Proposal for a Regulation of the European Parliament and of the Council on the establishment of European Business Wallets], as well as the establishment and the technical specifications and procedures necessary

	for the interconnection of electronic auction systems. It is of particular importance that the Commission carries out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making[1a]. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts. __________________ [1a] ***OJ C 321, 31.12.2003, p. 1.***

Or. en

Amendment 47

Proposal for a regulation
Recital 75

Text proposed by the Commission	*Amendment*
(75) The implementing powers relating to the standard form for the request for the opening of simplified winding-up proceedings and the implementing powers in relation to technical specifications and procedures necessary for the interconnection of electronic auction systems should be exercised in accordance with Regulation (EU) No 182/2011[23] of the European Parliament and of the Council. __________________ [23] ***Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the***	***deleted***

rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, pp. 13–18), ELI: http://data.europa.eu/eli/reg/2011/182/oj

Or. en

Amendment 48

Proposal for a regulation
Recital 80 a (new)

Text proposed by the Commission	*Amendment*
	(80a) In order to ensure the fair, efficient, swift and predictable resolution of corporate disputes involving EU Inc. companies, it is necessary to establish a comprehensive framework providing for both out-of-court and judicial dispute settlement mechanisms. Such a framework should safeguard legal certainty and effective access to justice.

Or. en

Amendment 49

Proposal for a regulation
Recital 80 b (new)

Text proposed by the Commission	*Amendment*
	(80b) In particular, Member States should provide accessible out-of-court corporate dispute settlement mechanisms including mediation, conciliation and arbitration, which may be conducted electronically. To ensure confidence in such mechanisms, Member States should certify out-of-court dispute settlement bodies that meet appropriate standards of independence, expertise, accessibility and

	procedural fairness. Comprehensive information on out-of-court dispute settlement mechanisms, including costs, should be made available through the EU Inc. digital platform to facilitate access to justice for all parties, in particular SMEs and startups.

Or. en

Amendment 50

Proposal for a regulation
Recital 80 c (new)

Text proposed by the Commission	*Amendment*
	(80c) The right to an effective remedy and the right to a fair trial are fundamental rights laid down in Article 47 of the Charter of Fundamental Rights of the European Union. Therefore, out-of-court dispute settlement mechanisms should not prevent parties from exercising their right of access to the judicial system. In cases where a dispute could not be resolved through out-of-court dispute settlement mechanisms, the parties should not be prevented from subsequently initiating judicial proceedings in relation to that dispute. The dispute settlement framework should enhance legal certainty and investor confidence, thereby contributing to the functioning of the internal market by creating a system that integrates the best practices of European legal traditions.

Or. en

Amendment 51

Proposal for a regulation
Recital 81

Text proposed by the Commission	*Amendment*
(81) Whilst acknowledging the competence of Member States to organise their national judiciary systems, ***they could*** designate or establish specialised judicial ***chamber*** or ***court*** for disputes involving EU Inc. companies on matters covered by this Regulation. That would facilitate a seamless conduct of procedures and could generate a coherent national jurisprudence, with disputes arising under the Regulation being resolved by judges possessing the expertise for company and insolvency law litigation. If disputes are resolved more rapidly and at lower cost, it would increase the attractiveness of the new legal form for its addressees and reduce the incentive for startups and scaleups to move to third country jurisdictions. In addition, the Commission's Communication on European Judicial Training Strategy 2025-2030 has identified the necessity of upskilling of justice professionals within the legal framework proposed by this Regulation, which can be tailored in the process of specialisation.	(81) Whilst acknowledging the competence of Member States to organise their national judiciary systems, ***Member States should be encouraged to*** designate or establish ***one or more*** specialised judicial ***chambers*** or ***courts*** for disputes involving EU Inc. companies on matters covered by this Regulation***. Given the cross-border dimension and specific legal framework of the EU Inc legal form, such judicial chambers or courts should possess expertise in matters relating to this Regulation and contribute to the consistent interpretation and effective application of this Regulation across the Union***. That would facilitate a seamless conduct of procedures and could generate a coherent national jurisprudence, with disputes arising under the Regulation being resolved by judges possessing the expertise for company and insolvency law litigation. If disputes are resolved more rapidly and at lower cost, it would increase the attractiveness of the new legal form for its addressees and reduce the incentive for startups and scaleups to move to third country jurisdictions. In addition, the Commission's Communication on European Judicial Training Strategy 2025-2030 has identified the necessity of upskilling of justice professionals within the legal framework proposed by this Regulation, which can be tailored in the process of specialisation.

Or. en

Amendment 52

Proposal for a regulation
Recital 81 a (new)

Text proposed by the Commission	Amendment
	(81a) In order to facilitate harmonised interpretation of this Regulation by national courts, Member States should be required to publish any final judgement relating to EU Inc. companies so national courts of other Member States can take those judgments into account. To increase the understanding of how this Regulation is applied at national level, for the benefit of, inter alia, companies, founders, investors, trade unions, legal practitioners, academics and the general public, the Commission should set up and maintain an easily accessible and publicly available database containing national final judgments relating to EU Inc. companies, as well as references to relevant judgments delivered by the Court of Justice of the European Union.

Or. en

Amendment 53

Proposal for a regulation
Recital 81 b (new)

Text proposed by the Commission	Amendment
	(81b) In order to promote the seamless operation of EU Inc. companies within the internal market, to ensure the efficient application of the 'once-only' principle and to enhance transparency and legal certainty, it is necessary to establish an open access EU Inc. digital platform that provides comprehensive, multilingual information and practical guidance, including tutorials on all aspects related to EU Inc. company operations for companies, investors, trade unions, academia and legal practitioners. In particular, the digital EU Inc. platform should provide information on applicable

	company law, dispute resolution mechanisms, financing opportunities and access to the public database on Union and national case law relating to EU Inc. companies. The platform should be interoperable with existing EU digital justice systems, including the e-Justice portal and the Business Registers Interconnection System (BRIS), to ensure seamless access to information and services. The Commission should be empowered to adopt implementing acts to establish the technical specifications of this platform, including requirements for machine translation, AI-powered search tools and legal update notifications, in order to ensure its effective operation for users across the Union.

Or. en

Amendment 54

Proposal for a regulation
Recital 83

Text proposed by the Commission	*Amendment*
(83) This Regulation does not affect Union ***or*** national ***employment law***. These laws should apply to EU Inc. companies as they apply to any other Union limited liability company. The corporate legal framework established by this Regulation forms part of the legal environment of the internal market and builds on the Union company law acquis.	(83) This Regulation does not affect ***individual or collective*** Union ***and*** national ***labour law which continue to apply in the Member State where the work is habitually performed***. These laws should apply to EU Inc. companies as they apply to any other Union ***or national*** limited liability company ***and include rules relating to safety and health, working time, wages, equal treatment, protection against discrimination, dismissal protection, codetermination in the workplace and the right to unionize and to take collective action***. The corporate legal framework established by this Regulation forms part of the legal environment of the internal market and builds on the Union company law acquis.

Or. en

Amendment 55

Proposal for a regulation
Article 1 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
This Regulation lays down rules to improve the functioning of the internal market and to create an efficient legal framework for companies and investors by:	This Regulation lays down rules to improve the functioning of the internal market and to create an efficient ***and comprehensive*** legal framework for companies***, in particular startups and scaleups,*** and investors by:

Or. en

Amendment 56

Proposal for a regulation
Article 1 – paragraph 1 – point a

Text proposed by the Commission	*Amendment*
(a) creating a new harmonised legal form of a limited liability company (‘EU Inc.’) provided in the legal order of every Member State;	(a) creating a new harmonised legal form of a limited liability company (‘EU ***Incorporated’, abbreviated ‘EU*** Inc.’) provided in the legal order of every Member State;

Or. en

Amendment 57

Proposal for a regulation
Article 1 – paragraph 1 – point a a (new)

Text proposed by the Commission	*Amendment*
	(aa) introducing a new legal form for steward-owned companies (‘EU Inc. SO’)

Or. en

Amendment 58

Proposal for a regulation
Article 1 a (new)

Text proposed by the Commission	*Amendment*
	Article1a
	Scope
	1. This Regulation applies to companies, established as EU Inc. companies within the territory of the Union in accordance with this Regulation.
	2. This Regulation does not affect individual and collective Union and national labour law, including collective agreements, that is any legal or contractual provision concerning employment conditions, working conditions, including health and safety at work, remuneration and the relationship between employers and workers, and social security legislation of Member States and its coordination at Union level. The law applicable to individual employment contracts of an EU Inc. company, its branches and its subsidiaries remains exclusively determined by Article 8 of Regulation (EC) No 593/2008 and the jurisdiction over individual employment contracts of an EU Inc. company, its branches and its subsidiaries remains determined by Articles 20 to 23 of Regulation (EC) No 1215/2012. This regulation is without prejudice in particular to:
	(a) mandatory protection for workers, their representatives and trade unions, and other vulnerable parties, in particular pursuant to Directive 2002/14/EC, Directive 2009/38/EC as revised by Directive 2025/2450/EU, as well as Directive 2001/23/EC and Council

Directive 98/59/EC;

(b) employee participation rights as defined in Article 2 (k) of Directive 2001/86/EC; and

(c) minimum wage protection as well as collective bargained wages, in particular pursuant to Directive (EU) 2022/2041 of the European Parliament and of the Council of 19 October 2022 on adequate minimum wages in the European Union.

3. This Regulation shall not constitute valid grounds for reducing the level of protection already afforded to workers within Member States under Union law, national law or collective agreements. It shall not in any way affect the exercise of rights recognised in the Member States and at Union level, including the right or freedom to strike or to take other action covered by the specific industrial relations systems in Member States in accordance with national law or practice. Neither does it affect the right to negotiate, conclude and enforce collective agreements, nor to take collective action in accordance with national law or practice.

4. Company law matters that are not covered by this Regulation or by the articles of association of an EU Inc., where expressly authorised by this Regulation, shall be governed by the national law, including the provisions transposing Union law, which apply to the relevant national legal form in the Member State in which the EU Inc. company has its registered office. Each Member State shall designate that relevant national legal form and inform the Commission about the designation by … [3 months before the date of application of this Regulation]. Where a Member State makes use of the option referred to in Article 3, paragraph 2, it may designate a separate legal form for steward-owned companies as the relevant national legal form and inform the

	Commission about the designation by … [3 months before the date of application of this Regulation].
	5. An EU Inc. may not be established if its proposed object is an economic activity listed in Annex Ia of this Regulation. Those economic activities are considered unlikely to develop a new or improved product, service or process that significantly differs from previous iterations and is made available to potential users. The Commission shall adopt delegated acts in accordance with Article 106b to amend Annex Ia by updating the list of economic activities in close cooperation with the Member States and social partners.

Or. en

Amendment 59

Proposal for a regulation
Article 2 – paragraph 1 – point -1 (new)

Text proposed by the Commission	*Amendment*
	(-1) 'startup' is an undertaking which employs fewer than 100 persons, whose annual turnover or annual balance sheet total, or both, does not exceed EUR 10 million, and which has been operating for less than 10 years following its registration;

Or. en

Amendment 60

Proposal for a regulation
Article 2 – paragraph 1 – point 5

Text proposed by the Commission	*Amendment*
(5) 'articles of association' means ***both***	(5) 'articles of association' means the

the instrument of constitution and the statutes in one single document;	instrument of constitution and the statutes in one single document;

Or. en

Amendment 61

Proposal for a regulation
Article 2 – paragraph 1 – point 6

Text proposed by the Commission	*Amendment*
(6) 'branch' means a fixed establishment, which is not a separate legal person but may have separate management, through which an economic activity of a company is carried out;	(6) 'branch' ***of an EU Inc. company*** means a fixed establishment, which is not a separate legal person but may have separate management, through which an economic activity of a company is carried out;

Or. en

Amendment 62

Proposal for a regulation
Article 2 – paragraph 1 – point 6 a (new)

Text proposed by the Commission	*Amendment*
	(6a) 'subsidiary' of an EU Inc. company means an undertaking over which that company exercises a dominant influence as defined in accordance with Article 3(2) to (7) of Directive 2009/38/EC of the European Parliament and of the Council[1a]:
	[1a] Directive 2009/38/EC of the European Parliament and of the Council of 6 May 2009 on the establishment of a European Works Council or a procedure in Community-scale undertakings and Community-scale groups of undertakings for the purposes of informing and consulting employees (OJ L 122,

	16.5.2009, p. 28, ***ELI: http://data.europa.eu/eli/dir/2009/38/oj).***

Or. en

Amendment 63

Proposal for a regulation
Article 2 – paragraph 1 – point 11

Text proposed by the Commission	*Amendment*
(11) ‘object of the company’ means the main activity or activities of ***the*** company, expressed using the relevant Statistical Classification of Economic Activities in the European Community (NACE) code and, if any, more specific activities and purposes;	(11) ‘object of the company’ means the main activity or activities of ***a*** company, expressed using the relevant Statistical Classification of Economic Activities in the European Community (NACE) code and, if any, more specific activities and purposes;

Or. en

Amendment 64

Proposal for a regulation
Article 2 – paragraph 1 – point 13

Text proposed by the Commission	*Amendment*
(13) ‘liquidation’ means the procedure of the winding up of ***the*** dissolved company’s affairs;	(13) ‘liquidation’ means the procedure of the winding up of ***a*** dissolved company’s affairs;

Or. en

Amendment 65

Proposal for a regulation
Article 2 – paragraph 1 – point 15

Text proposed by the Commission	*Amendment*
(15) ‘EU Company Certificate’ means an authenticated document issued by a Member State business register containing key information about a company registered in that business register, which is accepted in ***EU*** Member States, in accordance with Article 16b of Directive (EU) 2017/1132;	(15) ‘EU Company Certificate’ means an authenticated document issued by a Member State business register containing key information about a company registered in that business register, which is accepted in Member States, in accordance with Article 16b of Directive (EU) 2017/1132;

Or. en

Amendment 66

Proposal for a regulation
Article 2 – paragraph 1 – point 19

Text proposed by the Commission	*Amendment*
(19) ‘related party’ ***has the same meaning as*** in the international accounting standards adopted in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council[26] ;	(19) ‘related party’ ***means a related party as set out*** in the international accounting standards adopted in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council[26];
[26] Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards (OJ L 243, 11.9.2002, pp. 1–4), ELI: http://data.europa.eu/eli/reg/2002/1606/2008-04-10	[26] Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards (OJ L 243, 11.9.2002, pp. 1–4), ELI: http://data.europa.eu/eli/reg/2002/1606/2008-04-10

Or. en

Amendment 67

Proposal for a regulation
Article 2 – paragraph 1 – point 22

Text proposed by the Commission	*Amendment*
(22) 'share transfer' means a transaction involving any change in share ownership, regardless whether the transaction is carried out for consideration or for free;	(22) 'share transfer' means a transaction involving any change in share ownership, regardless ***of*** whether the transaction is carried out for consideration or for free;

Or. en

Amendment 68

Proposal for a regulation
Article 2 – paragraph 1 – point 30 a (new)

Text proposed by the Commission	*Amendment*
	(30a) 'steward-owned EU Inc.' or 'EU Inc. SO' means an EU Inc. whose articles of association comply with Articles 8a and 8b and which is registered as such in the business register;

Or. en

Amendment 69

Proposal for a regulation
Article 2 – paragraph 1 – point 30 b (new)

Text proposed by the Commission	*Amendment*
	(30b) 'control rights' means voting rights, appointment rights, dismissal rights, instruction rights or other governance rights which enable their holder, directly or indirectly, to determine or materially influence decisions reserved to the general meeting under this Regulation or the articles of association;

Or. en

Amendment 70

Proposal for a regulation
Article 2 – paragraph 1 – point 30 c (new)

Text proposed by the Commission	*Amendment*
	(30c) 'economic participation rights' means rights to dividends, distributions, redemption payments, liquidation proceeds, proceeds from a sale of shares or other direct or indirect participation in the profits or residual value of the company, but does not include consideration received for the transfer of steward shares to the extent permitted under Article 8a (5);

Or. en

Amendment 71

Proposal for a regulation
Article 2 – paragraph 1 – point 30 d (new)

Text proposed by the Commission	*Amendment*
	(30d) 'steward share' means a share in an EU Inc. SO company which carries control rights but does not carry economic participation rights;

Or. en

Amendment 72

Proposal for a regulation
Article 2 – paragraph 1 – point 30 e (new)

Text proposed by the Commission	*Amendment*
	(30e) 'economic share' means a redeemable share in an EU Inc. SO company which carries economic participation rights pursuant to Article

	76(8) to (10) but does not carry control rights, except for information rights or consultation rights or class-consent rights that are necessary to protect the rights attached to that class and do not enable the holder to determine the activities of the company;

Or. en

Amendment 73

Proposal for a regulation
Article 2 – paragraph 1 – point 30 f (new)

Text proposed by the Commission	*Amendment*
	(30f) 'permanent separation of control rights and economic participation rights' means binding provisions of this Regulation and of the articles of association of an EU Inc. SO company which ensure that persons exercising control rights and their related parties do not hold economic participation rights and that persons holding economic participation rights and their related parties do not exercise control rights, and which cannot be removed, waived or circumvented by decision of the company, its stewards, shareholders, directors or any other body;

Or. en

Amendment 74

Proposal for a regulation
Article 2 – paragraph 1 – point 30 g (new)

Text proposed by the Commission	*Amendment*
	(30g) 'steward' means a holder of steward shares entrusted with preserving the company's long-term independence

	and purpose.

