



## Five FX Tips for Your Next Cross-Border M&A Deal

Foreign Exchange (FX) currency conversion can add to the complexity of an M&A deal in progress. Both the country of origin of the transaction as well as the country of destination can be impactful to the deal. Selecting the right paying agent can ensure that FX conversion support is a seamless part of your cross-border transaction by adding convenience for shareholders and reducing the administrative burden for deal parties. While not exhaustive, here are five areas for consideration the next time that your deal requires FX M&A payments.

TOPIC	KEY INSIGHT
<p><b>1 Is the nature of your M&amp;A deal U.S.-only, or multinational?</b></p>	<p>Both U.S.-only and international M&amp;A transactions can benefit from FX conversion support. Cross-border M&amp;A transactions that have different currencies can benefit from careful evaluation of FX conversion support, as will U.S.-only deals with international investors, debt obligations, or expenses. Non-U.S. deals with U.S. investors, debt obligations, or expenses that are dollar denominated can also benefit. <b>Check to ensure that your FX M&amp;A payments partner can support the geographic context of your deal.</b></p>
<p><b>2 Does your M&amp;A deal require deal level or shareholder level FX conversion support?</b></p>	<p>Deal-level FX conversion support provides the same currency conversion option for all M&amp;A deal parties involved. Shareholder-level FX conversion support ensures that shareholders can select consideration payments in the currency of their choice. <b>Confirm that your FX M&amp;A payments partner can support both options, and in a wide range of global currencies.</b></p>
<p><b>3 Does your M&amp;A transaction require exotic currencies?</b></p>	<p>Beyond major and minor currencies, sometimes FX conversion support is required for an M&amp;A transaction that does not involve a mainstream currency. <b>Verify that your paying agent can also support currencies that are infrequently used.</b></p>
<p><b>4 How many parties are touching your FX conversion in support of your M&amp;A transaction?</b></p>	<p>FX conversion support can often be an expensive and inefficient process with many touchpoints that add time, administrative errors and costs for all concerned. For example, an original FX currency trade may pass through several service providers in the FX supply chain, each applying a margin prior to the trade reaching the shareholder. <b>An experienced FX M&amp;A payments partner can streamline this flow and minimize rate inefficiencies.</b></p>
<p><b>5 How easy is it to access and use FX conversion support as part of your M&amp;A deal?</b></p>	<p>Deal parties sometimes do not recognize the need to provide FX conversion support until they are well into the mechanics of the transaction. At this point, they must stop and assess how to best accomplish both the disbursement of funds and FX conversion. This can be highly distracting at what is typically a very busy part of the process unless your paying agent has integrated FX capabilities. <b>Ask your M&amp;A payments partner about systems support for FX conversion and whether it is fully integrated into existing M&amp;A deal-support interfaces.</b></p>

FX conversion support is a staple in a growing global economy. A flexible FX M&A payments partner can make all the difference in your next cross-border M&A deal.