DOING BUSINESS IN Australia

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**Business Structures:**
What types of business structures are permitted?

**Sole trader:** An individual typically conducting a small business with a limited amount of capital investment.

**Partnership:** 2 or more individuals or entities carrying on business together with a view to sharing profits. Each partner is jointly and separately liable for the liabilities of the partnership business.

**Joint venture:** Similar to a partnership but usually established for a particular project. Joint ventures may be unincorporated or incorporated.

**Trust:** Trading trusts are widely used in Australia and are commonly a form of unit trust where the equity interests are units, which are similar to but distinct from shares in a company. Most trading trusts will have a proprietary limited company as its trustee.

**Foreign company:** A foreign company may apply to the Australian Securities & Investments Commission (ASIC), the body that regulates Australian corporations, to be registered in Australia as a foreign company. Foreign companies may apply for listing as publicly traded entities. Almost invariably such a listing would occur on the Australian Securities Exchange (ASX), which is the primary securities exchange in Australia.

Public company limited by shares: these companies have issued shares. A public company does not have a limit on its number of shareholders. It must have a registered office in Australia and at least 3 directors and at least 1 company secretary. Two of the directors and the secretary must ordinarily reside in Australia. Public companies are permitted to raise funds from the public, subject to certain disclosure and compliance requirements being met. A public company may be listed on ASX. A public company is typically identified by the suffix "Limited" or the abbreviation "Ltd".

Proprietary company limited by shares: this is the most common type of company in Australia. A proprietary limited company may, if it chooses, have just one corporate or individual shareholder holding 1 issued share. At the other end of the spectrum it can have no more than 50 non-employee shareholders plus additional employee shareholders. Proprietary limited companies are not able to engage in public fundraising activities. It must have a registered office in Australia and at least 1 director who ordinarily resides in Australia. A proprietary limited company is typically identified by the suffix "Pty Limited" or "Pty Ltd".

Subject to some foreign investment regulation (see the section below on foreign investment), there is little regulation in Australia preventing ownership of Australian business interests by foreign citizens, either directly or through interposed Australian companies or trading trusts. Most foreign citizens will establish an Australian business presence by acquiring the equity interests in an Australian company or by acquiring the business assets which they will hold either directly or through an Australian company which they establish and own.
**Taxation:** Briefly explain the country’s tax regime including rates and how rates differ based on business structures.

Income Tax including Capital Gains Tax (CGT)
Australia currently imposes income tax on the net income (i.e. gross income less allowable deductions for expenses) plus realised capital gains of all business entities and individuals. In most circumstances the taxable amount of a capital gain for an asset held for more than 12 months is calculated on 50% of the gain, except if an asset is owned by a company in which case no 50% discount is available. These taxes, along with most major business taxes, are collected by the Australian Government through the Australian Tax Office (ATO).

Foreign residents are subject to Capital Gains Tax (CGT) in Australia, generally where a capital gain is made on certain specified assets. The specified assets are referred to as “taxable Australian property.”

Broadly this means direct or indirect interests in land in Australia, and business assets of an Australian permanent establishment. For land acquisitions in Australia by non-residents, prior specific tax advice should be obtained about the appropriate structure.

An important development in this area has been the introduction of a CGT withholding regime for contracts entered into for the disposal of Australian real property by foreign tax residents with a market value of $750,000 (AUD) or more. The broad effect of the regime is to require purchasers to withhold 12.5% of the purchase price and remit this amount to the ATO in the absence of receiving a clearance certificate from the ATO. The clearance certificate can only be obtained by Australian tax residents to whom the withholding obligation does not apply.

**Australian Tax Residency**
A company will be considered an Australian resident for taxation purposes if it is:
- Incorporate in Australia, or
- If not incorporated in Australia, carries on business in Australia and has either its central management or control in Australia, or it is controlled by Australian resident shareholders.

Non-resident companies, trusts, and individuals are subject to Australian income tax on Australian-sourced income. Different taxation implications may arise in relation to dividend, interest, and certain royalty income and where a double tax agreement (DTA) (if one exists) between Australia and the relevant foreign jurisdiction provides otherwise. Australia has DTAs with many countries in order to avoid double taxation and evasion. Where the provisions of those treaties conflict with the Australian Income Tax Assessment Act, the provisions of the treaties generally prevail.