Or. en

Amendment 75

Proposal for a regulation
Article 3 – paragraph 1 – point c

Text proposed by the Commission	*Amendment*
(c) it ***may*** be formed by one or more natural or legal persons;	(c) it ***shall*** be formed by one or more natural or legal persons;

Or. en

Amendment 76

Proposal for a regulation
Article 3 – paragraph 1 a (new)

Text proposed by the Commission	*Amendment*
	An EU Inc. company may be permanently established as, or may permanently become, an EU Inc. SO company in accordance with Articles 8a and 8b. Unless this Regulation provides otherwise, all provisions applicable to an EU Inc. company shall apply to an EU Inc. SO company.

Or. en

Amendment 77

Proposal for a regulation
Article 3 – paragraph 1 b (new)

Text proposed by the Commission	*Amendment*
	The registration of an EU Inc. company as an EU Inc. SO company shall have

	constitutive effect for its status as an EU Inc. SO company and for the use of that designation.

Or. en

Amendment 78

Proposal for a regulation
Article 3 – paragraph 1 c (new)

Text proposed by the Commission	*Amendment*
	Member States shall not make the formation, registration, operation, conversion into, or continued existence of an EU Inc. SO company conditional upon the existence of a separate national legal form for steward-owned companies.

Or. en

Amendment 79

Proposal for a regulation
Article 4

Text proposed by the Commission	*Amendment*
Article 4	***deleted***
Rules applicable to EU Inc.	
1. EU Inc. companies shall be governed by this Regulation and by their articles of association which shall comply with this Regulation.	
2. Matters that are not covered by this Regulation or by the articles of association shall be governed by national law, including the provisions transposing Union law, which apply to relevant national legal forms in the Member State in which the EU Inc. has its registered office.	

3. Member States shall designate the relevant national legal form referred to under paragraph 2, the provisions of which apply to EU Inc. companies.

Or. en

Amendment 80

Proposal for a regulation
Article 6 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
1. The name of ***the*** company shall comply with the following:	1. The name of ***an EU Inc.*** company shall comply with the following:

Or. en

Amendment 81

Proposal for a regulation
Article 6 – paragraph 1 – point a

Text proposed by the Commission	*Amendment*
(a) ***be followed by the mention*** 'EU Inc.';	(a) ***contains*** 'EU Inc.' ***at the end***;

Or. en

Amendment 82

Proposal for a regulation
Article 6 – paragraph 2

Text proposed by the Commission	*Amendment*
2. Registering ***a*** company name shall not affect any claim another person may have regarding the improper use of a name contrary to Union or national law.	2. Registering ***an EU Inc.*** company name shall not affect any claim another person may have regarding the improper use of a name contrary to Union or national law.

Or. en

Amendment 83

Proposal for a regulation
Article 6 – paragraph 4 a (new)

Text proposed by the Commission	*Amendment*
	4a. Member States shall ensure that only an EU Inc. company contains 'EU Inc.' in its name.

Or. en

Amendment 84

Proposal for a regulation
Article 6 – paragraph 4 b (new)

Text proposed by the Commission	*Amendment*
	4b. Only an EU Inc. company registered as an EU Inc. SO company may use the designation 'steward-owned EU Inc.' or 'EU Inc. SO' or any designation liable to create the impression that the company is registered as an EU Inc. SO.

Or. en

Amendment 85

Proposal for a regulation
Article 7 – paragraph 2

Text proposed by the Commission	*Amendment*
2. The articles of association shall cover at least the matters laid down in this Regulation, as specified in ***the*** Annex.	2. The articles of association shall cover at least the matters laid down in this Regulation, as specified in Annex ***I***.

Or. en

Amendment 86

Proposal for a regulation
Article 7 – paragraph 5 – subparagraph 1

Text proposed by the Commission	*Amendment*
Where an EU Inc. company ***adopts*** the standard articles of association as referred to in Article 8, both language versions shall have equal legal value.	Where an EU Inc. company ***uses*** the ***EU templates for*** standard articles of association as referred to in Article 8 ***for its articles of association***, both language versions ***referred to paragraph 4 of this Article*** shall have equal legal value.

Or. en

Amendment 87

Proposal for a regulation
Article 7 – paragraph 5 – subparagraph 2

Text proposed by the Commission	*Amendment*
Where an EU Inc. adopts non-standard articles of association, the official language or languages of the Member state of registration shall prevail in the event of a discrepancy between the language versions.	Where an EU Inc. adopts non-standard articles of association, the official language or languages of the Member state of registration shall prevail in the event of a discrepancy between the language versions ***referred to in paragraph 4 of this Article***.

Or. en

Amendment 88

Proposal for a regulation
Article 7 – paragraph 5 a (new)

Text proposed by the Commission	*Amendment*
	5a. The Commission shall be empowered to adopt delegated acts in accordance with Article 106b to

	supplement the minimum content of the articles of association, referred to in Annex I.

Or. en

Amendment 89

Proposal for a regulation
Article 8 – title

Text proposed by the Commission	*Amendment*
EU templates for standard articles of association	EU templates for standard articles of association ***and standard shareholder agreements***

Or. en

Amendment 90

Proposal for a regulation
Article 8 – paragraph 1

Text proposed by the Commission	*Amendment*
1. The EU templates for the standard articles of association (‘EU templates’) may be used as part of the formation procedure through the EU central interface or with the business register.	1. The EU templates for the standard articles of association ***of an EU Inc. company or an EU Inc. SO company*** (‘EU templates’) may be used as part of the formation procedure through the EU central interface or with the business register.

Or. en

Amendment 91

Proposal for a regulation
Article 8 – paragraph 3

Text proposed by the Commission | *Amendment*

Text proposed by the Commission	Amendment
3. The Commission shall, by means of ***implementing acts***, establish the multilingual EU templates for the standard articles of association.	3. The Commission shall, by means of ***delegated act***, ***in accordance with Article 106b*** establish the multilingual EU templates for the standard articles of association ***by … [the last day of the 6th month after the date of entry into force of this Regulation]***.

Or. en

Amendment 92

Proposal for a regulation
Article 8 – paragraph 3 a (new)

Text proposed by the Commission	Amendment
	3a. The templates for an EU Inc. SO company shall include model provisions for articles of association on steward shares, economic shares, transfer restrictions, the permanent separation of control rights and economic participation rights, reporting, independent assurance, oversight and enforcement.

Or. en

Amendment 93

Proposal for a regulation
Article 8 – paragraph 3 b (new)

Text proposed by the Commission	Amendment
	3b. For the establishment of the EU templates, referred to in paragraph 3 and 4, the Commission shall appoint an expert group to assist in the development of standard articles of association that correspond to the harmonised requirements for EU Inc. and EU Inc. SO

	companies. The expert group shall include founders, investors, legal practitioners, representatives of academia and trade unions, as well as other stakeholders affected by the templates.

Or. en

Amendment 94

Proposal for a regulation
Article 8 – paragraph 3 c (new)

Text proposed by the Commission	*Amendment*
	3c. The expert group referred to in paragraph 3b shall assist the Commission in the development of EU templates for standard model shareholder agreements. Such model shareholder agreements shall strike a fair balance between the interests of founders and investors.

Or. en

Amendment 95

Proposal for a regulation
Article 8 – paragraph 3 d (new)

Text proposed by the Commission	*Amendment*
	3d. The Commission shall, by means of delegated act, in accordance with Article 106b establish the multilingual EU templates for the model shareholder agreements referred to in paragraph 6, by … [the last day of the 6th month after the date of entry into force of this Regulation].

Or. en

Amendment 96

Proposal for a regulation
Article 8 a (new)

Text proposed by the Commission	*Amendment*
	Article 8a
	Steward-owned EU Inc. companies
	1. For a company registered as a EU Inc. SO company in accordance with Article 3(2), the stewards, acting as the general meeting, shall have no authority to amend the articles of association to the extent that such amendment would remove, waive, suspend, circumvent or materially weaken the permanent separation of control rights and economic participation rights required by this Article and Article 8b.
	2. The articles of association of an EU Inc. SO shall ensure the permanent separation of control rights and economic participation rights. For that purpose, they shall provide that:
	(a) the company has at least one class of steward shares that are not redeemable shares;
	(b) only steward shares carry control rights;
	(c) steward shares do not carry economic participation rights;
	(d) economic shares, where issued, do not carry control rights;
	(e) no steward, and no related party of a steward, may directly or indirectly hold economic shares or otherwise hold economic participation rights;
	(f) no holder of economic shares, and no related party of a holder of economic shares, may directly or indirectly hold steward shares or otherwise exercise control rights;
	(g) no person may exercise control rights pursuant to any legal or economic

arrangement where that person or their related party directly or indirectly holds economic participation rights.

3. Economic participation rights attached to shares may be attached only to economic shares. Economic shares shall always be redeemable shares within the meaning of Article 76. This paragraph shall not prevent an EU Inc. SO from incurring debt under loans, bonds, notes, or other contractual arrangements, provided that such arrangements are not structured or used to circumvent the permanent separation of control rights and economic participation rights.

4. Stewards may receive remuneration or other consideration from the company for transactions with the company, provided that such remuneration or consideration is granted on arm's length terms, does not exceed market rate, and is not structured or used to circumvent the separation of control rights and economic participation rights. Steward shares may be transferred only for consideration not exceeding the amount of the consideration provided to the company in exchange for those steward shares. Where the consideration was provided in kind, the permitted transfer consideration shall not exceed the lower of the value attributed to that consideration at the time of issuance of the steward shares and the value of that consideration at the time of transfer. The company shall refuse to register any transfer of steward shares or economic shares in the digital register of shares where the transfer would be contrary to this Article.

5. Stewards shall exercise their control rights in the best interests of the company, with due regard to the company's purpose, the preservation of its long-term independence and the steward-owned character of the company.

6. The EU Inc. SO company shall record in its digital register of shares whether

each share is a steward share or an economic share and shall record the principal rights and restrictions attached to that share.

7. A resolution, amendment of the articles of association, issue of shares, transfer of shares, conversion, merger, division, dissolution or other transaction shall not take effect to the extent that it would remove, waive, suspend, circumvent or materially weaken the permanent separation of control rights and economic participation rights.

8. The business register shall refuse to register any amendment, transaction or other matter referred to in paragraph 8 where the documents submitted show, or the register has reasonable grounds to consider, that the amendment, transaction or matter would be contrary to this Article.

9. Member States shall ensure that breaches of this Article are subject to effective, proportionate and dissuasive remedies, including injunctions, suspension of voting rights, nullity or ineffectiveness of non-compliant resolutions, restoration of assets, liability of directors or stewards, and correction of the digital register of shares.

Or. en

Amendment 97

Proposal for a regulation
Article 8 b (new)

Text proposed by the Commission	*Amendment*
	Article 8b
	Reporting, assurance and enforcement of the permanent separation
	1. An EU Inc. SO company shall prepare a stewardship compliance report for each

financial year. The report shall describe whether the company has complied with Article 8a and with the provisions of its articles of association concerning the permanent separation of control rights and economic participation rights.

2. The stewardship compliance report shall include at least:

(a) the classes of shares issued by the company and the rights attached to each class;

(b) the identity of the holders of steward shares;

(c) distributions, redemption payments, acquisitions of own shares, liquidation payments and other transfers of economic value to economic shareholders or their related parties;

(d) transactions with stewards and related parties;

(e) amendments to the articles of association, transfers of steward shares and transfers of economic shares;

(f) any suspected or established breach of Article 8a and the measures taken to remedy such breach.

3. The stewardship compliance report shall be approved by the board of directors and made available to the stewards and holders of economic shares without undue delay.

4. The stewardship compliance report shall be subject to independent assurance. Where the company is subject to statutory audit under Union or national law, the statutory auditor or audit firm shall verify whether the report is consistent with the accounting documents and whether any material non-compliance with Article 8a has come to its attention. Where the company is not subject to statutory audit, the report shall be reviewed by an independent auditor, accountant, lawyer or other independent professional authorised or recognised for that purpose

	under the law of the Member State of registration.
	5. The stewardship compliance report and the assurance statement shall be filed with the business register within six months after the end of the financial year and shall be made publicly accessible in accordance with Articles 25 and 26.
	6. Member States shall ensure that at least one effective enforcement route is available to protect the permanent separation of control rights and economic participation rights. Standing to seek remedies before a competent court or administrative authority shall be granted at least to the company, any steward, any holder of economic shares and any person or body granted standing under the articles of association or national law.
	7. Member States may grant standing to employees, employee representatives, creditors, public authorities, non-profit organisations or associations whose statutory purpose includes the protection of steward ownership, responsible enterprise or comparable collective interests.
	8. The rights conferred by this Article shall be without prejudice to the rights of shareholders to request the appointment of an independent expert under Article 56(6).

Or. en

Amendment 98

Proposal for a regulation
Article 11 – paragraph 2

Text proposed by the Commission	*Amendment*
2. Payments ***can be made*** online to a bank account of a bank operating in the Union. In addition, proof of such payments	2. ***It shall be possible to make the*** payments***, referred to in paragraph 1,*** online to a bank account of a bank

can also be provided online.	operating in the Union. In addition, ***it shall be possible to provide*** proof of such payments online.

