

Escrow Agreements

These are agreements where a third party holds assets on behalf of the parties in the transaction until certain conditions are met.

Disclosures

These are statements that reveal certain information that may be material to an investment decision.

Deed under Common Law

This is a legal document that is signed and delivered, often used to transfer ownership of property.

Covenants

These are promises made by the parties in an M&A agreement to do or not do certain things.

Conditions Precedent

These are conditions that must be satisfied before a party is obligated to proceed with a contract or agreement.

Choice of law clauses

These are provisions in a contract that specify which jurisdiction's laws will be used to interpret the contract.

Bring Down Certificate

This is a document confirming that certain representations and warranties are true as of the closing date of a transaction.

Arbitration clauses in M&A transactions

These are provisions in an M&A agreement that require disputes to be resolved through arbitration rather than through court litigation.

Compensation Manipulation

This is one of the less ideal reasons for a merger. It occurs when management compensation is tied to company performance benchmarked to other companies, so an increase in the size of the company often means an increase in salary for management.

Share Purchase Agreement (SPA)

An SPA is a legal contract, agreement, or arrangement between a buyer and a seller that outlines terms and conditions for the purchase and sale of shares in a company.