**Withholding taxes**
Withholding tax is imposed on certain payments from Australia to a foreign entity and is levied on the full amount of dividends, interest, and certain royalties payable to non-residents at the following general rates:
- Dividends: 15% for most treaty countries and 30% for non-treaty countries, except for dividends that are fully franked (i.e. generally have borne tax) in Australia which are not subject to withholding tax.
- Interest: 10% on the gross amount of interest paid (i.e. without deducting expenses incurred in deriving that interest, etc.). With some exceptions, this rate is unaffected by Australia’s DTAs.
- Royalties: 15% for most treaty countries and 30% for non-treaty countries.
Financial year end and tax rates
The rates of income tax for various taxpayers are as follows:
- Companies (standard rate): resident and non-resident companies which are not small business entities or base rate entities (see below) are subject to a flat 30% tax rate.
- Companies ("small business entities"): from 1 July 2016, companies that were "small business entities" with an aggregated turnover (comprising the annual turnover of the company and certain associated entities) of less than AUD10 million became subject to a reduced corporate tax rate of 27.5%.
- Companies ("base rate entities"): from 1 July 2017, companies with an aggregated turnover (comprising the annual turnover of the company and certain associated entities) of less than AUD25 million also become subject to a reduced corporate tax rate of 27.5%. From 1 July 2018, the aggregated turnover to qualify as a base rate entity will be increased to AUD50 million.
- Resident Individuals: marginal tax rates apply to individuals depending on their taxable income and from the year commencing 1 July 2017 range from a low of 0% for taxable income of AUD18,200 or less to a high of 45% for taxable incomes above AUD180,000.

Other Taxes
Stamp Duty/Transfer Duty: is payable to State and Territory Governments on a variety of documents and transactions. The stamp duty regimes vary between each jurisdiction and duty rates may be up to 7% of the value of an asset. Foreign buyers are also now subject to an additional duty surcharge on acquisitions of residential land in New South Wales, Victoria and Queensland at rates of 4%, 7% and 3% respectively. From 1 January 2018, a 7% surcharge will also be payable by foreign buyers of residential land in South Australia.

Immigration: Summarize immigration laws, including visas available for foreign employees.
Australia’s Federal Department of Immigration and Border Protection (DIBP) administers immigration to Australia. There are various visa options available for business travel to Australia. The appropriate type of visa will depend on the intended purpose and length of stay. Some visa options include:
- Short term business visas for visits to Australia for up to three months without the right to work in Australia;
- Temporary Skill Shortage (TSS) visa – note that the previous subclass 457 visa (the Temporary Long Stay Visa) has been abolished and replaced by this Temporary Skill Shortage (TSS) visa. The final stages of these changes took place in March 2018.
- Employer Nomination Scheme visas for migration to Australia on a permanent basis (subclasses 186).

Foreign Investment Review and Issues: Does the government review and approve foreign investments? What factors are considered?
Australia has a screening process for foreign investments. The Foreign Investment Review Board (FIRB) screens investments and makes recommendations to the Government. Proposals are rarely blocked, except for some acquisition proposals, or where the proposal is contrary to the national interest.

The process for obtaining approval of a proposal is to lodge a notification in the prescribed form with FIRB and pay the applicable fee. Fees are in the region of 1% for residential land applications and a lower percentage, also referable to value, for other applications.

