

Share purchases: overview (Ireland)

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Practice note: overview | **Maintained** | Ireland

An overview of the typical transaction process when acquiring an Irish business via a share sale or purchase. It highlights some key legal issues affecting share sales, including the prohibition on financial assistance under the Companies Act 2014 (CA 2014). It also considers the impact of the 2019 novel coronavirus disease (COVID-19) on share purchases.

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Scope of this note

There are two principal methods of acquiring a business in Ireland:

- **Asset purchase.** This involves the buyer acquiring certain assets and rights, and sometimes assuming responsibility for certain liabilities, which together comprise all or part of the target business.
- **Share purchase.** This involves the buyer acquiring the entire issued share capital of the target company which carries on the target business. This is the most common route given the higher rates of stamp duty relating to the transfer of assets, particularly where real property is being acquired.

This note provides an overview of the typical transaction process which will be relevant when acquiring or selling an Irish business via a share purchase.

The note focuses on transactions involving a bilateral sale where the buyer and the seller negotiate and enter into a share purchase agreement (SPA) to record and implement the transaction.

The transaction process will differ in some key respects where, instead of a bilateral sale, the seller runs a competitive sale process whereby several prospective buyers are invited to submit bids for the target company, in a competitive tender process. Where relevant, this note outlines divergences between these two processes.

Planning a share acquisition or disposal

Reasons for making an acquisition or disposal

The nature of the parties will determine their motivation for an acquisition or disposal. Institutional investors will be driven to make acquisitions and disposals by virtue of the focus, rules and timescales of their funds and underlying investors. Where non-institutional investors (primarily trade buyers) are involved in acquisitions or disposals, this tends to be driven by many factors.

Buyer's aims

- The target company's business may complement the buyer's business because it makes and supplies a critical part of the buyer's product.
- The buyer may be able to benefit from economies of scale and other efficiencies where it acquires a competitor business.
- The target company might have available tax losses that would benefit the buyer's overall group tax position.

Seller's aims

- The seller may want to realise a profit on its investment and re-allocate its capital to other higher growth investment opportunities.
- The seller may want to move out of a particular sector or industry because it no longer fits with its wider corporate group strategy.

- The target business may be struggling to achieve profitability targets, therefore prompting the seller to re-focus on other more profitable areas.
- The target business could be in financial difficulty with no reasonable prospect of remaining solvent. In this situation, the directors will need to consider all options including whether an involuntary sale is required.
- The target business could be owner-managed, and the owner-managers are seeking to retire.

For more information on acquisition structures generally in Ireland, see *Practice note, Acquisition structures in Ireland*.

Valuing the target company

Although the valuation process will be carried out by relevant corporate finance advisers, it is helpful to understand the most common approaches to valuation on Irish share purchases. These include:

- **Market multiple.** The target company's value is calculated by taking a key financial indicator, such as EBITDA (earnings before interest, tax, depreciation and amortisation), and multiplying it by an agreed number.
- **Discounted cash flows.** The target company's value is calculated by using an estimate of its future cash flows.
- **Net asset valuations.** The target company's value is measured as the total of all its current assets less all its current liabilities.
- **Dividend yields.** The target company's value is calculated by reference to the annual dividend per share divided by the price per share.
- **Cash-free, debt-free basis.** Valuation is carried out as if the target company had no cash reserves or outstanding debt (except as required for normal working capital purposes). This can provide a more comparable basis for comparing different offers for the target company because the impact of fluctuating cash and debt levels is eliminated. This is the most seen valuation method used on Irish share acquisitions.

Completion accounts and locked-box mechanisms

On a share sale, a completion mechanism is used to determine the final acquisition price that the buyer must pay. The two most used mechanisms for adjusting the purchase price on Irish share acquisitions are completion accounts and locked-box mechanisms.

In economic terms, locked-box deals are very similar to a traditional completion accounts deal insofar as they are often done on a debt-free, cash-free basis, subject to normalised working capital. The crucial divergence is that with a locked-box deal, the purchase price is fixed up front by reference to a historical net debt and working capital position, with no post-completion price adjustment, as occurs with completion accounts.

While locked-box mechanisms are relatively commonplace in the UK and Europe, they are rare on bilateral share acquisition processes in Ireland where completion accounts are by far the most used mechanism. However, locked-box mechanisms are increasingly seen on seller-led competitive sale processes.

Completion accounts

In a completion accounts mechanism, the final acquisition price is determined on the basis of the target's actual balance sheet (calculated as at completion), in the period (usually between 30 and 60 days) following completion.