Or. en

Amendment 99

Proposal for a regulation
Article 12 – paragraph 1

Text proposed by the Commission	*Amendment*
1. An EU Inc. formed ex nihilo in accordance with Articles 16 to 19 or created through a domestic conversion, merger or division in accordance with Article 21 shall be subject to the employee participation rules applicable in the Member State in which ***it has its registered office***.	1. An EU Inc. formed ex nihilo in accordance with Articles 16 to 19 or created through a domestic conversion, merger or division in accordance with Article 21 shall be subject to the employee participation rules applicable in the Member State ***of the place of employment of the employees.***
	The place of employment is the country in which ***or, failing that, from which an employee habitually carries out his or her work in performance of the employment contract***. ***The country where the work is habitually carried out shall not be deemed to have changed if the employee is temporarily employed in another country.***

Or. en

Amendment 100

Proposal for a regulation
Article 12 – paragraph 1 a (new)

Text proposed by the Commission	*Amendment*
	1a. An EU Inc. with employees in a Member State other than that of its registered office shall introduce board-level employee representation rights, in accordance with the applicable national law of the place of employment, once the

	number of employees of the EU Inc. company, including its branches and subsidiaries in that Member State reaches the threshold triggering such rights under national law.
	This obligation shall not apply, where the law of the Member State of the registered office of the EU Inc. company already provides for at least an equivalent level of employee participation as required under the national law of the place of employment.
	Where the EU Inc. company has employees in more than two Member States whose laws provide for board-level employee representation, the arrangements providing the highest level of employee participation shall apply.
	The level of employee participation is measured by reference to the proportion of employee representatives among the members of the administrative or supervisory body.
	Where the applicable law on employee participation refers to a supervisory body, which the EU Inc. company has not established, the EU Inc. company is obliged to introduce such body by amending its articles of association accordingly.

Or. en

Amendment 101

Proposal for a regulation
Article 12 – paragraph 1 b (new)

Text proposed by the Commission	*Amendment*
	1b. Where the applicable law cannot be determined in accordance with paragraph 2, the negotiation procedure provided for in Articles 3 to 7 of Directive 2001/86/EC shall be initiated once the

	number of employees reaches in at least one Member State a threshold triggering board-level employee representation rights and:
	(a) where no employee participation rights are yet in place;
	(b) where reaching the threshold under the applicable national law requires an adjustment of existing employee participation arrangements; or
	(c) where reaching the threshold under the applicable law results in the application of a different employee participation regime.
	The result of the negotiation procedure may not lower the level of employee participation that was established by the EU Inc. before the negotiation procedure started.

Or. en

Amendment 102

Proposal for a regulation
Article 12 – paragraph 1 c (new)

Text proposed by the Commission	*Amendment*
	1c. For the purpose of determining the number of employees under this Article, all employees of the EU Inc. company, including all its branches and subsidiaries, within the territory of the Member State concerned shall be taken into the calculation. If an EU Inc. company is the controlling company of a group, for the application of this Article to the controlling company the employees of the group companies shall be considered as employees of the controlling company.

Or. en

Amendment 103

Proposal for a regulation
Article 12 – paragraph 1 d (new)

Text proposed by the Commission	*Amendment*
	1d. Paragraphs 1a and 1b shall not be used for the purpose of circumventing, lowering or otherwise undermining existing employee participation rights. Member States shall lay down rules applicable to infringements of this Article in accordance with Article 106.

Or. en

Amendment 104

Proposal for a regulation
Article 12 – paragraph 2

Text proposed by the Commission	*Amendment*
2. Where an EU Inc. is created through a cross-border conversion, merger or division in accordance with Chapters I, II and IV of Directive (EU) 2017/1132 or where an EU Inc. carries out such a cross-border conversion, division or merger in accordance with Directive (EU) 2017/1132, the rules on employee participation shall be determined in accordance with Articles 86l, 133 and 160l of that Directive.	2. Where an EU Inc. ***company*** is created through a cross-border conversion, merger or division in accordance with Chapters I, II and IV of Directive (EU) 2017/1132 or where an EU Inc. ***company*** carries out such a cross-border conversion, division or merger in accordance with Directive (EU) 2017/1132, the rules on employee participation shall be determined in accordance with Articles 86l, 133 and 160l of that Directive.

Or. en

Amendment 105

Proposal for a regulation
Article 13 – paragraph 3 a (new)

Text proposed by the Commission	Amendment
	3a. Member States shall ensure that information required for the purposes referred to in paragraph 3, points (b) to (d), can be provided and transmitted through the EU central interface.

Or. en

Amendment 106

Proposal for a regulation
Article 14 – paragraph 2 – introductory part

Text proposed by the Commission	Amendment
2. That control shall verify ***that***:	2. That control shall verify:

Or. en

Amendment 107

Proposal for a regulation
Article 14 – paragraph 2 – point a

Text proposed by the Commission	Amendment
(a) the formal requirements for the articles of association are fulfilled and, where the EU templates referred to in Article 8 are used, that they are used correctly;	(a) ***that*** the formal requirements for the articles of association are fulfilled and, where the EU templates referred to in Article 8 are used, that they are used correctly;

Or. en

Amendment 108

Proposal for a regulation
Article 14 – paragraph 2 – point b

Text proposed by the Commission	*Amendment*
(b) the mandatory minimum content is included as specified in ***the*** Annex;	(b) ***that*** the mandatory minimum content is included as specified in Annex ***I***;

Or. en

Amendment 109

Proposal for a regulation
Article 14 – paragraph 2 – point c

Text proposed by the Commission	*Amendment*
(c) the name and the object of the EU Inc. comply with the requirements of this Regulation;	(c) ***that*** the name and the object of the EU Inc. comply with the requirements of this Regulation;

Or. en

Amendment 110

Proposal for a regulation
Article 14 – paragraph 2 – point d

Text proposed by the Commission	*Amendment*
(d) the applicants have the necessary legal capacity and ***have*** authority to represent the EU Inc. company;	(d) ***the identity of the applicants and that*** the applicants have the necessary legal capacity and authority to represent the EU Inc. company;

Or. en

Amendment 111

Proposal for a regulation
Article 14 – paragraph 2 – point e

Text proposed by the Commission	*Amendment*
(e) any considerations that are to be	(e) ***that*** any considerations that are to

contributed to capital have been provided in accordance with Article 64 (4), and, where applicable, that the additional requirements for considerations in kind have been met in accordance with Article 65.	be contributed to capital have been provided in accordance with Article 64 (4), and, where applicable, that the additional requirements for considerations in kind have been met in accordance with Article 65.

Or. en

Amendment 112

Proposal for a regulation
Article 14 – paragraph 2 a (new)

Text proposed by the Commission	*Amendment*
	2a. Where provided for under national law, at the time of formation of the EU Inc. company, preventive control authorities may also verify compliance with requirements relating to beneficial ownership, director eligibility and creditor protection, under national law.

Or. en

Amendment 113

Proposal for a regulation
Article 16 – paragraph 1

Text proposed by the Commission	*Amendment*
1. ***Where*** an EU Inc. is formed through the EU central interface the prospective directors shall submit the application form referred to in Article 13 together with the EU templates ***referred to in Article 8***.	1. ***When*** an EU Inc. ***company*** is formed through the EU central interface ***using the templates referred to in Article 8,*** the prospective directors shall submit the application form referred to in Article 13 together with the EU templates.

Or. en

Amendment 114

Proposal for a regulation
Article 16 – paragraph 2 – subparagraph 1

Text proposed by the Commission	*Amendment*
Member States shall ensure that the preventive control carried out in accordance with Article 14 and the registration of the EU Inc. is completed within ***48 hours*** from the submission of the documents referred to in paragraph 1 through the EU central interface and with a maximum cost of EUR 100 or equivalent sum in the currency applicable in the Member State of registration.	Member States shall ensure that the preventive control carried out in accordance with Article 14 and the registration of the EU Inc. is completed within ***2 working days*** from the submission of the documents referred to in paragraph 1 through the EU central interface and with a maximum cost of EUR 100 or equivalent sum in the currency applicable in the Member State of registration.

Or. en

Amendment 115

Proposal for a regulation
Article 16 – paragraph 2 – subparagraph 1 a (new)

Text proposed by the Commission	*Amendment*
	By way of exception, where additional checks pursuant to Article 14 are required due to a higher risk of fraud or abuse, in particular a risk of money-laundering activities, the period referred to in the first subparagraph may be extended by the time strictly necessary to complete those checks.

Or. en

Amendment 116

Proposal for a regulation
Article 20 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Following the registration of an EU Inc., with the business register, that business register shall immediately exchange in digital form the information about the EU Inc., including its EUID, as well as the specific data for the purposes of obtaining the tax identification number (TIN) and the VAT identification number and for the beneficial ownership register received as part of the application form with the public authorities in charge of issuing the TIN and the VAT identification number and the beneficial ownership register in the Member State of registration. That business register shall also exchange in digital form the information about the EU Inc. with the social security authorities.	1. Following the registration of an EU Inc. ***company***, with the business register, that business register shall immediately exchange in digital form the information about the EU Inc. ***company***, including its EUID, as well as the specific data for the purposes of obtaining the tax identification number (TIN) and the VAT identification number and for the beneficial ownership register received as part of the application form with the public authorities in charge of issuing the TIN and the VAT identification number and the beneficial ownership register in the Member State of registration. That business register shall also exchange in digital form the information about the EU Inc. ***company*** with the social security authorities.

Or. en

Amendment 117

Proposal for a regulation
Article 20 – paragraph 2

Text proposed by the Commission	*Amendment*
2. The EU Inc. shall not be required to ***provide*** the information referred to in paragraph 1 to the authorities and the beneficial ownership register referred to in paragraph 1.	2. The EU Inc. ***company*** shall not be required to ***resubmit*** the information referred to in paragraph 1 to the authorities and the beneficial ownership register referred to in paragraph 1.

Or. en

Amendment 118

Proposal for a regulation
Article 20 – paragraph 3

Text proposed by the Commission	*Amendment*
3. The EU Inc. shall obtain the TIN and the VAT identification number from the public authorities in charge of issuing them digitally and without delay. The EU Inc. shall not be required to submit to those public authorities or to the beneficial ownership register a separate application; nor shall it be required to provide them with additional information unless it cannot be retrieved elsewhere and is strictly necessary for the purposes of issuing the VAT identification number.	3. The EU Inc. ***company*** shall obtain the TIN and the VAT identification number from the public authorities in charge of issuing them digitally and without delay. The EU Inc. ***company*** shall not be required to submit to those public authorities or to the beneficial ownership register a separate application; nor shall it be required to provide them with additional information unless it cannot be retrieved elsewhere and is strictly necessary for the purposes of issuing the VAT identification number.

Or. en

Amendment 119

Proposal for a regulation
Article 20 – paragraph 4

Text proposed by the Commission	*Amendment*
4. The business register shall transmit to the public authorities referred to in paragraph 1, automatically and digitally, any changes to the information about the EU Inc. that those public authorities have received in accordance with paragraph 1.	4. The business register shall transmit to the public authorities referred to in paragraph 1, automatically and digitally, any changes to the information about the EU Inc. ***company*** that those public authorities have received in accordance with paragraph 1.

Or. en

Amendment 120

Proposal for a regulation
Article 21 – paragraph 5

Text proposed by the Commission	*Amendment*
5. Creation of an EU Inc. through a cross-border conversion, division or	5. ***Without prejudice to Article 12 of this Regulation, the*** creation of an EU Inc.

merger shall be carried out in accordance with Chapters I, II and IV of Directive (EU) 2017/1132.	***company*** through a cross-border conversion, division or merger shall be carried out in accordance with Chapters **-**I, II and IV ***of Title II*** of Directive (EU) 2017/1132.

Or. en

Amendment 121

Proposal for a regulation
Article 21 – paragraph 6

Text proposed by the Commission	*Amendment*
6. An EU Inc. may change into a national limited liability company in the Member State where it is registered, in accordance with the methods set out in paragraph 1. In case of a domestic operation as referred to in that paragraph, no decision on such an operation can be taken before two years have elapsed since its registration or before the first two sets of its annual accounts have been approved.	6. An EU Inc. may change into a national limited liability company in the Member State where it is registered, in accordance with the methods set out in paragraph 1. In case of a domestic operation as referred to in that paragraph, no decision on such an operation can be taken before two years have elapsed since its registration or before the first two sets of its annual accounts have been approved. ***Where an EU Inc. company is operating under an employee protection system, it shall be obliged to take measures to ensure that employees' participation rights are protected in the event of any change into a national limited liability company for a period of at least four years after the change has taken effect.***

Or. en

Amendment 122

Proposal for a regulation
Article 21 – paragraph 6 a (new)

Text proposed by the Commission	*Amendment*
	6a. An EU Inc. company may become an EU Inc. SO company through

	formation, domestic conversion, domestic merger, domestic division, cross-border conversion, cross-border merger or cross-border division.

Or. en

Amendment 123

Proposal for a regulation
Article 24 – paragraph 1 a (new)

Text proposed by the Commission	*Amendment*
	1a. Electronic filing agents shall act solely as technical intermediaries and shall not certify identity, legal capacity, powers of representation or compliance with legal requirements. Their use shall be without prejudice to any preventive controls, including identity verification and legality checks, required under Union or national law.

Or. en

Amendment 124

Proposal for a regulation
Article 25 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
1. The Member State of registration shall ensure that the following documents and information filed by the EU Inc. in accordance with Article 27 are made publicly accessible in the business register:	1. The Member State of registration shall ensure that the following documents and information filed by the EU Inc. ***company*** in accordance with Article 27 are made publicly accessible in the business register:

Or. en

Amendment 125

Proposal for a regulation
Article 25 – paragraph 1 – point a

Text proposed by the Commission	*Amendment*
(a) the name and legal form of the EU Inc.;	(a) the name and legal form of the EU Inc. ***company***;

Or. en

Amendment 126

Proposal for a regulation
Article 25 – paragraph 1 – point b

Text proposed by the Commission	*Amendment*
(b) the registered office of the EU Inc., composed of street name, street number, postal code and Member State where it is registered;	(b) the registered office of the EU Inc. ***company***, composed of street name, street number, postal code***, mail address*** and Member State where it is registered;

Or. en

Amendment 127

Proposal for a regulation
Article 25 – paragraph 1 – point c

Text proposed by the Commission	*Amendment*
(c) where available, details of the electronic presence of the EU Inc.;	(c) where available, details of the electronic presence of the EU Inc. ***company***;

Or. en

Amendment 128

Proposal for a regulation
Article 25 – paragraph 1 – point d

Text proposed by the Commission	Amendment
(d) the object of the EU Inc., describing its main activity or activities, expressed using the relevant Statistical Classification of Economic Activities in the European Community (NACE) code and, if any, further details on the object or purpose of the EU Inc.	(d) the object of the EU Inc., describing its main activity or activities, expressed using the relevant Statistical Classification of Economic Activities in the European Community (NACE) code and, if any, further details on the object or purpose of the EU Inc. ***company.***

Or. en

Amendment 129

Proposal for a regulation
Article 25 – paragraph 1 – point f – point i

Text proposed by the Commission	Amendment
i. are authorised to represent the EU Inc. in dealings with third parties and in legal proceedings; it shall be apparent from the disclosure whether the persons authorised to represent the EU Inc. may do so individually or are required to act jointly;	i. are authorised to represent the EU Inc. ***company*** in dealings with third parties and in legal proceedings; it shall be apparent from the disclosure whether the persons authorised to represent the EU Inc. ***company*** may do so individually or are required to act jointly;

Or. en

Amendment 130

Proposal for a regulation
Article 25 – paragraph 1 – point h a (new)

Text proposed by the Commission	Amendment
	(ha) the balance sheet and solvency test;

Or. en

Amendment 131

Proposal for a regulation
Article 25 – paragraph 1 a (new)

Text proposed by the Commission	*Amendment*
	1a. Where the EU Inc. company is registered as an EU Inc. SO company, the Member State of registration shall ensure that the following documents and information filed by the EU Inc. SO company in accordance with Article 27 are made publicly accessible in the business register:
	(a) the status as an EU Inc. SO company and the date from which it applies;
	(b) the classes of steward shares and economic shares issued by the EU Inc. SO company and the principal rights and restrictions attached to those classes;
	(c) the stewardship compliance report referred to in Article 8b, paragraph 1;
	(d) the assurance statement referred to in Article 8b, paragraph 4.