The Treasurer has a statutory obligation to decide whether to block a Proposal within 30 days, and a further 10 days to notify the applicant. In practice notice of approval or rejection is given by FIRB. FIRB may and often does extend the timeframe for notifying approval or rejection of a Proposal.
<table>
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<tr>
<th>Dealing with the Government: Identify major issues when dealing with local and federal governments.</th>
<th>Generally there are no special difficulties when dealing with local and federal governments. Australian authorities will usually attempt to find a compromise in difficult approval cases. Mergers and acquisitions may require government approval under the Competition and Consumer Act where there is likely to be an adverse impact on market competition resulting from the transaction. Transactions in a number of industries require a range of government approvals.</th>
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<tr>
<td>Dispute Resolution and Court Systems: Summarize the court system, including the use of juries and arbitration.</td>
<td>Australia has a sophisticated court system which reflects Australia’s constitutional structure as a federation. Each of Australia’s 6 States and 2 Territories has its own State or Territory Supreme Court and inferior courts. The Commonwealth of Australia also has courts including the High Court of Australia, the Federal Court of Australia and the Family Court of Australia. The High Court of Australia is the highest court of appeal for Australian cases and is the court of first instance for determination of disputes concerning the Commonwealth constitution. Australia’s legal system is a common law system, operating on principles derived originally from English law. Most areas of business, however, are also regulated by Commonwealth, State and/or Territory statutes. State and Territory courts are able to exercise Commonwealth jurisdiction in some areas. Since some State/Territory courts can exercise Commonwealth and State/Territory jurisdiction, the choice of the most suitable court in which to initiate litigation can be an important tactical decision. The States and Territories also have civil administrative tribunals which exercise a range of jurisdictions covering matters such as administrative law, planning, building, consumer disputes, some employment related disputes and some debt claims. Juries are used only in criminal trials and sometimes in defamation trials.</td>
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<td>Foreign Corrupt Practices: What are the anti-corruption, anti-bribery and economic sanction laws which impact doing business in the country?</td>
<td>Australia is a signatory to the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions. The essence of the Convention is to encourage each signatory state to enact legislation necessary to criminalise the bribing of foreign public officials. Australia adopted the Convention in 1999. The relevant legislative provisions are in the Criminal Code Amendment (Bribery of Foreign Public Officials) Act 1999 (Cth), often referred to as the Bribery Act. <strong>Bribery of Foreign Public Officials</strong> The Code provides that a person (which includes a body corporate) is guilty of an offence if that person: -Promises, provides or causes to provide or offer a benefit; -Which is not legitimately due; -With the intention of influencing another person, which may be a foreign public official; -In order to obtain or retain business or a business advantage that is not legitimately due. The person will be guilty of an offence even if the other person is not a foreign official. All that is needed to trigger the provision is an intention to influence a foreign official. Contravention by an individual is punishable by imprisonment for not more than 10 years and/or a fine not more than 10,000 penalty units (AUD2,100,000 at the date of this article). Contravention by a corporation can result in serious fines which in some cases may be determined by reference to corporate gains or turnover. Individuals and corporations must ensure they comply with the Division when transacting business or proposing to deal with foreign officials. Companies will be liable for the actions of their overseas employees and also potentially their agents.</td>
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### Types of transaction: How may businesses combine?
The most common forms of business combination include joint venture, merger and acquisition, takeover or scheme of arrangement.

### Competition Law: How do laws impact competition?
Competition is regulated the Australian Competition and Consumer Commission (ACCC) under the Competition and Consumer Act 2010 (Cth). These laws ensure protection of consumers and promotes fair trading and competition in trade and commerce.

### Employment Relations: Briefly summarize major laws impacting employment and employee relations.
In Australia, the terms of an individual's employment are not limited to their employment contract. Common law principles, legislation, industrial instruments (such as Modern Awards or Enterprise Agreements) and decisions of industrial tribunals and Courts all regulate the employment relationship. Employment matters are governed by both state and federal legislation. Industrial tribunals are set up in each state (as well as federally) to regulate this legislation. Since 1 January 2010, the predominant industrial relations system has been the federal one, with a system of Modern Awards and 10 National Employment Standards (NES) that regulate the minimum terms and conditions of virtually all private sector employees. The NES comprise of 10 minimum employment standards that must be complied with in all circumstances. The NES cover hours of work, flexible working arrangements, paid and unpaid leave (including parental leave, annual leave, personal/carer’s leave, compassionate leave and community service leave), public holidays, notice of termination (generally and on redundancy) and information to be provided to an employee at the commencement of their employment.

Modern Awards cover a broad spectrum of industries and occupations, but only apply to employees whose duties are covered by the work classifications in a particular Modern Award. It is possible to vary the application of the terms of a Modern Award either through an Individual Flexibility Agreement (with one employee) or an Enterprise Agreement (with all employees or a particular group of employees).

In addition to the statutory regime, all employees are covered by a contract of employment. A contract of employment can be oral or written (however for certainty, written contracts are strongly recommended) and are made up of a combination of express and implied terms. While a contract of employment cannot override the statutory conditions, additional provisions may be included in a contract of employment to protect the employer.

