

# Corporate Law in Germany

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# Corporate Law in Germany

by

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Mark Greene

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## Preface

When we discussed the scope of the first edition of this book in 2001, we focused on a translation of the most important German corporate law statutes into (American) English. In addition, we intended to provide an overview of major principles of German corporate law in order to facilitate access to the statutes.

It quickly became apparent that we would have to concentrate on the most important statutes, namely the Limited Liability Company Act (*Gesetz betreffend die Gesellschaften mit beschränkter Haftung – GmbHG*) and the Stock Corporation Act (*Aktiengesetz – AktG*). Apart from providing a translation as direct and precise as possible, our primary goal was to use terminology consistently as used throughout both statutes.

We quickly discovered that describing only the major principles of the Limited Liability Company Act and the Stock Corporation Act in isolation is almost impossible. Accordingly, the “Introduction” took on more and more the character of a real description of most of the aspects of those complex statutes.

Where appropriate, we use charts to summarize certain topics. We have also attached a glossary of some of the most important legal terms in both English and German.

The second edition took into account the many changes to the Limited Liability Company Act and the Stock Corporation Act as well as the case law, in particular the Act on the Modernization of the Law of Limited Liability Companies and the Prevention of Misuse (*Gesetz zur Modernisierung des GmbH-Rechts und zur Bekämpfung von Missbräuchen – MoMiG*), which significantly changed the law on Limited Liability Companies, and the amendments to the law on stock corporations, in particular the Shareholders’ Rights Act (*Gesetz zur Umsetzung der Aktionärsrechterichtlinie – ARUG*) and the Act on the Appropriateness of the Remuneration of the Management Board (*Gesetz zur Angemessenheit der Vorstandsvergütung – VorstAG*).

The third edition included changes in the laws of the limited liability company and the stock corporation due to changes in statutory law, to wit the Act for the Equal Participation of Women and Men in Leadership Positions in the Private and Public Sector (*Gesetz für die gleichberechtigte Teilhabe von Frauen und Männern an Führungspositionen in der Privatwirtschaft und im öffentlichen Dienst – FüPoG*), the Accounting Directive Implementation Act (*Bilanzrichtlinie-Umsetzungsgesetz – BilRUG*), the Audit Law Reform Act (*Abschlussprüfungsreformgesetz – AReG*) and the Stock Corporation Law Amendment 2016 (*Gesetz zur Änderung des Aktiengesetzes – Aktienrechtsnovelle 2016*).

This fourth edition incorporates the latest amendments to the Limited Liability Company Act and the Stock Corporation Act by way of the Financial Market Integrity Strengthening Act (*Finanzmarktintegritätsstärkungsgesetz – FISG*), the Act to Supplement and Amend the Regulations for the Equal Participation of Women in Leadership Positions in the Private and Public Sector (*Gesetz zur Ergänzung und Änderung der Regelungen für die gleichberechtigte Teilhabe von Frauen an Führungspositionen in der Privatwirtschaft und im öffentlichen Dienst – FüPoG II*) and the Act on the Implementation of the Digitalization Directive (*Gesetz zur Umsetzung der Digitalisierungsrichtlinie – DiRUG*). Furthermore, the Stock Corporation Act has changed significantly as a result of the Second Shareholders’ Rights Act (*Gesetz zur Umsetzung der zweiten Aktionärsrechterichtlinie – ARUG II*).

*Preface*

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July 2023

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