As a minimum, the completion accounts will set out the target company's net assets, at completion. Typically, the completion accounts will also include a closing balance sheet and a profit and loss account showing the target's results for the period from the last set of financial accounts up to the completion date.

Although either party may draft the completion accounts, on Irish share acquisitions, it is most common for the buyer to prepare them, as it is the owner of the business at the time of preparation. The completion accounts process and the accompanying adjustment to the purchase price frequently lead to delays in the final figure being confirmed and time-intensive discussions between the parties. This results in a degree of uncertainty which is why, in some scenarios, a locked-box mechanism is preferred.

Locked box

Unlike with completion accounts, in a locked-box mechanism, the final equity value adjustments are applied to a balance sheet prepared at a date before completion (the "Locked Box Date").

The key feature of the locked-box mechanism is that no value is allowed to leave the business between the Locked Box Date and completion. To the extent that there is any extraction of value by the seller (typically referred to as "Leakage") between the Locked Box Date and Completion (for example, dividends or transaction related costs), then this Leakage can be claimed against the seller by the buyer since such extractions diminish the balance sheet value and, if left unadjusted, would mean the buyer would receive a lower value than what they had paid for the target company.

The buyer and seller may agree that certain, documented, forms of Leakage may be allowed under the SPA (known as "Permitted Leakage"). Permitted Leakage normally captures Leakage which both parties are aware of before completion (for example, salary or management fees payable to the seller) and which is then built-in to the equity value as calculated at completion.

For an example of a standard clause on a locked box mechanism, see [Standard clause, Locked box mechanism: Cross-border](#).

Overview of the transaction process

The steps involved in a share purchase are as follows:

- Dealing with pre-contract documents, such as confidentiality agreements, heads of terms and exclusivity agreements. For further information on this phase, see [Preliminary agreements](#).
- Carrying out due diligence on the target company and any subsidiaries. For further information, see [Due diligence](#).
- Preparing and agreeing the documents required to implement the transaction. The primary transaction document will be an SPA which records the terms on which the seller agrees to sell and the buyer agrees to purchase the target shares. For further information, see [Documenting the transaction](#).

- Obtaining any third-party consents and approvals that are required before the transaction can proceed. For further information, see [Transaction consents and approvals](#).
- Signing the transaction documents and completing the transfer of the target shares to the buyer. For further information, see [Completing the transaction](#).
- Dealing with any applicable post-completion formalities. For further information, see [Post-completion steps](#).

Preliminary agreements

Heads of terms

On a bilateral sole process, before engaging in due diligence and preparing the SPA and related acquisition documents, heads of terms between the parties are often negotiated. The heads of terms will generally be a non-binding statement of an "in principle" agreement.

The heads of terms will typically include details of the key terms of the transaction, such as the price, the basis of valuation, form of transactional documents to be entered into and any other important issues that have been agreed between the parties, such as any conditions to completion and which type of completion adjustment mechanism is to be used.

In a bilateral share purchase process in Ireland, the heads of terms will also normally include confidentiality and exclusivity arrangements.

For a sample heads of terms, see [Standard document, Letter of Intent \(US Style\): Cross-Border Stock Acquisition](#).

Confidentiality agreement

A seller will typically insist that any potential buyer enters into confidentiality obligations as a prerequisite to the disclosure of any confidential information about the target company. In addition to prohibiting the disclosure of the confidential information by the recipient and its advisers (save for in certain specified scenarios), the confidentiality agreement will also set out the disclosing party's rights to demand the return or destruction of confidential information either on request or if the buyer does not proceed with the transaction. A frequent point of negotiation is the inclusion of indemnity protection in favour of the disclosing party for breach of the terms of the confidentiality agreement.

On seller-led competitive processes in Ireland, it is common for the seller to insist that, as a first step and before interested parties are given access to information in respect of the target company, such interested parties first enter into a binding confidentiality agreement with the seller. For a sample confidentiality agreement, see [Standard document, Confidentiality agreement \(private company acquisitions\): Cross-border](#).

Exclusivity agreements

Exclusivity agreements (commonly referred to "lockout" agreements in the UK and "no-shop" agreements in the US) are typically put in place to prevent the seller from actively seeking or negotiating with any other potential buyers for a specified period. This gives the buyer (or preferred bidder(s) in a competitive process) a set period of time to

conduct due diligence and negotiate the transaction documents with the comfort that the seller cannot negotiate with any other party during this period.