State and federal legislation prohibits a wide variety of discrimination, bullying and sexual harassment in employment. The legislation also covers a range of other contractual relationships including contractors, the provision of goods and services and education. This is a complex and highly litigated area of law. State and federal occupational health and safety legislation also imposes a duty upon employers to provide a safe work environment and to ensure the health and safety of employees, contractors, members of the public and volunteers. Australia has enacted protective legislation with respect to persons injured at work. State and federal legislation requires employers to maintain workers’ compensation insurance for employees and other workers (including some contractors) who are deemed employees for the purposes of the legislation. The insurance is intended to cover the cost of compensating an employee who is injured at work. Employers must make compulsory superannuation (which is similar to a pension fund) contributions on behalf of their employees.
| Statutes and regulations: What are the main laws and regulations governing business combinations? | Business combinations that may have a substantial impact on competition in a market may be regulated by the Competition and Consumer Act 2010 (Cth). The Corporations Act 2001 (Cth) is the primary legislation governing corporations and managed investment schemes but there are also State based statutes governing incorporated associations. Public ASX listed companies must also comply with the Australian Securities Exchange (ASX) Listing Rules. The Foreign Acquisitions and Takeovers Act 1975 (Cth) regulates certain acquisitions by foreign entities and is administered by the Foreign Investment Review Board (FIRB). Foreign buyers may in some circumstances need to seek prior approval of the FIRB before proceeding with a transaction. The Takeovers Panel is given powers under the Corporations Act 2001 (Cth) to make decisions on mergers and acquisitions. The Panel may declare circumstances unacceptable in relation to a takeover or the control of an Australian company or a listed management investment scheme. |
| Governing Law: What law typically governs the transaction agreements? | The choice of the law governing a transaction and the forum or jurisdiction in which a dispute is to be conducted and the method of dispute resolution are most often determined by agreement between the parties. In some limited cases, a particular Australian law or forum may be mandated by applicable law or a court may accept jurisdiction even if contrary to the terms of the relevant contract. |
| Filings & Fees: Which government or stock exchange filings are necessary in connection with a business combination? Are there stamp taxes or other government fees payable in connection with a business combination? | The ACCC charges a fee of AUD25,000 for a merger authorisation application. FIRB charges fees on applications for approval of transactions as mentioned above. ASX charges fees for a company that wants to list or is listed on ASX. Some States and Territories charge stamp duty on particular types of transactions and land and business purchases but several jurisdictions have or are in the process of phasing out stamp duties on many types of transactions. Notification to ASIC must be given in a range of transactions that involve the issue or acquisition of shares in a company. Registration of instruments affecting land are required to be filed at State and Territory Lands Titles Offices (LTO). |
| Information to be Disclosed: What information must be made public in a business combination? Does this depend on the structure used? | Applications for ACCC merger authorisations must be put on a public register. Therefore if an application and supporting documents contain confidential information, both a public version and confidential version of the application must be provided. Exclusion of large portions of information from the public register may inhibit the application process, because this may limit ACCC’s ability to test the information publically. Transactions involving ASX listed companies will usually require advice to the public via announcements on the ASX platform that is available to all. FIRB decisions are published. Details of transactions between individuals or private companies are, in general terms, not usually published under any official disclosure requirement. However, transactions involving interests in land will be available on LTO public registers. |
### Disclosure of substantial shareholdings
What are the disclosure requirements for owners of large shareholdings in a company?
Are the requirements affected if the company is a party to a business combination?

A person must provide a substantial holding notice if, in relation to an entity that is a listed company, listed registered managed investment scheme or a listed body incorporated or formed in Australia, the person begins to have a substantial shareholding, or has a substantial shareholding which changes by at least 1%, or makes a takeover bid for securities of the listed entity. A substantial shareholding exists if a person, together with their associates, have relevant interests in voting shares or interests carrying 5% of more total votes. Substantial shareholding notices are published to the public by ASX on its Announcements Platform.

In a takeover bid, even if the bidder and its associates have relevant interests in voting shares or interests of less than 5% total, the bidder must provide substantial holding notices disclosing when there is a change in its holding of 1% or more throughout the bid period. Bidders are also subject to ongoing disclosure requirements if they become aware that a misleading and deceptive statement or omission has been made, or a new circumstance arises that is material from the point of view of target holders. Target security holders and directors must have sufficient information from the bid to be able to assess its merits.

### Duties of directors and controlling shareholders
What duties do the directors or managers of a company owe to the company’s shareholders, creditors and other stakeholders in connection with a business combination? Do controlling shareholders have similar duties?

Directors have statutory and common law duties to act in the best interests of the company’s shareholders generally. In certain situations disclosures regarding transactions must be made to shareholders and directors must ensure in those cases, adequate disclosure is made.