Or. en

Amendment 132

Proposal for a regulation
Article 26 – paragraph 1 – point b a (new)

Text proposed by the Commission	*Amendment*
	(ba) the number of employees of the EU Inc. company, including those employed by its branches and subsidiaries, broken down by country, by entity and employment status, including:
	i. full-time and part-time employees,
	ii. employees on permanent and fixed-term or temporary contracts, and
	iii. employees provided through temporary

	work agencies where the EU Inc. company exercises direction over such workers in a manner comparable to direct employment.
	That information shall be updated on a quarterly basis where changes occur.

Or. en

Amendment 133

Proposal for a regulation
Article 27 – paragraph 5 a (new)

Text proposed by the Commission	*Amendment*
	5a. An EU Inc. SO shall file the stewardship compliance report and the assurance statement referred to in Article 8b with the business register within six months after the end of each financial year. Any change to the information referred to in Article 25, paragraph 1a, points (b) and (c), shall be filed without undue delay.

Or. en

Amendment 134

Proposal for a regulation
Article 34 – paragraph 1

Text proposed by the Commission	*Amendment*
After the establishment of the EU central interface as referred to in Article 15, the Commission shall develop it further towards a central digital register for EU Inc. companies. For that purpose, the Commission shall be empowered to adopt implementing acts by [PO: 18 months from the date of application of this Regulation] in accordance with the examination procedure referred to in Article 107 to lay	After the establishment of the EU central interface as referred to in Article 15, the Commission shall develop it further towards a central digital register for EU Inc. companies. For that purpose, the Commission shall be empowered to adopt implementing acts by [PO: 18 months from the date of application of this Regulation] in accordance with the examination procedure referred to in Article 107 to lay

down technical specifications of the central register ***and to provide for optional guided forms and models for EU Inc. companies.***	down technical specifications of the central register.

Or. en

Amendment 135

Proposal for a regulation
Article 35 – paragraph 3 – introductory part

Text proposed by the Commission	*Amendment*
3. The Commission shall***, by means of an implementing act,*** by [PO: the last day of the ***9***th month after the date of entry into force of this Regulation], provide for the following:	3. The Commission shall ***adopt delegated acts, in accordance with Article 106b*** by [PO: the last day of the ***6***th month after the date of entry into force of this Regulation], ***to*** provide for the following:

Or. en

Amendment 136

Proposal for a regulation
Article 39 – paragraph 4 a (new)

Text proposed by the Commission	*Amendment*
	4a. Where the information made available pursuant to paragraph 1 is insufficient for the purpose of establishing employer status or verifying compliance with social security or labour law, the competent authorities may request such additional information that is necessary.

Or. en

Amendment 137

Proposal for a regulation
Article 40 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Information and documents about a branch registered by an EU Inc. which is governed by the law of another Member State shall be publicly available in the business register of the branch in accordance with Article 16 (3) to (6) of Directive (EU) 2017/1132 and through BRIS.	1. Information and documents about a branch registered by an EU Inc. ***company,*** which is governed by the law of another Member State shall be publicly available in the business register of the branch in accordance with Article 16 (3) to (6) of Directive (EU) 2017/1132 and through BRIS.

Or. en

Amendment 138

Proposal for a regulation
Article 40 – paragraph 2 – point a – point iv

Text proposed by the Commission	*Amendment*
iv. the appointment and information about the persons who are authorised to represent the company in dealings with third parties and in legal proceedings as permanent representatives of the company for the activities of the branch, with an indication of the extent of their powers;	iv. the appointment and information about the persons who are authorised to represent the company in dealings with third parties and in legal proceedings as permanent representatives of the company for the activities of the branch, with an indication of the extent of their powers***, as well as their termination of office, if applicable***;

Or. en

Amendment 139

Proposal for a regulation
Article 40 – paragraph 2 – point a – point iv a (new)

Text proposed by the Commission	*Amendment*
	iva. the number of employees of the branch, broken down by employment status, including: ***i. full-time and part-time employees,***

	ii. employees on permanent and fixed-term or temporary contracts, and
	iii. employees provided through temporary work agencies where the EU Inc. company exercises direction over such workers in a manner comparable to direct employment;
	That information shall be updated on a quarterly basis where changes occur.

Or. en

Amendment 140

Proposal for a regulation
Article 41 – paragraph 1

Text proposed by the Commission	*Amendment*
An EU Inc. shall carry out cross-border conversions, divisions and mergers in accordance with Chapters I, II and IV of Directive (EU) 2017/1132.	An EU Inc. shall carry out cross-border conversions, divisions and mergers in accordance with Chapters ***-I,*** I, II and IV ***of Title II*** of Directive (EU) 2017/1132. ***Where an EU Inc. company transfers its registered office to another Member State, Chapter -I of Title II of Directive (EU) 2017/1132 applies mutatis mutandis.***

Or. en

Amendment 141

Proposal for a regulation
Article 41 – paragraph 1 a (new)

Text proposed by the Commission	*Amendment*
	An EU Inc. SO company shall carry out national and cross-border conversions, mergers or divisions only where the new legal entity, the acquiring legal entity or the recipient legal entity offers a comparable separation of control and economic rights as referred to in Article

42(5). An EU Inc. SO company is not permitted to convert into a non-steward-owned EU Inc. company. The Commission shall publish and maintain a list of national legal forms and mechanisms deemed to provide such equivalent guarantees for the purpose of cross-border recognition. An EU Inc. SO company may transfer its assets to a recipient company without observing the safeguards specified in sentence 1, provided that all shares in the recipient company are held by the EU Inc. SO company. An EU Inc. SO company is not permitted to convert into a non-steward-owned EU Inc. company.

Or. en

Amendment 142

Proposal for a regulation
Article 42 – paragraph 3

Text proposed by the Commission	*Amendment*
3. The board of directors may exercise all the powers of the company that are not required, by the applicable rules in accordance with Article ***4***, to be exercised by the general meeting or by another statutory body.	3. The board of directors may exercise all the powers of the company that are not required, by the applicable rules in accordance with Article ***1a***, to be exercised by the general meeting or by another statutory body.

Or. en

Amendment 143

Proposal for a regulation
Article 42 – paragraph 3 a (new)

Text proposed by the Commission	*Amendment*
	3a. In an EU Inc. SO company, only holders of steward shares shall exercise the powers of the general meeting, except

	where this Regulation or the articles of association require a decision, consent or approval of the holders of economic shares for the protection of the rights attached to those economic shares. Such class rights shall not enable holders of economic shares to remove, waive, suspend or circumvent the permanent separation of control rights and economic participation rights.

Or. en

Amendment 144

Proposal for a regulation
Article 42 – paragraph 4

Text proposed by the Commission	*Amendment*
4. The general meeting shall have the power to appoint and dismiss directors at any time and to approve the annual accounts and to exercise other matters specified in this Regulation and in the articles of association. The general meeting may give instructions to the board of directors. Those instructions shall be binding on the board of directors, unless they are contrary to the applicable rules in accordance with Article ***4***.	4. The general meeting shall have the power to appoint and dismiss directors at any time and to approve the annual accounts and to exercise other matters specified in this Regulation and in the articles of association. The general meeting may give instructions to the board of directors. Those instructions shall be binding on the board of directors, unless they are contrary to the applicable rules in accordance with Article ***1a or applicable employee participation rules***.
	The first subparagraph of this paragraph is without prejudice to the rights assigned to a supervisory board where the national law applicable to the relevant national legal form referred to under Article 1a, paragraph 6, designated by the Member States provides for the establishment of a supervisory board or where the articles of association of an EU Inc. company provide for the establishment of a supervisory board.

Or. en

Amendment 145

Proposal for a regulation
Article 44 – paragraph 1 a (new)

Text proposed by the Commission	*Amendment*
	1a. In an EU Inc. SO company, the duty according to paragraph 1 includes the duty to preserve the permanent separation of control rights and economic participation rights and to prevent its circumvention.

Or. en

Amendment 146

Proposal for a regulation
Article 44 – paragraph 2

Text proposed by the Commission	*Amendment*
2. A director shall be liable to the company for any act or omission in breach of a duty deriving from this Regulation, the articles of association or a resolution of the general meeting which causes loss or damage to the company.	2. A director shall be liable to the company for any act or omission in breach of a duty deriving from this Regulation, the articles of association or a resolution of the general meeting**,** which causes loss or damage to the company.

Or. en

Amendment 147

Proposal for a regulation
Article 46 – paragraph 3 a (new)

Text proposed by the Commission	*Amendment*
	3a. This is without prejudice to the rights assigned to a supervisory board where the national law applicable to the relevant national legal form referred to in Article 1a, paragraph 6, designated by the

	Member States provides for the establishment of a supervisory board or where the articles of association of an EU Inc. company provide for the establishment of a supervisory board.

Or. en

Amendment 148

Proposal for a regulation
Article 53 – paragraph 1

Text proposed by the Commission	*Amendment*
1. The shares of the EU Inc. shall be dematerialised and recorded into a digital register of shares. The registration of shares into the digital register of shares shall have constitutive effect and evidence the ownership of the shares.	1. The shares of the EU Inc. shall be dematerialised and recorded into a digital register of shares. The registration of shares into the digital register of shares shall have constitutive effect and evidence the ownership of the shares. ***The digital register of shares shall be accessible through the business register and kept up to date without undue delay.***

Or. en

Amendment 149

Proposal for a regulation
Article 53 – paragraph 2

Text proposed by the Commission	*Amendment*
2. The articles of association may provide that shares are issued, recorded and transferred using distributed ledger technology or other digital solutions.	2. The articles of association may provide that shares are issued, recorded and transferred using distributed ledger technology or other digital solutions. ***The use of distributed ledger technology or other digital solutions shall ensure equivalent levels of legal certainty, traceability and access to ownership information as traditional share registers, including for employee shareholders and competent authorities.***

Or. en

Amendment 150

Proposal for a regulation
Article 54 – paragraph 1 – introductory part

Text proposed by the Commission	*Amendment*
1. Every EU Inc. shall create upon registration and maintain an up-to-date digital register of shares, ensuring the integrity and security of the register, which shall contain at least the following information:	1. Every EU Inc. shall create upon registration and maintain an up-to-date digital register of shares ***accessible through the business register***, ensuring the integrity and security of the register, which shall contain at least the following information:

Or. en

Amendment 151

Proposal for a regulation
Article 54 – paragraph 1 – point a

Text proposed by the Commission	*Amendment*
(a) the identity ***and*** address of all the shareholders;	(a) the identity***, address and email*** address of all the shareholders;

Or. en

Amendment 152

Proposal for a regulation
Article 54 – paragraph 2

Text proposed by the Commission	*Amendment*
2. The digital register of shares shall be accessible to any shareholder and any other interested party with a legitimate interest, in accordance with Regulation (EU) 2016/679.	2. The digital register of shares shall be accessible to any shareholder and any other interested party with a legitimate interest, ***including employees and their representatives and trade unions,*** in accordance with Regulation (EU)

	2016/679.

Or. en

Amendment 153

Proposal for a regulation
Article 55 – paragraph 3 a (new)

Text proposed by the Commission	*Amendment*
	3a. In an EU Inc. SO company the articles of association shall provide for steward shares and may provide for economic shares in accordance with Article 8a.

Or. en

Amendment 154

Proposal for a regulation
Article 56 a (new)

Text proposed by the Commission	*Amendment*
	Article 56a
	Duty of loyalty of shareholders
	1. Shareholders shall exercise their rights and perform their obligations in good faith and with due regard to the legitimate interests of the EU Inc. and of the other shareholders.
	2. The exercise of shareholder rights shall not constitute an abuse of majority or minority position resulting in unfair prejudice to the company or to other shareholders.

Or. en

Amendment 155

Proposal for a regulation
Article 59 – paragraph 5

Text proposed by the Commission	*Amendment*
5. Member States shall not impose any additional formalities, including a requirement for a notarial deed, for the transfer to be legally valid.	5. Member States shall not impose any additional formalities, including a requirement for a notarial deed, for the transfer to be legally valid ***but may provide for the verification of the identity, the legal capacity and the compliance with anti money-laundering requirements***.

Or. en

Amendment 156

Proposal for a regulation
Article 60 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Member States shall ***not prohibit*** an EU Inc. company ***from seeking admission to trading of its shares*** on a multilateral trading facility***, provided that the company complies with the applicable requirements under Union and national laws***.	1. Member States shall ***ensure that the shares of*** an EU Inc. company ***are neither tradable*** on a multilateral trading facility ***nor on a regulated market***.

Or. en

Amendment 157

Proposal for a regulation
Article 60 – paragraph 2

Text proposed by the Commission	*Amendment*
2. An EU Inc. company may seek admission to trading of its shares on a regulated market where Member States provide for that possibility in their national legislation and subject to	***deleted***

compliance with the applicable requirements under Union and national laws.

Or. en

Amendment 158

Proposal for a regulation
Article 65 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Considerations in kind may be contributed to capital***, unless they take the form of an undertaking to perform work or supply services***.	1. Considerations in kind***, including the performance of work or services of an undertaking,*** may be contributed to capital.

Or. en

Amendment 159

Proposal for a regulation
Article 67 – paragraph 7

Text proposed by the Commission	*Amendment*
7. A subscription for new shares shall indicate the subscriber, the share issue decision on which the subscription is based, the shares that are being subscribed for, any consideration to be paid and if any part of the consideration is to be contributed to capital.	7. A subscription for new shares shall indicate the subscriber, the share issue decision on which the subscription is based, the shares that are being subscribed for, any consideration to be paid and if any part of the consideration is to be contributed to capital. ***Member States may provide for the verification of the identity, the legal capacity and the compliance with anti-money laundering requirements.***

Or. en

Amendment 160

Proposal for a regulation
Article 76 – paragraph 7 a (new)

Text proposed by the Commission	*Amendment*
	7a. In an EU Inc. SO company economic shares may be issued only as redeemable shares. The articles of association and the decision on issuance shall specify, for each class of economic shares, the conditions and manner of redemption, the redemption price or the objective basis for determining the redemption price, and any maximum aggregate amount payable in respect of those shares.

Or. en

Amendment 161

Proposal for a regulation
Article 76 – paragraph 7 b (new)

Text proposed by the Commission	*Amendment*
	7b. An EU Inc. SO company shall be entitled to redeem economic shares where the conditions specified in the articles of association have been met. Such conditions shall include at least one objective redemption trigger based on either the expiry of a specified period after issuance of the relevant shares or the payment, in respect of the relevant shares, of an aggregate amount equal to a specified multiple of the consideration provided to the company in exchange for those shares.

Or. en

Amendment 162

Proposal for a regulation
Article 76 – paragraph 7 c (new)

Text proposed by the Commission	*Amendment*
	7c. Redemption of economic shares shall be subject to the safeguards for distributions. Where payment of the redemption price is not permitted because those safeguards are not satisfied, payment of the redemption price shall be deferred until payment is permitted, unless the articles of association provide for cancellation, subordination or another limitation of the unpaid amount.

Or. en

Amendment 163

Proposal for a regulation
Chapter VIII – title

Text proposed by the Commission	*Amendment*
EU EMPLOYEE STOCK OPTION PLAN	EU EMPLOYEE STOCK OPTION ***AND OWNERSHIP*** PLAN

Or. en

Amendment 164

Proposal for a regulation
Article 78 – paragraph 1

Text proposed by the Commission	*Amendment*
1. The company may establish an EU employee stock option plan (EU-ESO) under which it issues warrants to eligible persons.	1. The company may establish an EU employee stock option plan (EU-ESO) under which it issues warrants to eligible persons. ***Participation in such a plan is voluntary for employees and shall be without prejudice to national law and***

collective agreements regarding all components of remuneration and pay, including pensions and social security contributions.