Exclusivity agreements will often specify the remedies available to the buyer for a breach by the seller, the most common being damages equal to the costs and expenses incurred by the buyer. Exclusivity agreements can also provide for injunctive relief and specific performance where damages are deemed to be an insufficient remedy for the buyer. However, the granting of such equitable relief is at the discretion of the Irish Courts and must be reasonable in all the circumstances.

On seller-led competitive processes in Ireland, it is only once a preferred bidder is selected that exclusivity will be granted to give the preferred bidder a period of time to complete the acquisition.

Due diligence

Due diligence enables a buyer to check the health of the target business and identify relevant risks, assess the likelihood of such risks materialising and consider any appropriate protections and/or adjustments to the price, if necessary. The diligence process is also fundamental in identifying any third-party consents or approvals that need to be obtained to complete the acquisition.

In the light of the increasing use of warranty and indemnity insurance in Ireland, buyer due diligence is a crucial exercise since an underwriter will want comfort that due diligence on the target has been properly carried out by the buyer and any material risks identified. A failure on the part of a buyer to undertake a satisfactory due diligence exercise, will elongate the process of putting warranty and indemnity insurance in place and could result in a higher premium attaching to the policy.

Goals of due diligence

- Identifying any issues or risks that could affect its decision to proceed with the transaction at all, or at the agreed price.
- Identifying any third-party consents or other third-party process points that will need to be addressed before the transaction can proceed (see *Transaction consents and approvals*).
- Informing negotiations around the extent of the warranty (and, if appropriate, indemnity) package required from the seller. The due diligence findings can be used to identify areas that require contractual protection and to flush out any risks that the buyer should avoid completely.
- Providing key information to assist in planning the integration of the target company with the buyer's operations or group following completion.
- Where risks and liabilities are identified a negotiation in the purchase price, either through a reduction in the overall purchase price or the inclusion of a deferred consideration or earn-out mechanisms.

Financial and legal due diligence

In a competitive sale process, well-advised sellers will have aggregated together the relevant documents that will be relevant to bidders in a virtual data room and this will then be made available at the relevant point to bidders in the sale process, traditionally after non-disclosure commitments and a non-binding expression of interest have been provided by the bidders. While not common on Irish share sales, sellers may also prepare a vendor diligence

report to be shared with bidders with a view to speeding up the sale process and avoiding extensive queries being raised by bidders.

In a bilateral process, following agreement of the heads of terms, the buyer will traditionally provide the seller with a due diligence questionnaire to be completed by the seller who is also expected to make the underlying documents requested in the questionnaire available. The underlying documents are traditionally made available through a virtual data room.

Organisation of the vendor diligence exercise and the use of a well-structured virtual data room is of value to the buyer by increasing the speed of its review and it will also help an underwriter if warranty and indemnity insurance is being put in place.

Following review of the information contained in the virtual data room, buyers will often raise additional requests for information and may be given the opportunity to discuss with the relevant managers and advisers of the target.

Although the scope and scale of due diligence exercises vary from transaction to transaction, most buy-side diligence exercises in Ireland are carried out on "red flags" or "exceptions-only" basis and so are focused on identifying material issues with the target company or business, rather than providing narrative detail. At the same time, there may be specific aspects (for example, key customer contracts or key employee arrangements) where a buyer may seek to impose narrative detail. To streamline the due diligence process, advisers will often agree materiality thresholds with the buyer to enable them to avoid having to report on immaterial findings.

Recently, and especially following the 2019 novel coronavirus disease (COVID-19) pandemic, institutional buyers have expanded the scope of their due diligence to also include environmental, social and governance diligence in relation to target companies. Within this, buyers will often focus on business resilience matters including around key suppliers and customers.

For more information on due diligence in Ireland, see the following resources:

- [*Practice note, Due diligence in Ireland.*](#)
- [*Practice note, Employee due diligence issues on M&A transactions \(Ireland\).*](#)
- [*COVID-19 FAQ – Enhanced due diligence trends in private merger and acquisition transactions \(Ireland\).*](#)
- [*Due diligence checklist: Cross-border.*](#)

Use of warranties to obtain further information on target

Warranties are contractual statements, usually contained in a separate schedule to the SPA, as to the seller's ownership and capacity to sell the target and the condition of the target's assets and the operation of its business. The warranties fulfil two key goals for a buyer:

- The apportionment of risk and liability by providing a contractual remedy of damages for any breach of warranty.
- A further tool for gathering information on the target by pushing the seller to disclose against any warranties which are not true and accurate.