Various statues impose a range of duties on directors in connection with business transactions. Those duties may be owed to shareholders, creditors, government entities and other interested parties.

Generally, shareholders do not owe duties to other parties but an exception is that shareholders cannot act in a way that is unfair, oppressive or prejudicial in respect of other (usually minority) shareholders.

A shareholder that is making a takeover bid or proposing a scheme of arrangement to acquire a company has a substantial range of duties to the other shareholders in the context of the transaction.

### Approval and appraisal rights
What approval rights do shareholders have over business combinations? Do shareholders have appraisal or similar rights in business combinations?

In most cases where a company proposes to dispose of all or a substantial proportion of its assets or to substantially change the nature of its business, the directors will need to seek the approval of shareholders. For ASX listed companies, there will be ASX compliance obligations.

### Hostile transactions
What are the special considerations for unsolicited transactions?

In any takeover bid, including a hostile bid, the Australian Takeovers Panel has jurisdiction to determine if action is taken by the bidder, the target or a third party that amounts to ‘unacceptable circumstances’. An example is if the target takes action that is intended to or has the effect of improperly frustrating the bid. The Takeovers Panel has a range of orders it can make to remedy such a situation. A hostile takeover bidder must be prepared to buy the target company relying on publically available information, which may not be extensive. The bidder cannot compel the target to allow the bidder to conduct due diligence on the target before the bid is launched.
A break fee is not capped in Australian law, but is only generally acceptable if it does not exceed 1% of the equity value of the target company. The equity value is the combined value of all classes of equity securities issued by the target company, with regard to the value of the consideration under the bid at the date the bid is announced.

Break fees that coerce or pressure the decision of the target’s shareholders to complete a takeover proposal are unlikely to be accepted.

Simply because a target company may have entered into the break fee in good faith in the best interests of the company (for example where a company agrees to a break fee with a bidder that proposes a rescue package for the target company) may not be adequate to avoid a declaration that the break fee is unacceptable. This is because the primary concern is the effect of the break fee, not the reasons or intention underlying a company’s decision to enter into the arrangement.

In limited cases, it may be appropriate for the 1% guideline to apply to a company’s enterprise value rather than equity value, for example where the target company is highly geared. In any case, where a break fee is in excess of 1% of equity value, the party seeking to justify the break fee must show that the fee is not anti-competitive or coercive.

Certain ‘lock-up’ devices such as ‘no-shop agreements’, ‘no-talk restriction’ and ‘no-due diligence restriction’ can be used to protect deals from third party bidders and are not in the first instance unacceptable. The Takeovers Panel has published guidance on what are likely to be acceptable terms of lock up devices. However, the substance and effect of a lock-up device may be challenged. The period of restraint in any of these devices must be limited and reasonable.

The main ways in which the Australian government agencies may influence or restrict business combinations is through FIRB (as set out above) and the Australian competition law.

Although there are no mandatory pre-merger notification requirements in Australian competition law, parties are encouraged to notify the Australian Competition and Consumer Commission (ACCC) through an informal process about purported mergers that may raise competition concerns. A formal application may be lodged after consulting with ACCC, who will then assess the validity of the application. ACCC conduct market inquiries, invite submissions from interested parties and may ask for further information from the applicant. 30 days after the ACCC receives a valid application for an overseas merger authorisation, ACCC will issue a determination. Otherwise it is taken that ACCC have refused authorisation. This time period can be extended by application.

Business combinations may be prohibited if they are likely to have the effect of substantially lessening competition in any market under the Competition and Consumer Act 2010 (Cth). However, mergers or acquisitions which would otherwise be prohibited may be approved in advance if parties can show a public benefit likely to outweigh any anti-competitive detriment in connection with the merger.

Contraventions of this prohibition can result in the ACCC pursuing injunctions to prevent the combination, or penalties and divestiture orders for completed transactions.
## Conditional offers: What conditions to a tender offer, exchange offer or other form of business combination are allowed? In a cash acquisition, may the financing be conditional?

Offers made under a market bid must be unconditional. However, conditional offers may be made off-market. Certain conditions in an off-market bid are prohibited by ss 626 – 629 of the Corporations Act 2001 (Cth). These prohibited conditions include maximum acceptance provisions, discriminatory conditions, conditions requiring payments to officers of target, and conditions turning on the bidder’s or an associate’s opinion. Some “defeating conditions” may be included in an off-market bid under s 630 of the Corporations Act 2001 (Cth).

