



Solving the China Puzzle in M&A Transactions

June 19th, 2013



Agenda



EYE ON CHINA

- **Kick-off of China Seminar by Moderator**
- Introduction of Speakers
- Specific topic discussion
 - Acquisition of a Chinese company or acquisition of a Western company with a China strategy
 - Due Diligence
 - Legal Due Diligence
 - Tax Due Diligence
 - Operational Due Diligence
 - Foreign Corrupt Practices Act (FCPA)
- Q&A Session

Moderator - Alex Bryant



EYE ON CHINA

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- East West Associates provides Operational, Manufacturing and Distribution solutions for companies operating in the China/Asia Pacific region.
- East West team members have all established and managed China/Asia Pacific-based operations and companies, which are owned by Western firms.

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Scott Gaster



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Alliance Laundry Systems Vice President of Global Manufacturing Operations

- Alliance Laundry Systems (ALS) is the world's largest designer, manufacturer and marketer of commercial laundry equipment and is headquartered in Ripon, WI.
- Under the well-known registered brands names of Cissell, Huebsch, IPSO, Speed Queen and UniMac, ALS's brands are supported by a global network of factory-authorized distributors and route operators.
- In addition to the U.S. market, their products are exported to over 90 countries worldwide



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Al Ernest



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East West Associates Senior Operational Director aernest@eastwestassoc.com (former Director of Operations, Owens Corning Asia Pacific – NYSE:OC)

- EWA Core Operational Practices include:
 - Mergers & Acquisitions
 - Underperforming Companies
 - Operational Execution
 - Market Research & Entry



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Sandy Chu



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- Foley's China Practice attorneys provide comprehensive legal advice and business counseling to help you through even the most complex cross-border, multi-jurisdictional aspects that arise during your international corporate transactions in China. To learn more, please visit: Foley.com/China

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David Simon



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- The Foreign Corrupt Practices Act (FCPA) is a principal focus of Mr. Simon's practice. A frequent author and speaker on the FCPA and anti-corruption issues, he has been recognized for his extensive experience in the field. Mr. Simon counsels clients on FCPA issues that arise in their operations, assists clients in the development and implementation of anti-corruption compliance programs, advises clients on third-party anti-corruption due diligence, conducts internal investigations into FCPA and other anti-corruption issues, and defends corporate clients in government enforcement actions that arise from potential FCPA violations.

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Acquisition



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Acquisition of a Chinese company or Acquisition of a Western company with a China strategy

- Chinese Regulatory Agencies & Acquisitions in China
- How to identify Chinese acquisition targets
- Acquisition Criteria

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Legal Due Diligence



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- Interactive Role of U.S. & PRC Counsel
- Actions Which Require Significant Lead Time (Pre-Closing or Post Closing Criteria)
- Bridging Cultural & Legal HR & Other Issues

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Tax Due Diligence



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- PRC tax considerations during acquisition process
 - What are tax efficient acquisition structures available?
 - What are common tax issues?
 - Other practical considerations

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Operational Due Diligence



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- The Operational Due Diligence targets the key practice areas of:
 - Human Resources
 - Supply Chain
 - Operations
 - Sales & Marketing
 - Finance & Accounting
 - Technology

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Foreign Corrupt Practice Act (FCPA)



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- Foreign Corrupt Practice Act (FCPA)
- China Anti-Bribery Law
- Identifying mitigating legal and compliance risks associated with acquiring a Chinese company, specifically risks associated with the U.S. Foreign Corrupt Practices Act
- Why FCPA critical to Due Diligence Process?
- Examples in which FCPA affects the Acquisition

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 - Financial Due Diligence
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