Or. en

Amendment 165

Proposal for a regulation
Article 78 – paragraph 2 a (new)

Text proposed by the Commission	*Amendment*
	2a. An EU-ESO may not be used as a substitute for ordinary remuneration, statutory minimum wages, or pay levels established by collective agreements. Warrants or shares issued under this scheme must be treated as a supplement to, and not a replacement for, cash-based wages and social security contributions. Holding warrants is without prejudice to the exercise of employee participation rights.

Or. en

Amendment 166

Proposal for a regulation
Article 78 – paragraph 2 b (new)

Text proposed by the Commission	*Amendment*
	2b. Employees engaging in an EU-ESO shall be provided with clear and comprehensible information on the specific class of shares granted and the rights attached thereto as well as clear, transparent information regarding the financial risks.

Or. en

Amendment 167

Proposal for a regulation
Article 78 – paragraph 3 – subparagraph 1 a (new)

Text proposed by the Commission	*Amendment*
	The resolution of the general meeting may not exclude voting rights attached to shares that the holder of a warrant acquires.

Or. en

Amendment 168

Proposal for a regulation
Article 78 a (new)

Text proposed by the Commission	*Amendment*
	Article 78a
	EU-ESOP
	1. The EU Inc. company may establish an EU employee stock ownership plan (EU-ESOP), under which it issues shares to eligible persons. Participation in such a plan is voluntary for employees and shall be without prejudice to national law and collective agreements regarding all components of remuneration and pay, including pensions and social security contributions.
	2. Eligibility for shares issued under the EU-ESOP shall be restricted to members of the board and employees of the EU Inc. company and its subsidiaries. Shares under the EU-ESOP shall not be issued to persons who, directly or indirectly, hold shares in the company corresponding to more than 25 per cent of the voting rights or rights in the proceeds of the company or have held such shares in the last 24 months preceding the issuance.

3. Shares under the EU-ESOP may be issued for in-kind consideration in the form of work or services performed, or to be performed, by eligible persons for the company or its subsidiaries.

4. An EU-ESPO may not be used as a substitute for ordinary remuneration, statutory minimum wages, or pay levels established by collective agreements. Shares issued under this scheme must be treated as a supplement to, and not a replacement for, cash-based wages and social security contributions. Holding shares is without prejudice to the exercise of employee participation rights.

5. Employees engaging in an EU-ESOP shall be provided with clear and comprehensible information on the specific class of shares granted and the rights attached thereto as well as clear, transparent information regarding the financial risks.

6. The general meeting shall decide on the establishment of the EU-ESOP. The resolution shall at least set out:

(a) the group of eligible persons;

(b) the maximum number of shares that may be issued under the EU-ESOP;

(c) the extent of the in-kind consideration required for the allocation of a share under the EU-ESOP;

(d) a mandatory vesting period before which the shares may be acquired under the EU-ESOP; the vesting period shall run from the commencement of the relevant work or service contribution;

The resolution of the general meeting may not exclude voting rights attached to shares issued under the EU-ESOP.

7. The board of directors shall be authorised to issue shares under the EU-ESOP and to transfer own shares held in treasury for the purposes of the EU-ESOP.

	8. Existing shareholders shall have no pre-emptive rights on shares issued under the EU-ESOP.

Or. en

Amendment 169

Proposal for a regulation
Article 79 – title

Text proposed by the Commission	*Amendment*
Taxation of warrants under the EU-ESO	Taxation of warrants under the EU-ESO ***and EU-ESOP***

Or. en

Amendment 170

Proposal for a regulation
Article 79 – paragraph 1

Text proposed by the Commission	*Amendment*
1. The provisions of this Article shall apply to warrants issued by the EU Inc. under the EU-ESO as defined in Article 78.	1. The provisions of this Article shall apply to warrants issued by the EU Inc. ***company*** under the EU-ESO as defined in Article 78 ***and to shares issued by the EU Inc. under the EU-ESOP as defined in Article 78a.***

Or. en

Amendment 171

Proposal for a regulation
Article 79 – paragraph 2 a (new)

Text proposed by the Commission	*Amendment*
	2a. The income derived from the shares issued under the EU-ESOP shall

be deemed not to have accrued at the time of the acquisition of shares. It shall be deemed to arise and thus be subject to taxation only at the time when the shares obtained.

Or. en

Amendment 172

Proposal for a regulation
Article 79 – paragraph 3 a (new)

Text proposed by the Commission	*Amendment*
	3a. The income described in paragraph 3 shall be subject to taxation in accordance with national law.

Or. en

Amendment 173

Proposal for a regulation
Article 79 – paragraph 4

Text proposed by the Commission	*Amendment*
4. Member States shall ensure that the warrants issued under EU-ESO and the resulting underlying shares are subject to a tax treatment that is not less favourable than that applicable to other employee stock options or similar instruments under their national law, provided all legal requirements are met.	4. Member States shall ensure that the warrants issued under EU-ESO and the resulting underlying shares ***or the shares issued under EU-ESOP*** are subject to a tax treatment that is not less favourable than that applicable to other employee stock options***, participation schemes*** or similar instruments under their national law, provided all legal requirements are met.

Or. en

Amendment 174

Proposal for a regulation
Article 79 – paragraph 4 a (new)

Text proposed by the Commission	*Amendment*
	4a. For the purposes of social security and pension entitlements, the value of warrants or shares shall not be used to reduce the basis upon which employer and employee social security contributions are calculated.

Or. en

Amendment 175

Proposal for a regulation
Article 81 – paragraph 1 – subparagraph 1 – introductory part

Text proposed by the Commission	*Amendment*
The nullity of an EU Inc. company resulting in its liquidation shall be ordered only by a decision of a court of law on the following grounds:	The nullity of an EU Inc. company resulting in its liquidation shall be ordered only by a decision of a court of law ***and only*** on the following grounds:

Or. en

Amendment 176

Proposal for a regulation
Article 81 – paragraph 1 – subparagraph 1 – point c a (new)

Text proposed by the Commission	*Amendment*
	(ca) the rules of preventive control or the requisite legal formalities were not complied with.

Or. en

Amendment 177

Proposal for a regulation
Article 81 – paragraph 3

Text proposed by the Commission	*Amendment*
3. Nullity shall not of itself affect the validity of any commitments entered into by or with the EU Inc. company, which shall remain enforceable notwithstanding the liquidation.	3. Nullity shall not of itself affect the validity of any commitments entered into by or with the EU Inc. company, which shall remain enforceable notwithstanding the liquidation ***resulting from the decision of nullity, in accordance with national law***.

Or. en

Amendment 178

Proposal for a regulation
Article 83 – paragraph 1 – point c

Text proposed by the Commission	*Amendment*
(c) the EU Inc. has no liabilities;	(c) the EU Inc. has no liabilities***, including contingent and reasonably foreseeable liabilities***;

Or. en

Amendment 179

Proposal for a regulation
Article 83 – paragraph 2 a (new)

Text proposed by the Commission	*Amendment*
	2a. Where during the two years preceding the request for the fast-track liquidation, the EU Inc, company has carried out significant transfers of assets, including intellectual property rights or undergone changes in ownership or control that form part of an arrangement aimed at avoiding liabilities or prejudicing

	creditors, the fast-track liquidation procedure shall not be authorised by the relevant authority.

Or. en

Amendment 180

Proposal for a regulation
Article 83 – paragraph 3

Text proposed by the Commission	*Amendment*
3. Directors shall be personally, and where applicable, jointly and severally liable to creditors for any damage resulting from a false or fraudulent declaration of consent under this Article.	3. Directors shall be personally, and where applicable, jointly and severally liable to creditors for any damage resulting from a false or fraudulent declaration of consent ***of creditors*** under this Article.

Or. en

Amendment 181

Proposal for a regulation
Article 83 – paragraph 5

Text proposed by the Commission	*Amendment*
5. The books and records of the EU Inc. shall be kept for a period of ***six*** years by the person appointed to that effect by the general meeting or by the court.	5. The books and records of the EU Inc. shall be kept for a period of ***ten*** years by the person appointed to that effect by the general meeting or by the court.

Or. en

Amendment 182

Proposal for a regulation
Article 84 – paragraph 2 – point d

Text proposed by the Commission	*Amendment*
(d) the declaration by the appointed	(d) the declaration by the appointed

person referred to in Article 83 (5), authenticated using qualified electronic signatures in accordance with Regulation (EU) No 910/2014, who undertakes to keep the books and records for a period of ***six*** years following the removal of the company from the business register.	person referred to in Article 83 (5), authenticated using qualified electronic signatures in accordance with Regulation (EU) No 910/2014, who undertakes to keep the books and records for a period of ***ten*** years following the removal of the company from the business register.

Or. en

Amendment 183

Proposal for a regulation
Article 85 – paragraph 1 – subparagraph 1

Text proposed by the Commission	*Amendment*
Creditors of the EU Inc. company undergoing the fast-track liquidation procedure may oppose it and require the opening of the ordinary liquidation procedure within ***30 days*** following the disclosure of documents and information referred to in Article 84 (4).	Creditors of the EU Inc. company undergoing the fast-track liquidation procedure may oppose it and require the opening of the ordinary liquidation procedure within ***3 months*** following the disclosure of documents and information referred to in Article 84 (4).

Or. en

Amendment 184

Proposal for a regulation
Article 85 – paragraph 3

Text proposed by the Commission	*Amendment*
3. In case the claims are well founded, the business register shall refuse the opening of the fast-track procedure and inform the EU Inc. company of the reasons for its decision, including the information about the opposing creditors and reasons of their claims.	3. In case the claims are well founded, the ***competent*** business register***, authority or court*** shall refuse the opening of the fast-track procedure and inform the EU Inc. company of the reasons for its decision, including the information about the opposing creditors and reasons of their claims.

Or. en

Amendment 185

Proposal for a regulation
Article 85 – paragraph 4

Text proposed by the Commission	*Amendment*
4. The business register may also take into consideration the objections of creditors which have been submitted after the deadline referred to in paragraph 1 but before the EU Inc. company is removed from the register.	4. The ***competent*** business register***, authority or court*** may also take into consideration the objections of creditors which have been submitted after the deadline referred to in paragraph 1 but before the EU Inc. company is removed from the register.

Or. en

Amendment 186

Proposal for a regulation
Article 85 – paragraph 5 – introductory part

Text proposed by the Commission	*Amendment*
5. The removal of the EU Inc. company from the business register shall not affect the rights of creditors whose claims were ***still under consideration or were*** not submitted during the fast-track procedure. Such creditors may:	5. ***An EU Inc. company may not be removed from the business register as long as claims of creditors are still under consideration.*** The removal of the EU Inc. company from the business register shall not affect the rights of creditors whose claims were not submitted during the fast-track procedure. Such creditors may:

Or. en

Amendment 187

Proposal for a regulation
Article 87 – paragraph 1 – point b

Text proposed by the Commission	*Amendment*
(b) a tax clearance or no objections to the fast-track procedure have been received	(b) a tax clearance or no objections to the fast-track procedure have been received

from the national tax authority pursuant to Article 86.	from the national tax authority ***or any other Member State tax authority*** pursuant to Article 86.

Or. en

Amendment 188

Proposal for a regulation
Chapter X – title

Text proposed by the Commission	*Amendment*
INSOLVENCY PROCEEDINGS WINDING-UP OF INSOLVENT EU INC. COMPANIES THAT ARE ***INNOVATIVE*** STARTUPS	INSOLVENCY PROCEEDINGS WINDING-UP OF INSOLVENT EU INC. COMPANIES THAT ARE STARTUPS

Or. en

Amendment 189

Proposal for a regulation
Article 88 – title

Text proposed by the Commission	*Amendment*
Scope of application of the simplified winding-up ***of EU Inc. innovative startups***	Scope of application of the simplified winding-up ***proceedings***

Or. en

Amendment 190

Proposal for a regulation
Article 88 – paragraph 1

Text proposed by the Commission	*Amendment*
1. This Chapter applies to EU Inc. companies which are ***innovative*** startups.	1. This Chapter applies to EU Inc. companies which are startups ***with less than 20 creditors at the moment of the request for the opening of simplified***

winding-up proceedings.

Or. en

Amendment 191

Proposal for a regulation
Article 88 – paragraph 2

Text proposed by the Commission	*Amendment*
2. For the purposes of this Chapter, ***innovative*** startup means an EU Inc. company ***that fulfils the criteria set out in [PO: reference to Proposal for a Commission Recommendation on the definition of innovative enterprises, startups and high-growth scaleups, C (2026) 1800]***.	2. For the purposes of this Chapter, startup means an EU Inc. company ***as defined in Article 2(1)***.

Or. en

Amendment 192

Proposal for a regulation
Article 88 – paragraph 2 a (new)

Text proposed by the Commission	*Amendment*
	2a. EU Inc. companies that were created through a domestic conversion, merger or division in accordance with Article 21 or through a cross-border conversion, merger or division in accordance with Chapters -I, II and IV of Title II of Directive (EU) 2017/1132, shall not be eligible for the simplified winding-up proceedings provided for in this Chapter, where less than 6 months have elapsed between such an operation and the request for the opening of proceedings in accordance with this Chapter.

Or. en

Amendment 193

Proposal for a regulation
Article 89 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Insolvent EU Inc. ***innovative*** startups may request the opening of simplified winding-up proceedings in accordance with this Chapter.	1. Insolvent EU Inc. startups may request the opening of simplified winding-up proceedings in accordance with this Chapter***, if they have less than 20 creditors at the moment of the request for the opening of simplified winding-up proceedings***.

Or. en

Amendment 194

Proposal for a regulation
Article 89 – paragraph 2

Text proposed by the Commission	*Amendment*
2. An EU Inc. ***innovative*** startup shall be deemed insolvent for the purposes of simplified winding-up proceedings when it is generally unable to pay its debts as they mature. Member States shall set out clear, simple and easily ascertainable conditions under which an EU Inc. ***innovative*** startup is deemed to be generally unable to pay its debts as they mature.	2. An EU Inc. startup shall be deemed insolvent for the purposes of simplified winding-up proceedings when it is generally unable to pay its debts as they mature ***or when its debts exceed its assets***. Member States shall set out clear, simple and easily ascertainable conditions under which an EU Inc. startup is deemed to be generally unable to pay its debts as they mature ***and under which the debt of an EU Inc. startup is deemed to exceed its assets***.

Or. en

Amendment 195

Proposal for a regulation
Article 89 – paragraph 2 a (new)

Text proposed by the Commission	*Amendment*
	2a. The opening and conduct of simplified winding-up proceedings shall not be denied on the ground that the debtor has no assets or its assets are not sufficient to cover the costs of the simplified winding-up proceedings.

Or. en

Amendment 196

Proposal for a regulation
Article 90 – paragraph 2

Text proposed by the Commission	*Amendment*
2. By way of derogation from paragraph 1, the debtor, a creditor or a group of creditors may request that an insolvency practitioner is not appointed ***provided that*** the EU Inc. ***innovative*** startup demonstrates that it has an up-to-date current balance sheet ***and that it*** has submitted its most recent required annual statement to the relevant national authorities.	2. By way of derogation from paragraph 1, the debtor, a creditor or a group of creditors may request that an insolvency practitioner is not appointed***, if the following conditions are met:***
	(a) the EU Inc. startup demonstrates that it has an up-to-date current balance sheet***;***
	(b) the EU Inc. startup has submitted its most recent required annual statement to the relevant national authorities***;***
	(c) the EU Inc. startup has an up-to date accounting system;
	(d) the EU Inc. startup has an asset list;
	(e) the EU Inc. startup has an up-to date list of creditors;
	(f) the EU Inc. startup has met payments on taxes and social security contributions;
	(g) the EU Inc. startup has paid all outstanding wages due at the time of the request;

	(h) where applicable, the EU Inc. startup has complied with its obligations relating to employee information and consultation and participation under the applicable Union and national law.