## Financing: If a buyer needs to obtain financing for a transaction, how is this dealt with in the transaction documents? What are the typical obligations of the seller to assist in the buyer’s financing?

In off-market transactions the parties may agree that the transaction is conditional on finance being obtained by the buyer. If finance is a conditional precedent to the transaction, then both parties typically must use their best endeavours to satisfy the condition. Typically the assistance required by the seller is the sharing of the target’s financial and other information with the financier so that the financier can undertake due diligence.

Sometimes the seller (particularly in management buy-out transactions) may finance part of the purchase price by providing the buyer with vendor finance. In such cases the seller will usually seek security over the buyer and/or the target.

Where the target is to provide its assets as security for the finance being obtained by the buyer, shareholder approval is required pursuant to the financial assistance provisions under 260A of the Corporations Act 2001 (Cth). Such approval would be a condition precedent in the transaction documents.

## Minority squeeze-out: May minority stockholders be squeezed out? If so, what steps must be taken and what is the time frame for the process?

Expropriation of minority shares may only be accepted if the power to do so is exercised for a proper purpose and its exercise will not operate oppressively on its minority shareholders. Taxation advantages and administrative benefits that might have resulted from a minority squeeze-out do not constitute a proper purpose for the expropriation of a minority shareholder’s shares.

Remedies are available to minority shareholders who have been aggrieved by defensive target board strategy in a takeover under s 232 of the Corporations Act 2001 (Cth).

## Cross-border transactions: How are cross-border transactions structured? Do specific laws and regulations apply to cross-border transactions?

The main legislation governing cross border transactions within Australia is Commonwealth legislation which applies to all States and Territories. For example, Corporations Act 2001 (Cth), Competition and Consumer Act 2010 (Cth), Foreign Acquisitions and Takeovers Act 1975 (Cth) all apply nationally.

Each State and Territory of Australia will have its own legislation regarding issues such as stamp duty, land transfers, leasing, liquor licensing, partnerships, trusts, planning and development, pollution and containainment and to a certain extent employment so such legislation does need to be considering when structuring a cross border transaction within Australia.
### Waiting or notification periods:
Other than as set forth in the competition laws, what are the relevant waiting or notification periods for completing business combinations?

Depending on nature of the transaction, the applicable law and agreed conditions precedent there may be number of waiting or notification periods applicable to the transaction.

### Sector-specific rules:
Are companies in specific industries subject to additional regulations and statutes?

In Australia there are sector specific regulations, including for:
- Accommodation and food services
- Administrative support services industry
- Arts and recreation services industry
- Building and construction industry
- Financial and insurance services industry
- Fisheries industry
- Forestry industry
- Information media and telecommunications industry
- Manufacturing industry
- National construction code
- Professional, scientific & technical services industry
- Rental, hiring and real estate services industry
- Retail & wholesale industry
- Tourism industry
- Transport, postal & warehousing industry

Facts sheets for each of these sectors and the corresponding regulations and legislation can be found on the Australian Government website: https://www.business.gov.au/info/plan-and-start/develop-your-business-plans/industry-research

### Tax issues:
What basic tax issues are involved in business combinations?

Please the Taxation section above.

### Labor and employee benefits:
What is the basic regulatory framework governing labour and employee benefits in a business combination?

There are no specific employment regulations relating to business combinations. Please see the Employee Relations section above.

### Restructuring, bankruptcy or receivership:
What are the special considerations for business combinations involving a target company that is in bankruptcy or receivership or engaged in a similar restructuring?

Where a company is in administration, liquidation or receivership any party wishing to enter into an arrangement with the distressed company will need to deal with the insolvency practitioner (ie an administrator, liquidator or receiver) who has control of the company’s affairs / assets during the administration, liquidation or receivership.

In circumstances where a company is purchasing the business of or assets from a distressed company the company and/or appointed insolvency practitioner will give very limited warranties regarding the business or assets being purchased (or even no warranties at all).
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<th><strong>Anti-corruption and sanctions</strong>: What are the anti-corruption, anti-bribery and economic sanctions considerations in connection with business combinations?</th>
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<tr>
<td>There are no specific anti-corruption or bribery provisions in respect of business combinations. Please see the Foreign Corrupt Practices section above.</td>
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