

Mergers and acquisitions

In situations where two or more previously independent companies merge, acquire or divest, or where they create a joint venture, the legal department should be consulted to check the applicable competition law.

— SURVEILLANCE

Competition authorities monitor these operations as they may disrupt competition across a market by creating or strengthening a dominant position.

Above certain turnover thresholds, it is necessary to notify the relevant Competition Authorities to obtain prior authorization for the implementation of these activities.

Failure to notify can lead to fines and reversal of the decision to merge, acquire or divest.

— DO

- ✓ — Inform and collaborate with the Legal Department before any key decision is taken regarding mergers and acquisitions
- ✓ — Evaluate the competition risks relating to the targeted company (current or previous litigations, fines, penalties, or former merger and acquisition authorizations granted to the target company, and copies of any previous merger and acquisition or divestment operations, etc.),
- ✓ — Notify the competent Competition Authorities prior to any divestment or acquisition operation over predetermined turnover thresholds.
- ✓ — Respect commitments with the Competition Authorities.

— DON'T

X — Start a merger, acquisition or divestment process without involving the Legal Department

X — Disclose or give access to sensitive information during the due diligence process prior to a merger, acquisition or divestment without prior authorization from the Legal Department

X — In the event of notification to a competition authority, exchange sensitive information before formal approval by that authority