Or. en

Amendment 197

Proposal for a regulation
Article 90 – paragraph 2 a (new)

Text proposed by the Commission	*Amendment*
	2a. The court or competent authority shall grant the request under paragraph 1, only where it is established that the appointment of an insolvency practitioner is not necessary for the proper conduct of the proceedings or the protection of creditors and employees.

Or. en

Amendment 198

Proposal for a regulation
Article 90 – paragraph 2 b (new)

Text proposed by the Commission	*Amendment*
	2b. The lack of funding by the insolvency estate or by the party that requested the appointment shall not constitute a reason for requesting that an insolvency practitioner is not appointed.

Or. en

Amendment 199

Proposal for a regulation
Article 92 – paragraph 1

Text proposed by the Commission	*Amendment*
1. An insolvent EU Inc. ***innovative*** startup or any creditor of the insolvent EU Inc. ***innovative*** startup can submit a request for the opening of simplified winding-up proceedings to a court or a competent authority.	1. An insolvent EU Inc. startup or any creditor of the insolvent EU Inc. startup can submit a request for the opening of simplified winding-up proceedings to a court or a competent authority.

Or. en

Amendment 200

Proposal for a regulation
Article 92 – paragraph 3 – point a

Text proposed by the Commission	*Amendment*
(a) where an EU Inc. ***innovative*** startup is a legal person, the debtor’s name, registration number, registered office or, if different, postal address;	(a) where an EU Inc. startup is a legal person, the debtor’s name, registration number, registered office or, if different, postal address;

Or. en

Amendment 201

Proposal for a regulation
Article 92 – paragraph 3 – point b

Text proposed by the Commission	*Amendment*
(b) if an EU Inc. ***innovative*** startup is an entrepreneur, the debtor’s name, registration number, if any, and postal address or, where the address is protected, the debtor's place and date of birth;	(b) if an EU Inc. startup is an entrepreneur, the debtor’s name, registration number, if any, and postal address or, where the address is protected, the debtor's place and date of birth;

Or. en

Amendment 202

Proposal for a regulation
Article 92 – paragraph 3 – point b a (new)

Text proposed by the Commission	*Amendment*
	(ba) where the request is submitted by the EU Inc. startup, a brief explanation of the principal causes of the insolvency and of any material circumstances that contributed to the financial difficulties of the company;

Or. en

Amendment 203

Proposal for a regulation
Article 92 – paragraph 3 – point c

Text proposed by the Commission	*Amendment*
(c) a list of the assets of the EU Inc. ***innovative*** startup;	(c) a list of the assets of the EU Inc. startup;

Or. en

Amendment 204

Proposal for a regulation
Article 92 – paragraph 3 – point d

Text proposed by the Commission	*Amendment*
(d) name, address or other contact details of creditors of the EU Inc. ***innovative*** startup, as known at the time of the submission of the request,	(d) name, address or other contact details of creditors of the EU Inc. startup, as known at the time of the submission of the request,

Or. en

Amendment 205

Proposal for a regulation
Article 92 – paragraph 3 – point e

Text proposed by the Commission	*Amendment*
(e) the list of the claims against the EU Inc. ***innovative*** startup and, for each claim, its amount specifying the principal and, where applicable, interest and the date on which it arose and the date on which it became due, if different;	(e) the list of the claims against the EU Inc. startup and, for each claim, its amount specifying the principal and, where applicable, interest and the date on which it arose and the date on which it became due, if different;

Or. en

Amendment 206

Proposal for a regulation
Article 92 – paragraph 3 – point e a (new)

Text proposed by the Commission	*Amendment*
	(ea) a list with all commercial transactions in the period of six months preceding the request for the opening of simplified winding-up proceedings;

Or. en

Amendment 207

Proposal for a regulation
Article 92 – paragraph 3 – point e b (new)

Text proposed by the Commission	*Amendment*
	(eb) the number of employees of the EU Inc. startup, their Member State of employment and details of any outstanding wage, pension or social security claims;

Or. en

Amendment 208

Proposal for a regulation
Article 92 – paragraph 3 – point e c (new)

Text proposed by the Commission	*Amendment*
	(ec) a statement indicating whether, to what extent and in relation to which creditors the EU Inc. startup is in default with obligations arising from employment relationships, pension commitments, tax liabilities, social security contributions or payments due to suppliers;

Or. en

Amendment 209

Proposal for a regulation
Article 92 – paragraph 3 – point e d (new)

Text proposed by the Commission	*Amendment*
	(ed) a declaration by the directors that the information provided in the request is complete and accurate to the best of their knowledge and that no material information relevant to the winding-up proceedings has been omitted;

Or. en

Amendment 210

Proposal for a regulation
Article 92 – paragraph 3 – point e e (new)

Text proposed by the Commission	*Amendment*
	(ee) details of any conversion, merger, division or transfer of registered office carried out during the six months preceeding the request for the opening of

	simplified winding-up proceedings;

Or. en

Amendment 211

Proposal for a regulation
Article 92 – paragraph 3 – point e f (new)

Text proposed by the Commission	*Amendment*
	(ef) where the request is submitted by the EU Inc. startup, information on the available financial resources and any other means by which the costs of the proceedings are expected to be covered;

Or. en

Amendment 212

Proposal for a regulation
Article 92 – paragraph 3 – point e g (new)

Text proposed by the Commission	*Amendment*
	(eg) information on any insolvency proceedings, preventive restructuring proceedings or stays of individual enforcement actions opened in respect of the EU Inc. startup during the three years preceding the request;

Or. en

Amendment 213

Proposal for a regulation
Article 92 – paragraph 3 – point f

Text proposed by the Commission	*Amendment*
(f) if security in rem or a reservation of	(f) if security in rem or a reservation of

title ***is alleged*** in respect of a certain claim and, if so, what assets are covered by the security interest.	title ***exists*** in respect of a certain claim and, if so, what assets are covered by the security interest.

Or. en

Amendment 214

Proposal for a regulation
Article 92 – paragraph 4

Text proposed by the Commission	*Amendment*
4. The Commission shall establish the standard form referred to in paragraph 3 by means of implementing acts by [PO: the last day of the ***24***th month after the date of entry into force of this Regulation]. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 107(3).	4. The Commission shall establish the standard form referred to in paragraph 3 by means of implementing acts by [PO: the last day of the ***6***th month after the date of entry into force of this Regulation]. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 107(3).

Or. en

Amendment 215

Proposal for a regulation
Article 93 – paragraph 1

Text proposed by the Commission	*Amendment*
The court or the competent authority shall, without delay, take a decision on the request for the opening of simplified winding-up proceedings**.** as well as on the request, that an insolvency practitioner is not appointed as referred to in Article 90(2).	The court or the competent authority shall, without delay ***and no later than two weeks following the request***, take a decision on the request for the opening of simplified winding-up proceedings**,** as well as on the request, that an insolvency practitioner is not appointed as referred to in Article 90(2).

Or. en

Amendment 216

Proposal for a regulation
Article 93 – paragraph 1 a (new)

Text proposed by the Commission	*Amendment*
	The court or competent authority may require the debtor to supplement or correct incomplete or inaccurate information submitted pursuant to Article 92 before taking a decision on the opening of the simplified winding-up proceedings. Where the debtor intentionally or negligently provides materially false or misleading information, the court or competent authority may reject the request or appoint an insolvency practitioner notwithstanding Article 90(2).

Or. en

Amendment 217

Proposal for a regulation
Article 94

Text proposed by the Commission	*Amendment*
Article 94	Article 94
Stay of individual enforcement actions	Stay of individual enforcement actions
Debtors shall benefit from a stay of individual enforcement actions by operation of law or upon the decision of the court or the competent authority conducting those proceedings.	***1.*** Debtors shall benefit from a stay of individual enforcement actions by operation of law or upon the decision of the court or the competent authority conducting those proceedings.
	2. The benefit from a stay of individual enforcement actions shall not apply to employees' claims. By way of derogation from the first sentence, Member States may apply the first paragraph to employees' claims if, and to the extent that, Member States ensure that the payment of such claims is guaranteed in preventive restructuring frameworks

	with a level of protection that is at least equivalent to that provided in the absence of a stay.

Or. en

Amendment 218

Proposal for a regulation
Article 95 – paragraph 1

Text proposed by the Commission	*Amendment*
1. When simplified insolvency proceedings are opened, the insolvency practitioner, or in its absence, the debtor, shall prepare a list of creditors and claims.	1. When simplified insolvency proceedings are opened, the insolvency practitioner, or in its absence, the debtor, shall prepare a list of creditors and claims***, including all employees and their outstanding claims for wages, salaries, pensions as well as taxes and, where required under national law, contributions to social security insurances***.

Or. en

Amendment 219

Proposal for a regulation
Article 95 – paragraph 2

Text proposed by the Commission	*Amendment*
2. The insolvency practitioner, or in its absence, the court or the competent authority shall inform all known creditors, by individual notices, of the list referred to in paragraph 1, indicating the time period for raising any objection or concern. The claims against the debtor indicated in the list shall be considered as lodged without any further action from the creditors concerned.	2. The insolvency practitioner, or in its absence, the court or the competent authority shall inform all known creditors, ***including employees and employee representatives, where applicable*** by individual notices, of the list referred to in paragraph 1, indicating the time period for raising any objection or concern. The claims against the debtor indicated in the list shall be considered as lodged without any further action from the creditors concerned.

Or. en

Amendment 220

Proposal for a regulation
Article 95 – paragraph 3

Text proposed by the Commission	*Amendment*
3. Any creditor may lodge claims not contained in the list referred to in paragraph 1 or raise objections or concerns on claims included in the list, within a period set in national law, which shall not exceed ***30*** days counting from the receipt of the individual notice referred to in the paragraph 2 or from the publication of the opening of simplified winding-up proceedings in the insolvency register referred to in Article 24 of Regulation (EU) 2015/848 of the European Parliament and of the Council, whichever is the latest.	3. Any creditor may lodge claims not contained in the list referred to in paragraph 1 or raise objections or concerns on claims included in the list, within a period set in national law, which shall not exceed ***60*** days counting from the receipt of the individual notice referred to in the paragraph 2 or from the publication of the opening of simplified winding-up proceedings in the insolvency register referred to in Article 24 of Regulation (EU) 2015/848 of the European Parliament and of the Council, whichever is the latest.

Or. en

Amendment 221

Proposal for a regulation
Article 95 – paragraph 5

Text proposed by the Commission	*Amendment*
5. The disputed claims shall be dealt with promptly by the court or the competent authority. The court or competent authority may decide to continue the simplified winding-up proceedings with respect to undisputed claims.	5. The disputed claims shall be dealt with promptly by the court or the competent authority. The court or competent authority may decide to continue the simplified winding-up proceedings with respect to undisputed claims. ***A claim shall not be deemed undisputed where the creditor concerned has not received the individual notice referred to in paragraph 2.***

Or. en

Amendment 222

Proposal for a regulation
Article 96 – paragraph 2 – point b

Text proposed by the Commission	*Amendment*
(b) the assets of the insolvency estate are of such a low value that it would not justify the costs or administrative burden involved by their sale and the distribution of the proceeds;	(b) the assets of the insolvency estate are of such a low value***, or are expected to generate a net lower value than the costs of their preservation, administration, decontamination, disposal or sale,*** that it would not justify the costs or administrative burden involved by their sale and the distribution of the proceeds;

Or. en

Amendment 223

Proposal for a regulation
Article 96 – paragraph 3

Text proposed by the Commission	*Amendment*
3. Where the insolvency practitioner proceeds with the realisation of the debtor's assets as referred to in paragraph 1, the insolvency practitioner shall also specify the means of realisation of the assets. For the sale of an asset of the debtor, the insolvency practitioner shall use the electronic auction system referred to in Article 97, unless this is not appropriate in view of the nature of the asset or the circumstances of the proceedings.	3. Where the insolvency practitioner proceeds with the realisation of the debtor's assets as referred to in paragraph 1, the insolvency practitioner shall also specify the means of realisation of the assets. For the sale of an asset of the debtor, the insolvency practitioner shall use the electronic auction system referred to in Article 97, unless this is not appropriate in view of the nature of the asset or the circumstances of the proceedings. ***The insolvency practitioner shall ensure that the method of realisation maximises the value of the insolvency estate.***

Or. en

Amendment 224

Proposal for a regulation
Article 97 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Each Member State shall ensure, by [PO: the last day ***of the 24th month after*** the date of ***entry into force*** of this Regulation] that one or several electronic auction platforms are established and maintained in its territory to be used for the purpose of the sale of the assets of the insolvency estate of the EU Inc. ***innovative*** startup in simplified winding-up proceedings.	1. Each Member State shall ensure, by [PO: the last day ***before*** the date of ***application*** of this Regulation] that one or several electronic auction platforms are established and maintained in its territory to be used for the purpose of the sale of the assets of the insolvency estate of the EU Inc. startup in simplified winding-up proceedings. ***The use of such platforms shall not prevent the use of other methods of sale where these are more appropriate to maximise the value of the insolvency estate.***

Or. en

Amendment 225

Proposal for a regulation
Article 98 – paragraph 1

Text proposed by the Commission	*Amendment*
1. The Commission shall establish a system for the interconnection of the national electronic auction systems as referred to in Article 97 by means of ***implementing*** acts to be adopted by [PO: the last day ***of the 36th month after*** the date of ***entry into force*** of this Regulation]. The system shall be composed of national electronic auction systems interconnected via the European e-Justice Portal, which shall serve as a central electronic access point in the system. The system shall provide, in all the official languages of the Union, information on all auction processes announced in national electronic auction platforms, enable the search among these auction processes and provide	1. The Commission shall establish a system for the interconnection of the national electronic auction systems as referred to in Article 97 by means of ***delegated*** acts to be adopted ***in accordance with Article 106b*** by [PO: the last day ***before*** the date of ***application*** of this Regulation]. The system shall be composed of national electronic auction systems interconnected via the European e-Justice Portal, which shall serve as a central electronic access point in the system. The system shall provide, in all the official languages of the Union, information on all auction processes announced in national electronic auction platforms, enable the search among these auction processes and

hyperlinks leading to the pages of the national systems where offers may be directly submitted.	provide hyperlinks leading to the pages of the national systems where offers may be directly submitted.

Or. en

Amendment 226

Proposal for a regulation
Article 98 – paragraph 2 – introductory part

Text proposed by the Commission	*Amendment*
2. The Commission shall lay down, by means of ***implementing acts***, technical specifications and procedures necessary to provide for the interconnection of Member States' national electronic auction systems, setting out:	2. The Commission shall lay down, by means of ***delegated acts, in accordance with Article 106b***, technical specifications and procedures necessary to provide for the interconnection of Member States' national electronic auction systems, setting out:

Or. en

Amendment 227

Proposal for a regulation
Article 98 – paragraph 3

Text proposed by the Commission	*Amendment*
3. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 107.	***deleted***

Or. en

Amendment 228

Proposal for a regulation
Article 102 – paragraph 2

Text proposed by the Commission	*Amendment*
2. Where the debtor is a legal person, the decision on the closure of the simplified winding-up proceedings shall trigger the relevant measures under national law leading to the dissolution of the legal personality of the EU Inc. ***innovative*** startup.	2. Where the debtor is a legal person, the decision on the closure of the simplified winding-up proceedings shall trigger the relevant measures under national law leading to the dissolution of the legal personality of the EU Inc. startup.

Or. en

Amendment 229

Proposal for a regulation
Article 103 – paragraph 1

Text proposed by the Commission	*Amendment*
1. Unless it is objectively justified and proportionate, Member States shall treat EU Inc. companies no less favourably than other limited liability companies formed in accordance with their national law in any aspect of their activities and operations.	1. Unless it is objectively justified and proportionate, Member States shall treat EU Inc. companies no less favourably than other ***relevant*** limited liability companies ***referred to under Article 1a(4), which were*** formed in accordance with their national law in any aspect of their activities and operations.

