

Vistra Advisory Services: Cross-Border M&A Support



Buyers spend trillions of dollars every year on mergers and acquisitions, and international transactions in particular are dramatically increasing. Buyers must beware, however, that while cross-border deals are popular, they're generally more complex than domestic ones. A buyer must contend with unfamiliar legislation, language barriers, cultural differences and other challenges, all while under tight deadlines.

If you're acquiring a portion of another business abroad or purchasing an entire going concern, you may need to establish a legal entity to support your local activities. If you're inheriting transferred employees or hiring new ones, you'll need to run a payroll and fulfill local employer obligations, which may vary significantly from those in the US. You may also have to comply with a collective bargaining agreement (CBA). And you may even inherit liabilities that aren't mentioned in transferred employment contracts, such as the carryover of annual leave or holiday bonuses.

Vistra's Solution

Vistra has extensive experience helping organizations understand and fulfill their compliance obligations when engaging in a cross-border M&A deal. For over a decade, our onboarding team has worked with companies to create and implement clear, effective project plans that ensure all cross-border M&A deadlines are met, from establishing a legal entity to running your first payroll.

We also have a team of advisors that will work with you to understand your unique situation and risk tolerance. We'll give you all the information you need to understand your HR obligations in the target country once the deal goes through. We'll also make recommendations to lower risks and maximize advantages based on local laws and best practices. Here are some specific services we provide to help you make the most of your cross-border acquisition:

- Recommend an optimal legal entity
- Create and implement an onboarding plan, from establishing a legal entity to registering a local payroll

- Establish a local bank account
- Establish and maintain a local payroll
- Determine the relevant employment legislation that will dictate how a business transfer must be conducted
- Review transferring employees' existing contract terms to determine employer contractual commitments and required benefits policies; the review will ensure that inbound employees have the required transferring documentation in place on transfer day
- Determine the accrued rights of any transferred employees, including severance and pensions, and outline your liabilities
- Determine if any transferring employees are covered by an industry- or company-specific collective bargaining agreement (CBA) or if they will be part of collective bargaining bodies such as works councils or trade unions
- Identify employer benefits and insurance obligations and understand appropriate coverage; determine if supplemental policies are in place and if they are common to local market practice
- Determine and summarize your obligations related to employee communications and consultations, and outline related best practices
- Determine if any transferred employees are expats in the target country or if they are subject to any unique or unusual tax arrangements

Client Testimonials

"[The Vistra] team is absolutely fantastic. Super responsive and super on top of literally hundreds of details."

"The whole time working with Vistra, we have been kept well informed about the steps, necessary paperwork and timelines."

"Well run process with regular updates and proactive communication. Always felt like they were on top of the process."

About Vistra

Ranked among the top three corporate service providers globally, Vistra is a versatile group of professionals, providing a uniquely broad range of services and solutions. Our capabilities span across international incorporations to trust, fiduciary, private client services, and fund administration. We employ over 4,000 professionals across 46 jurisdictions throughout the Americas, Europe, Middle East, and Asia Pacific.

As a leading global player with expert industry knowledge and location specialists, Vistra has a deep understanding of the professional worlds of our clients, and a proven track record of offering highly versatile solutions, providing the people, processes, and products that help our clients get the most from their international business.

Contact us to find out how we can help you, or visit our website at www.vistra.com.

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