Despite the information-gathering capability that warranties offer, they should be complementary to, and not a substitute for, proper due diligence.

Although much depends on the nature of the target, and the relative negotiating position of the parties as a result of the due diligence completed, warranties in an SPA will traditionally cover:

- Accounts.
- Financing.
- Property.
- Trading.
- Material contracts.
- Employees.
- Pensions.
- Insurance.
- Intellectual property.
- Data privacy.
- Information technology.
- Litigation and compliance with law (including corporate governance and anti-corruption).
- Tax.
- Environmental matters.

As such, the use of warranties at any early stage, in tandem with due diligence queries, can be used by a buyer as a secondary means to push the seller into providing additional information about the target since the seller will be mindful that it will ultimately have to disclose against such warranties at a later stage in the transaction.

Due diligence findings

While much depends on the nature of the target, the sector(s) in which it is engaged in and the terms of the transaction, the most common material issues arising from due diligence in Ireland include:

- Where the target has real estate assets, issues as to title, planning and building control.
- Where the target has several core customer or supplier relationships, the need to obtain the prior consent of such customers or suppliers for any change in control of the target.
- Where the target is reliant on the ongoing involvement of several key employees, the existing arrangements of those key employees being deficient in terms of non-compete requirements and obligations around the creation and ownership of intellectual property rights.
- A breach of environmental or regulatory compliance obligations by the target.

Where, in the course of due diligence, the buyer identifies an existing failing or liability of the target which may result in loss at a future date, the buyer may seek indemnities from the seller for such risk. This will be necessary as a warranty claim will not be an available source of recourse for a buyer on the basis that it will almost certainly be aware of the failing or liability in question (for example, the outcome of an ongoing regulatory investigation or litigation of which the buyer was aware) as a result of subsequent disclosures made by the seller by way of the disclosure letter.

On Irish share acquisitions the following are the most common areas where buyers seek indemnity protection:

- Tax covenants are traditionally provided, as standard, in a separately negotiated tax deed.
- Environmental liabilities.
- Product liability claims.
- Ongoing or threatened litigation (including employee claims not covered by insurance).
- Non-adherence to data privacy laws.

The duration and liability cap attaching to such indemnity claims will often turn on the specific facts of the identified risk.

For a more detailed analysis of the above issues, see Practice notes:

- [Acquisition structures in Ireland](#).
- Share purchases: pensions overview (Ireland).
- Share purchases: intellectual property issues (Ireland).
- [Share purchases: employment issues \(Ireland\)](#).
- [Share purchases: tax overview \(Ireland\)](#).
- A toolkit for private acquisitions in Ireland.

Transaction consents and approvals

Board approval

Board of directors' approval is required to enter into the transaction and the transaction documents. Therefore, directors have discretion to refuse to register a transfer of shares which is important for a buyer as a transfer of shares is not legally complete and the buyer has no rights of the membership attaching to those shares until the buyer's name is entered into the register of members.

Shareholder approval

Shareholder approval can be required in several situations:

- Shareholder approval is required for specific actions under the *Companies Act 2014* (CA 2014), for example, substantial property transactions (*section 238, CA, 2014*).
- A company's constitution contains the rules governing the activities for the company, directors and shareholders. It can include voting rights for certain shares and might include certain approvals require a majority of shareholders' consent. If there are dissenting shareholders, the drag-along and tag-along provisions often found in a constitution and shareholders' agreement can be of assistance.
- Where there are multiple sellers it should be ascertained at the outset if any shareholders' agreement is in place. If so, this should be reviewed to confirm any additional approvals which may be required. Where the sellers are exiting altogether, the SPA should provide that any shareholders agreement is terminated at completion.
- Where, as part of the transaction, shares are to be allotted (either in the target company or another Irish entity) shareholder approval is required to approve the allotment.
- Public companies must also comply with the *Euronext Dublin Listing Rules Book II*.