Or. en

Amendment 230

Proposal for a regulation
Article 103 – paragraph 2 – point c

Text proposed by the Commission	*Amendment*
(c) the requirement to have a local representative or a physical presence in that Member State in order to complete a procedure necessary to take up or exercise an economic activity or to obtain an authorisation;	***deleted***

Or. en

Amendment 231

Proposal for a regulation
Chapter XI a (new)

Text proposed by the Commission	*Amendment*
	Chapter XIa
	DISPUTE SETTLEMENT
	Article 103a
	Out-of-court dispute settlement
	1. In matters relating to an EU Inc. company, other companies that have a business relationship with an EU Inc. company and the EU Inc. company shall have access to out-of-court dispute settlement for disputes between business partners with the exception of disputes relating to employee participation.
	2. Both parties shall engage, in good faith, with the selected certified out-of-court dispute settlement body with a view to resolving the dispute. Participation in the out-of-court dispute settlement does not prevent the parties from exercising their right of access to the judicial system.
	3. Member States shall ensure that EU Inc. companies and other companies that have a business relationship with an EU Inc. company have access to effective, impartial and expeditious out-of-court dispute settlement mechanisms carried out by a certified out-of-court settlement body.
	4. Member States shall, for a maximum period of five years, which may be renewed, certify the body, at its request, where the body has demonstrated that it meets all of the following conditions:
	(a) it is impartial and independent, including financially independent;

(b) it has the necessary expertise in relation to the issues arising in corporate law, allowing the body to contribute effectively to the settlement of a dispute;

(c) its members are remunerated in a way that is not linked to the outcome of the procedure;

(d) the out-of-court dispute settlement that it offers is easily accessible through electronic communications technology, provides for the possibility to initiate the dispute settlement and to submit the requisite supporting documents online, and provides for the possibility to conduct proceedings digitally;

(e) the body accepts and is capable of conducting both domestic and cross-border disputes;

(f) it is capable of settling disputes in a swift, where appropriate, providing for accelerated procedures, efficient and cost-effective manner and in English language in addition to at least one of the official languages of the institutions of the Union;

(g) the out-of-court dispute settlement that it offers takes place in accordance with clear and fair rules of procedure that are easily and publicly accessible, and that comply with applicable law.

Certified out-of-court dispute settlement bodies shall make their decisions available to the parties within a reasonable period of time and no later than 90 calendar days after the receipt of the complaint. In the case of highly complex disputes, the certified out-of-court dispute settlement body may, at its own discretion, extend the 90 calendar day period for an additional period that shall not exceed 90 days, resulting in a maximum total duration of 180 days. Certified out-of-court dispute settlement bodies communicate the decision and all relevant information to the EU central digital platform where it is made publicly

available.

5. The Member State authority that has certified an out-of-court dispute settlement body shall revoke that certification, if it determines, following an investigation either on its own initiative or on the basis of the information received by third parties, that the out-of-court dispute settlement body no longer meets the conditions set out in paragraph 4. Before revoking that certification, the Member State authority shall afford that body an opportunity to react to the findings of its investigation and its intention to revoke the out-of-court dispute settlement body's certification.

6. Member States shall provide clear information on fees, costs, and, where possible, financial assistance in relation to out-of-court dispute settlement mechanisms.

7. This Article is without prejudice to Directive 2013/11/EU and alternative dispute resolution procedures and entities for consumers established under that Directive.

Article 103b

Judicial dispute settlement

1. Member States shall be encouraged to designate courts, chambers or panels competent for disputes on matters relating to an EU Inc. company with the exception of disputes relating to employee participation.

2. By … [the date of application of this Regulation], the Commission shall issue guidance addressed to Member States concerning judicial dispute settlement on matters relating to EU Inc. companies. The guidance may, in particular, invite Member States to provide for specific procedural arrangements or short deadlines for judicial proceedings involving EU Inc. companies, including proceedings related to digital case management, allowing for electronic

filing, case tracking, and virtual hearings, and handling the cases in English language.

3. The guidance referred to in paragraph 2 may ensure that competent judicial authorities receive specialised and continuous training on Union company law and on the application of this Regulation, as well as a training on improvement of linguistic skills. It may encourage, under the responsibility of the Commission, the organisation of regular meetings between judges in order to discuss developments in company law in relation to this Regulation, to ensure the consistency of its application and foster the exchange of best practices.

4. Member States shall be encouraged to regularly inform the Commission of measures taken in response to the guidance, referred to in paragraph 2.

5. The guidance referred to in paragraph 2 shall respect the independence of the judiciary and the procedural autonomy of Member States.

Article 103c

Public data base on Union and national case law relating to EU Inc. companies

1. Member States shall publish, in an easily accessible and electronic format, any final judgment delivered by their national courts in relation to proceedings launched pursuant to this Regulation. The publication of such a judgment shall be carried out in accordance with national law.

2. The Commission shall set up and maintain an easily accessible and publicly available database containing the judgments referred to in paragraph 1, as well as references to relevant judgments delivered by the Court of Justice of the European Union.

3. The public database shall be accessible via the central digital platform set up by

	the Commission pursuant to Article 103d.

Or. en

Amendment 232

Proposal for a regulation
Chapter XI b (new)

Text proposed by the Commission	*Amendment*
	Chapter XIb
	EU INC. DIGITAL PLATFORM
	Article 103d
	EU Inc. digital platform
	1. The Commission shall set up and maintain an open access EU Inc. digital platform with easily accessible and publicly available information for companies, investors and other relevant stakeholders including trade unions, academia and legal practitioners. For that purpose, the Commission shall be empowered to adopt implementing acts by … [PO: the last day of the 6th month after the date of entry into force of this Regulation], in accordance with the examination procedure referred to in Article 107 to lay down technical specifications of the EU Inc. digital platform.
	2. The EU Inc. digital platform shall be interoperable with, and connected to the e-Justice portal, BRIS and the EU central interface, referred to in Article 15.
	3. The Commission shall make available electronically in all official languages of the Union information and practical guidance on the rules applicable to EU Inc. companies, including the relevant national law for each national legal form referred to in Article 1a(4) in each Member State, accompanied by:

(a) step-by-step registration tutorials;

(b) information on available out-of-court dispute settlement mechanisms and judicial dispute settlement mechanisms;

(c) information on financing and investment opportunities.

4. The digital platform shall be interoperable with and include the public database on Union and national case law relating to EU Inc. companies, referred to in Article 103a. The Commission shall ensure the availability of high-quality machine translation tools and develop an AI-powered search and analysis tool as well as a notification system for updates to national laws affecting EU Inc. companies.

Or. en

Amendment 233

Proposal for a regulation
Article 106 – paragraph 1 – point d a (new)

Text proposed by the Commission	*Amendment*
	(da) the abuse of the EU Inc. legal form for the purpose of evading obligations under Union or national law relating to statutory or collectively agreed wages, social security contributions, taxation or other mandatory employment protections;

Or. en

Amendment 234

Proposal for a regulation
Article 106 – paragraph 1 – point d b (new)

Text proposed by the Commission	*Amendment*
	(db) the artificial arrangement of corporate structures, including the creation of letterbox companies or fragmentation of entities into chains, employment relationships, workforce allocation or the location of the registered office, central administration or principal place of business for the purpose of avoiding or circumventing board-level employee participation, representation, or information and consultation rights under Union or national law;

Or. en

Amendment 235

Proposal for a regulation
Article 106 – paragraph 1 – point d c (new)

Text proposed by the Commission	*Amendment*
	(dc) the provision of false, incomplete or misleading information concerning the number, location or status of employees where such information is relevant for determining employee participation rights or obligations under Union or national labour and social security law;

Or. en

Amendment 236

Proposal for a regulation
Article 106 – paragraph 1 – point d d (new)

Text proposed by the Commission	*Amendment*
	(dd) a failure to establish, maintain, update or comply with employee participation arrangements required

under this Regulation or under the applicable national law designated by this Regulation;

Or. en

Amendment 237

Proposal for a regulation
Article 106 – paragraph 1 – point d e (new)

Text proposed by the Commission	*Amendment*
	(de) the use of EU-ESO or EU-ESOP programmes or any other remuneration arrangements, for the purpose of substituting ordinary remuneration, evading obligations relating to wages, social security contributions or taxation, driving remuneration below statutory or collectively agreed levels, or otherwise or otherwise circumventing obligations relating to employee protection under Union or national law;

Or. en

Amendment 238

Proposal for a regulation
Article 106 – paragraph 2 a (new)

Text proposed by the Commission	*Amendment*
	2a. Where a final administrative or judicial decision has established a serious or repeated breach of any of the obligations referred to in this Article, Member States shall ensure that the EU Inc. company, its founders, directors and, where applicable, legal persons exercising control over the EU Inc. company are ineligible to establish a new EU Inc. company under this Regulation. In cases of serious or repeated infringements,

Member States shall ensure that competent authorities have the power to withdraw the EU Inc. status and require the company to convert into a national legal form or to undergo ordinary winding-up proceedings.

Or. en

Amendment 239

Proposal for a regulation
Article 106 – paragraph 2 b (new)

Text proposed by the Commission	*Amendment*
	2b. Where strictly necessary to prevent harm from activities listed under paragraph 1, Member States shall ensure that competent authorities and courts may order interim measures, injunctions and, where appropriate, remedial measures.

Or. en

Amendment 240

Proposal for a regulation
Article 106 a (new)

Text proposed by the Commission	*Amendment*
	Article 106a
	Prevention of abuse and circumvention
	1. An EU Inc. company shall not be used for abusive or fraudulent purposes or for the circumvention of rights, obligations or safeguards laid down by Union or national law.
	In particular, an EU Inc. company shall not be used in a manner that undermines the rights and interests of employees, creditors and minority shareholders

Text proposed by the Commission	Amendment
	protected under Union or national law.
	2. An EU Inc. shall not be used for the purpose of depriving employees of, or denying them, rights of board-level employee participation.
	The use prohibited by the first subparagraph shall be deemed to exist where the number of employees in a Member State exceeds a national threshold for board-level employee participation and an equivalent level of participation is not provided for in the EU Inc. Where employee participation rights have been circumvented in breach of this Article, the national rules on employee participation of the Member State whose national threshold has been exceeded shall apply mutatis mutandis.
	3. Where the national thresholds of more than one Member State have been exceeded, the national rules providing for the highest proportion of employee representatives shall apply.

Or. en

Amendment 241

Proposal for a regulation
Article 106 b (new)

Text proposed by the Commission	*Amendment*
	Article 106b
	Exercise of the delegation
	1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.
	2. The power to adopt delegated acts referred to in this Article shall be conferred on the Commission for a period of five years from the date of entry into force of this Regulation. The Commission shall draw up a report in respect of the

delegation of power not later than nine months before the end of the five-year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period.

3. The delegation of power referred to in Articles 1a, 7, 8, 34, 35 and 98 may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or on a later date specified therein. It shall not affect the validity of any delegated acts already in force.

4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement on Better Law-Making of 13 April 2016.

5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.

6. A delegated act adopted pursuant to this Article shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of 3 months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by 3 months at the initiative of the European Parliament or of the Council.

Or. en

Amendment 242

Proposal for a regulation
Article 108 – paragraph 1 – subparagraph 1

Text proposed by the Commission	*Amendment*
The Commission shall, by [PO: the date ***five*** years after the date of application of this Regulation], carry out an evaluation of this Regulation and present a report on the main findings to the European Parliament, the Council and the European Economic and Social Committee. Member States shall provide the Commission with the information necessary for the preparation of the report.	The Commission shall, by [PO: the date ***three*** years after the date of application of this Regulation], carry out an evaluation of this Regulation and present a report on the main findings to the European Parliament, the Council and the European Economic and Social Committee. Member States shall provide the Commission with the information necessary for the preparation of the report.

Or. en

Amendment 243

Proposal for a regulation
Article 108 – paragraph 1 – subparagraph 2

Text proposed by the Commission	*Amendment*
The report of the Commission shall in particular evaluate ***the take up*** of the EU Inc. ***new*** legal form, ***how the*** EU Inc. companies were formed and ***how many were created through the EU central interface and with*** harmonised templates.	The report of the Commission shall in particular evaluate***:***
	(a) the uptake of the ***new*** EU Inc. ***and EU Inc. SO*** legal form, ***including the number of*** EU Inc. ***and EU Inc. SO*** companies ***that were created, how they*** were formed and ***the extent to which the*** harmonised templates ***for standard articles of association have been used;***
	(b) the extent to which the EU Inc. legal form has facilitated the establishment, cross-border scaling and operation of innovative and growth-oriented companies within the internal market;

(c) whether the list of economic activities set out in Annex II remains appropriate to ensure the EU Inc. legal form remains targeted at innovative and growth oriented companies and at the same time prevents the misuse of the corporate form;

(d) the application and effectiveness of the provisions on board-level employee participation rights, in particular:

i. the interaction between the employee involvement regime established by this Regulation and national systems of employee participation rules;

ii. whether the Regulation has led to regulatory arbitrage, circumvention of employee participation rules, or artificial fragmentation of undertakings or groups for the purpose of avoiding employee participation-related obligations;

(e) the extent to which the Regulation has improved access to finance for EU Inc. companies, including through venture capital, institutional investors and other sources of financing;

(f) whether the Regulation has reduced legal, administrative and compliance costs for companies operating across borders;

(g) the application of Article 103c on the public data base on Union and national case law relating to EU Inc. companies, in particular:

i. the functioning of the database;

ii. the number of judgements published by each Member State, as well as the number of judgements relating to EU Inc. companies delivered by the Court of Justice of the European Union, made available through the database;

iii. whether the database could be extended to cover European company law in a more systematic manner;

iv. the extent to which the database contributes to the transparency, accessibility and uniform interpretation

	and application of this Regulation throughout the Union.
	(h) the functionality and content of the EU Inc. digital platform.
	Where appropriate, the report referred to in the first subparagraph shall be accompanied by one or more legislative proposals. Such proposals may, in particular, provide for:
	- the establishment of a European Company Law Observatory, to provide open-access and comparable information on the business regulation in the Member States, in all official languages of the Union;
	- a harmonised framework for equity-like debt instruments enabling investors to provide long-term capital to companies without acquiring ownership or control rights, including insolvency rules linked to those instruments.

Or. en

Amendment 244

Proposal for a regulation
Article 108 – paragraph 2

Text proposed by the Commission	*Amendment*
2. Every ***five*** years from [PO: the date ***five*** years after the date of application of this Regulation], the Commission shall review the amount referred to in Article 16(2) in line with the harmonised index of consumer prices (HICP) established pursuant to Regulation (EU) 2016/792 of the European Parliament and of the Council.	2. Every ***two*** years from [PO: the date ***three*** years after the date of application of this Regulation], the Commission shall review the amount referred to in Article 16(2) in line with the harmonised index of consumer prices (HICP) established pursuant to Regulation (EU) 2016/792 of the European Parliament and of the Council.