Statutory and regulatory approvals

Transactions will require specific regulatory approval if:

- Under the Irish *Competition Act 2002* (as amended) (CA 2002), it is necessary to notify a transaction and obtain clearance from the Irish Competition Consumer Protection Commission (CCPC) where certain financial thresholds are met. Under the CA 2002, it is necessary to notify a transaction and gain clearance from the CCPC where certain financial thresholds are met.
- The financial threshold in Ireland is met where, in the most recent financial year, the aggregate turnover in Ireland of the undertakings involved is not less than EUR60 million and the turnover in Ireland of each or two or more of the undertakings involved is not less than EUR10 million.
- On 8 May 2020, the CCPC announced the introduction of a "Simplified Procedure" for the notification of mergers that do not raise competition concerns in Ireland, and these will be dealt with more quickly by the CCPC. Following the submission of a normal notification to the CCPC, the CCPC will confirm whether the Simplified Procedure applies.
- Where the relevant transaction gives rise to a "Community dimension", it may fall within the European Merger Regulation with the result that the merger control clearance process would be run by the European Commission.
- All "media mergers and acquisitions" must be notified to the CCPC and are subject to additional review by the Irish Minister for Communications to assess the impact of the transaction on the plurality of the media in Ireland.
- For certain sectors, specific consents are required from regulatory bodies. For example, for asset managers, financial services and insurance, certain consents are required from the Central Bank of Ireland. Depending on the structure of the transaction, on certain healthcare transactions, consents may also be required from the Health Information and Quality Authority or the National Treatment Purchase Fund.

Contractual consents

Consents will be required under certain contracts. For example, agreements with lenders should be reviewed to confirm either:

- The process for redemption of any target company debt.
- The relevant consent requirements if the target company debt is to remain in place.

Key customer and supplier contracts should also be reviewed to ensure that notification and consent requirements are complied with in relation to change of control. This is particularly important in relation to the contracts of most value and importance and ensuring there is no impact to the business generally post-completion.

If there is to be an assignment of a lease, it is helpful to engage with the landlord as early as possible in the acquisition process.

Charges and security

Although the buyer may be content for the target company's existing debt to remain in place, both the buyer and the seller will want to ensure any debt owing to or from the sellers from or to the target company is discharged or waived; and any security given by the seller for the target company is released. It is advisable for the seller to engage with the bank or lender as early as possible and confirm the requirements for completion to discharge the monies owed and to release the security. Filings to release charges and security should be made promptly on completion with the Companies Registration Office.

Tax clearance

The following will typically be required:

- CG50A is a CGT clearance certificate and is required to be obtained from the Irish Revenue where CGT is paid on a disposal.
- Section 980 of the *Taxes Consolidation Act 1997* provides for the deduction of an amount for capital gains tax equal to 15% of the purchase price paid for certain specified assets by the buyer where a tax clearance certificate is not provided.

Documenting the transaction

The key documents involved in a share purchase are:

- Exclusivity agreements (also known as lock-out or shut-out agreements) provide that the seller will not negotiate or solicit offers from parties other than one prospective buyer for a fixed period.
- Non-disclosure agreements to protect the confidentiality of information shared during negotiations and due diligence.

- Heads of agreement to set out the terms of the deal. Often, only certain sections of the heads of agreement will be legally binding and the terms of the deal would not usually be legally binding, however, the confidentiality section of the heads of agreement would be.
- In an auction scenario, there will be a process letter issued by the sellers setting out how the process will be conducted, for example, a vendor due diligence report might be provided and a bid might be submitted together with a mark-up of the first draft of the SPA and front-end of the disclosure letter.
- The SPA to document the key provisions of the sale of the shares. It will include warranties and an apportionment of risk between the seller and buyer.
- Through the disclosure letter, the seller can disclose information against the warranties in the SPA to limit their liability in relation to the relevant warranty.
- It is common practice in Ireland to have a separate deed of tax indemnity to the SPA for any tax liability of the target that arises outside of the ordinary course of business.
- Stock transfer forms and other ancillary documents, for example, resignation letters, waivers and stock transfer forms.
- A buyer might also consider putting in place new service agreements with the directors and ensuring there is appropriate protection within key employees' contracts.
- On private-equity-style buy-outs where some or all the management sellers may remain as minority shareholders post-completion, a shareholders' agreement will normally be negotiated.

For more information on the key documents in a share purchase see [Practice note, Key documents for acquiring a private company \(Ireland\)](#).