Or. en

Amendment 245

Proposal for a regulation
Annex I – title

Text proposed by the Commission	*Amendment*
ANNEX	ANNEX ***I***

Or. en

Amendment 246

Proposal for a regulation
Annex I a (new)

Text proposed by the Commission	*Amendment*
	ANNEX Ia
	List of economic activities excluded from the scope of this Regulation
	List of economic activities that are considered unlikely to develop a new or improved product, service or process that significantly differs from previous iterations and is made available to potential users, expressed using the relevant Statistical Classification of Economic Activities in the European Community (NACE) code:
	1. Construction
	2. Cleaning activities
	3. Hospitality services
	4. Freight transport by road
	5. Residential care activities
	6. Processing and preserving of meat and production of meat products
	7. Investigation and security activities

Or. en

EXPLANATORY STATEMENT

Europe's competitiveness rests on its capacity to innovate. This begins with public investment through a strong and autonomous Horizon programme, but the path from research on ideas to the marketability of those ideas depends equally on structural conditions that Europe has so far failed to provide in full as well as its capacity to attract private investment. The Union needs an open and supportive environment for startups and sufficient venture capital for scaleups. It needs protection against unfair competition from third countries, and it needs to be shielded against the involuntary transfer of innovation funded by European public money to third countries. Unlocking the potential of the internal market for startups and scaleups is therefore crucial. Creating a pan-European corporate form for startups and scaleups gives Europe the opportunity to create a seal of quality for innovators, for high-skilled workers and for investors. EU Inc. has to become this seal of quality. This requires legal certainty for the newly created company form, it requires automatic recognition and unified standards, it requires digital procedures, and it requires the right balance between the liberalisation and safeguards for public interests – especially for labour and for social rights.

Choice of the Legal Base

The legal base for the proposal chosen by the Commission tests the limits of Union's competences. It is questionable whether the creation of a corporate form is the right occasion to do so as the choice of the legal base raises important questions of legal certainty for companies choosing to opt-in to the legal form. While the ambition of the proposal is to be welcomed, its legal design warrants careful scrutiny. In this regard, it should be noted that the Parliaments INL had previously proposed a fully harmonising directive based on Article 114 TFEU in conjunction with Article 50 TFEU, allowing for qualified majority voting and reflecting established practice in the harmonisation of European company law. Article 50 TFEU, as a *lex specialis*, provides for the use of directives. The Commission, by contrast, chose Article 114 TFEU as the sole legal basis, in order to avoid both unanimity under Article 352 TFEU and to enable the adoption of a regulation. This represents a significant departure from previous approaches to European company law harmonisation. The Commission fails to explain how it bases a company law proposal exclusively on Article 114(1) TFEU although this legal base is explicitly subordinate to any more specific legal base in the Treaties such as Article 50 TFEU. In light of the time constraints set by the EU institutions, the rapporteur has not proposed changes to the legal basis at this stage but wishes to raise his concerns.

Scope

The rapporteur's draft report builds on the conviction that European competitiveness and the European social dimension are mutually reinforcing. The objective of this draft report is therefore to create a corporate framework that combines digital and fast company formation, simplicity investment with trust, responsible corporate governance, strong and effective social safeguards.

A new article on scope has been created, replacing the previous Article 4 of the proposal. This article not only clarifies the relationship between the regulation, the company's articles of association and mandatory national law, but also points to the law applicable to individual employment contracts and clarifies that the regulation may not reduce workers' rights or protections, including the rights to strike, to collective bargaining and to collective action in accordance with national law or practice. In line with the purpose of the regulation to create a legal framework for innovative companies without furthering to legally ambiguous notions such as 'innovative' the new article provides that an EU Inc. company may not be established where its object is an economic activity listed in a new Annex II of the Regulation. This annex lists activities considered unlikely to develop a new or improved product, service or process that significantly differs from previous iterations, made available to potential users.

Strengthening Preventive Control

The report keeps the ambition supporting fully digital incorporation through a central European interface and harmonised application forms, registration within two working days and a maximum registration fee of EUR 100. In order to increase the public's trust in the corporate form the report places particular emphasis on strengthening preventive legality control. Competent authorities should verify the identity and legal capacity of applicants, the authenticity and reliability of the information submitted and, where appropriate, compliance with anti-money laundering requirements before registration. By combining digitalisation with robust preventive safeguards, the EU Inc. will become an example for a fast and unbureaucratic creation of a company, but also a trusted European corporate label providing for legal certainty for founders, investors, employees and public authorities.

Country-of-Origin Principle and Safeguards

The Commission proposal introduces a far-reaching country-of-origin principle, according to which alle matters not governed by this Regulation or the EU Inc.'s articles of association are subject to the national law of the place of registration. This proposal goes beyond the case law of the CJEU on the freedom of establishment, which allows for limitations of the country-of-origin principle, if it is necessary and proportionate to achieve mandatory requirements of general interest. An unlimited country-of-origin principle invites forum shopping and thereby creates the risk for the EU Inc. company to attract the circumvention of national protection standards. If the EU Inc. becomes known in its first months of existence as a vehicle for circumvention rather than high-quality innovation, it will fail to deliver on its promise to become an EU seal of quality. In order to limit the negative effects of the country-of-origin principle without undermining its effectiveness for innovative startups and scaleups, the draft report suggests limiting the principle to company law matters and to introduce a clearly defined selective opening towards a different connecting factor for matters relating to employee participation rights. The rules applicable for board-level employee participation rights should follow the place of employment of the employees. Where an EU Inc. company employs workers in several Member States, the highest level of protection should apply. Where it is not possible to determine which national employee participation regime applies, the report provides for a modified negotiation procedure, modelled on the framework applicable to the European Company (SE), to establish appropriate participation arrangements.

Employee Financial Participation and Voluntary Steward Ownership

Building on this approach, the report also strengthens the framework for employee ownership as an important driver of innovation, entrepreneurship and long-term value creation. The proposed Employee Stock Options (ESOs) are complemented by Employee Stock Ownership Plans (ESOPs. These instruments have become key tools for startups and scaleups to attract, retain and motivate talent, while allowing employees to share in the value they help create. The report makes clear that these plans complement and do not (even partly) replace fair wages, pensions or social security contributions.

In order to give founders a variety of options how to organise their company, the draft report introduces a voluntary steward-owned EU Inc. - ‘EU Inc. SO’. Steward ownership is an innovative governance model reflecting a broader understanding of competitiveness, based on resilience, long-term investment and sustainable value creation. It enables founders to preserve the purpose and independence of their companies while protecting them from short-term pressures and hostile takeovers. By expanding the range of governance options under the new corporate framework, the report equips innovative companies with additional tools for sustainable growth and strengthens Europe’s ability to retain talent, technology and innovative firms within the Union.

A Simplified Insolvency Regime for Startups

The rapporteur acknowledges the added value of simplified and fast insolvency procedures for startups in order to complete the capital market union and therefore improve the EU Inc.’s access to venture capital. The scope must then not be legally ambiguous. The draft report therefore deletes the reference of ‘innovative’, whilst it keeps the limitation to startups and adds the criterion of a maximum number of creditors. Access to those procedures may not be made dependent upon the company's ability to cover the costs of such proceedings. Appropriate creditor protection remains essential throughout the process, which is to be ensured by the mandatory appointment of an insolvency practitioner, as a general rule.

Dispute Resolution

Fast and high-quality conflict resolution is key for the success of the new corporate framework, as can be observed with the Delaware Inc. model. In order to enable a similar effect for EU Inc. companies the report introduces an out-of-court dispute resolution mechanism for business-to-business conflicts involving an EU Inc. company. Moreover, the report encourages Member States to designate specialised judicial chambers or courts possessing expertise in matters relating to EU Inc. companies. These measures are complemented by the creation of a publicly accessible database of EU Inc. related judgments and a European information platform providing practical guidance on the operation of EU Inc. companies.

ANNEX: DECLARATION OF INPUT

Pursuant to Article 8 of Annex I to the Rules of Procedure, the rapporteur declares that he received input from the following entities or persons in the preparation of the draft report:

Entity and/or person
Accountancy Europe – Transparency Register: 4713568401-18
Allied For Startups asbl – Transparency Register: 490631396665634665118544-37
Arise Innovations – Transparency Register: 5150166104319-45
Association Europe Finances Régulations – Transparency Register: 030862195184-34
Association Europe-Finances-Régulations (AEFR) – Transparency Register: 030862195184-34
Association pour l'Unification du Droit des affaires en Europe – Transparency Register: 490631396665-19
Bertelsmann Stiftung – Transparency Register: 13571025706-27
Bitkom e.V. – Transparency Register: 5351830264-31
Bpifrance – Transparency Register: 950921712127-74
Bundesanzeiger Verlag GmbH
Bundesarbeitskammer Österreich – Transparency Register: 23869471911-54
Bundesnotarkammer – Transparency Register: 74591581960-65
Bundesrechtsanwaltskammer – Transparency Register: 25412265365-88
Bundesverband der Deutschen Industrie e.V. – Transparency Register: 1771817758-48
Bundesverband der Deutschen Volksbanken und Raiffeisenbanken – Transparency Register: 22330076571-75
Bundesverband der Freien Berufe e.V. (BFB) – Transparency Register: 8116814461-28
Bundesverband der Unternehmen der Künstlichen Intelligenz in Deutschland e.V. – Transparency Register: 133804793067-58
Bundesverband deutscher Banken e.V. – Transparency Register: 0764199368-97
Bundesvereinigung der Deutschen Arbeitgeberverbände e.V. – Transparency Register: 7749519702-29
Business Angels Deutschland (BAND) e.V.
BusinessEurope – Transparency Register: 3978240953-79
CCI France – Transparency Register: 569014231604-54
Center for European Policy Analysis (CEPA) – Transparency Register: 265813852170-91
CENTR - Council of European Top Level Domain Registries – Transparency Register: 980834014781-65
Colegio de Registradores de España – Transparency Register: 405772926495-36
COMPASS NGO Croatia
CONFCOMMERCIO - IMPRESE PER L'ITALIA – Transparency Register: 04877777421-88
Confédération des Petites et Moyennes Entreprises (CPME) – Transparency Register: 74081206759-11
Confederation of European Security Services – Transparency Register: 61991787780-18
Conference of European Schools for Advanced Engineering Education and Research – Transparency Register: 484959115993-15
Conseil des Notariats de l'Union Européenne (CNUE) – Transparency Register: 98885666486-72
CONSEIL NATIONAL DES GREFFIERS DES TRIBUNAUX DE COMMERCE – Transparency Register: 124979252649-28
Consejo General del Notariado (Spanish General Council of Notaries)
Corporate & Recovery.Legal
Council of Bars and Law Societies of Europe – Transparency Register: 4760969620-65
Critical Software

Danish Trade Union Confederation – Transparency Register: 805838518601-52
Délégation des Barreaux de France – Transparency Register: 0118191795-12
Deutsche Börse AG – Transparency Register: 20884001341-42
Deutsche Industrie- und Handelskammer (DIHK) – Transparency Register: 22400601191-42
Deutsche Sozialversicherung Europavertretung (DSV) – Transparency Register: 917393784-31
Deutscher Anwaltverein (German Bar Association) – Transparency Register: 87980341522-66
Deutscher Gewerkschaftsbund (DGB) – Transparency Register: 07595112423-87
Deutscher Steuerberaterverband e.V. – Transparency Register: 845551111047-04
Deutsches Aktieninstitut – Transparency Register: 38064081304-25
Die Deutsche Kreditwirtschaft – Transparency Register: 52646912360-95
DIGITALEUROPE – Transparency Register: 64270747023-20
EQT Group – Transparency Register: 372830552142-82
EU Inc Petition – Transparency Register: 848536795849-82
Eumedion – Transparency Register: 65641341034-11
EUROCHAMBRES Association of European Chambers of Commerce and Industry – Transparency Register: 0014082722-83
Euronext – Transparency Register: 17804464809-28
European Banking Federation – Transparency Register: 4722660838-23
European Business Register Association (EBRA)
European Central Bank
European Commission
European Committee of the Regions
European Confederation of Directors' Associations (ecoDa) – Transparency Register: 37854527418-86
European DIGITAL SME Alliance – Transparency Register: 082698126468-52
European Economic and Social Committee
EUROPEAN FEDERATION OF BUILDING AND WOODWORKERS – Transparency Register: 57745478360-42
European Federation of Food, Agriculture and Tourism Trade Unions (EFFAT) – Transparency Register: 33130841043-14
European Fund and Asset Management Association (EFAMA) – Transparency Register: 3373670692-24
European Law Institute (ELI) – Transparency Register: 455458212010-50
European Savings and Retail Banking Group – Transparency Register: 8765978796-80
European Startup Network ivzw (ESN) – Transparency Register: 568027349084-26
European Trade Union Confederation (ETUC) – Transparency Register: 06698681039-26
European Trade Union Institute (ETUI) – Transparency Register: 521878025223-22
EuropeanIssuers – Transparency Register: 20935778703-23
Fagbevægelsens Hovedorganisation – Transparency Register: 18082924076-29
Federation of European Business Information Services – Transparency Register: 825169522150-13
France Digitale – Transparency Register: 479234015862-06
FRANCE FINTECH – Transparency Register: 324920598018-04
Global Legal Entity Identifier Foundation – Transparency Register: 660337819709-62
H/Advisors – Transparency Register: 217097995171-59
Hans-Böckler-Stiftung – Transparency Register: 957887652130-79
Industrie- und Handelskammer für München und Oberbayern – Transparency Register: 974367836943-09
Industriegewerkschaft Metall – Transparency Register: 757195013270-80
International Corporate Governance Network (ICGN) – Transparency Register: 058512095859-77
Invest Europe – Transparency Register: 60975211600-74
Jacques Delors Friends of Europe Foundation – Transparency Register: 9950955102015-11

Kamer van Koophandel Nederland – Transparency Register: 254902496827-41
Kreditschutzverband von 1870 – Transparency Register: 680714550341-40
Ministerium der Justiz und für Migration Baden-Württemberg
Ministerium für Wirtschaft, Handwerk und Tourismus Baden-Württemberg
Nordic Financial Unions – Transparency Register: 4129929362-47
Notarrechtliches Zentrum Familienunternehmen
Österreichische Notariatskammer – Transparency Register: 6475183729-37
Österreichischer Rechtsanwaltskammertag – Transparency Register: 29642463540-93
Quantum Scouts ApS
Radically Open Security
Regulatory Communication – Transparency Register: 785976617848-15
Sage Group – Transparency Register: 086894649381-50
Second Economic Transformation (2ET)
SME United – Transparency Register: 55820581197-35
Social Entrepreneurship Netzwerk Deutschland e.V. – Transparency Register: 292766292395-61
Start-Up Linity
Startup Portugal (Magellan Circle) – Transparency Register: 2939128100578-29
Stiftung Verantwortungseigentum e.V. – Transparency Register: 202064594750-82
Stripe, Inc. – Transparency Register: 389356530261-76
Sustainable Finance Lab (FINEXUS) – Transparency Register: 118453295368-28
Svaz průmyslu a dopravy ČR (Confederation of Industry of the Czech Republic) – Transparency Register: 785320514128-81
Unioncamere Europa asb – Transparency Register: l11122676364-50
VDMA e.V. – Transparency Register: 9765362691-45
Verband Insolvenzverwalter und Sachwalter Deutschlands e.V. – Transparency Register: 962426013632-68
Vereinte Dienstleistungsgewerkschaft (ver.di) – Transparency Register: 16178359495-57
Vereniging VNO-NCW – Transparency Register: 13255254129-80
Vertretung des Landes Nordrhein-Westfalen bei der Europäischen Union
Vertretung des Saarlandes bei der Europäischen Union
Zentralverband des Deutschen Handwerks e.V. (ZDH) – Transparency Register: 5189667783-94
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Prof. mr. dr.Matthijs de Jongh, Erasmus University

The list above is drawn up under the exclusive responsibility of the rapporteur.
Where natural persons are identified in the list by their name, by their function or by both, the rapporteur declares that he has submitted to the concerned natural persons the European Parliament's Data Protection Notice No 484 (https://www.europarl.europa.eu/data-protect/index.do), which sets out the conditions applicable to the processing of their personal data and the rights linked to that processing.

The rapporteur has included in the legislative footprint both input he has received in writing and meetings he or his team has held. The meetings with interest representatives are published in line with the Rules of Procedure of the European Parliament and can be retrieved in the legislative observatory.