Legal issues affecting share purchases

There are several legal issues which may impact on a share purchase in Ireland including:

- The CA 2014 prohibits an Irish target company giving commitments or allowing its assets to be used to leverage the acquisition or its funding, either directly or indirectly. This is to avoid a reduction in shareholder funds by a limited liability company and to prevent prejudicial action by shareholders to prioritise their rights and entitlements at the expense of creditor protection. Financial assistance can be provided by a private limited company if the summary approval procedure (SAP) is followed.
- The SAP process is like a UK private limited company undertaking a share capital reduction using a directors' solvency statement procedure albeit that it applies in a much broader range of circumstances. Activities requiring an SAP include:
 - there is often negotiation around who provides the declaration (that is, exiting directors or incoming directors) with the most commonly agreed position being that the exiting directors will resign and the incoming directors will be appointed, immediately before completion, to give the solvency declaration; and
 - as part of the SAP, directors will need to provide a solvency declaration and are potentially liable for all debts and liabilities of the company if it is found that the declaration was provided without reasonable grounds (assumed to arise if the company is wound up within 12 months after the declaration and its

debts are not satisfied). For this reason, it is standard for solvency declarations to be accompanied by an auditor's report to provide the directors with comfort around giving the declaration.

- The Takeover Code. The Irish *Takeover Panel Act 1997* (TPA 1997) and the Takeover Rules must be complied with for public companies.
- Where there are shareholders dissenting to a sale of shares there can be a compulsory squeeze-out under section 457 of the CA 2014 where an offer has been made for the entire issued share capital of a company and the offer has become binding, been approved or accepted in relation to 80% in value of the shares affected and on the date of the offer more than 20% of the aggregate value of the shares is in the beneficial ownership of the offeror, the assenting shareholders hold not less than 50% in number of the shares. Alternatively, a court sanctioned scheme of arrangement can be used but this is generally used by public limited companies with a significant number of shareholders.

Completing the transaction

If signing and completion is not simultaneous, the parties should ensure that there are protections in place for their respective positions to cover the period between exchange and completion. For example, a transaction that requires regulatory approval will sign and exchange and then apply for approval. In the intervening period, it is standard for the seller to be subject to conduct of business covenants about the target company and buyers will traditionally insist on the repetition of the warranties at completion. The use of material adverse change clauses, although not as widespread as in the US or Europe, is becoming more frequent on Irish share acquisitions where there is a split between signing and completion, particularly on bilateral processes where a buyer is in a stronger negotiation position.

In Ireland, it is standard for a variety of completion searches to be obtained on the day of completion to avoid the risk of any previously undisclosed or new litigation or insolvency proceedings having been started.

Where Irish companies are executing deeds, the use of company seals remains standard and, as part of completion planning, care should be taken to ensure that these are available.

For more information on signing and closing process in Ireland and on how to execute the acquisition agreement and ancillary documents, see Practice notes:

- [Virtual signings and closings in Ireland.](#)
- [Executing deeds and documents in Ireland.](#)

Post-completion steps

The following steps should be taken:

- The buyer will want to control the announcement of the transaction and rules around announcements are often included in the SPA. Frequently, the buyer will agree the announcement with the seller before completion.

- Making certain filings with the Companies Registration Office (for example, to notify any changes in the directors of the target company and its subsidiaries). Filings should be made promptly on completion of the transaction and these are often the responsibility of the buyer, albeit with the assistance and input (as required) of the seller.
- Stamp duty is payable on an acquisition of shares in an Irish company at a rate of 1%.
- Updating the target company's statutory registers, including its register of members and register of people with significant control over the company. The company books and registers of the company should be promptly updated on completion. The transferee is only able to exercise the rights attaching to their shares once they are entered into the register of members.
- Dealing with certain administrative matters, such as insurance, payroll, PAYE, VAT and pensions. Completion deliverables should be included in the SPA to cover all aspects of administration required for the buyer to run the business in the ordinary course from completion. The buyer should have a post-completion checklist to ensure that they can easily step into the shoes of the seller and take over the administrative matters of the business. There is often a clause in the SPA to ensure that the seller co-operates fully with anything that they might need to assist with post-completion (usually at the buyer's expense).
- Producing a bible of the transaction documents for each of the parties and their solicitors. The buyer will prepare a bible of transaction documents so that there is a record to easily access any information required post-completion. This information is particularly helpful in the instance of a breach of a warranty or non-compete or where there is an earn-out mechanism.
- For information on the post-closing steps for a cross-border transaction more generally see [Post-closing checklist: Cross-border](#).

Impact of COVID-19

The Irish government has enacted special legislation to make certain changes to company law which were needed as a result of various practical difficulties for companies caused by the COVID-19 pandemic. This legislation is the [Companies \(Miscellaneous Provisions\) \(Covid-19\) Act 2020](#). For an analysis of these measures, see [Practice note, COVID-19: corporate FAQs \(Ireland\)](#).

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