
GLOBAL DEAL WORKFLOW: MANAGING DOCUMENT RETRIEVAL, TRANSLATION, AND VERIFICATION

FOREWARNED IS FOREARMED. DON'T SWIM IN INTERNATIONAL WATERS ALONE!

There are many steps required for closing international corporate deals. One step that you'd think is straightforward is retrieving documents such as good standing certificates (or the country equivalent) and formation/charter documents. However, when you're dealing with completely different sovereignties with their own laws and languages, it may be stating the obvious to say that doing international work is not the same as U.S. work, there are ways in which they are different that you might not be aware of. Plan for success by anticipating the differences and building them into your timeline and workflow. These 5 key areas can have a major impact when it comes to document ordering.

1. Different ways of doing business

Translations may be needed. Legal translations always add to the complexity of a project in two ways. First, unless you know the language of the country of origin, you will not be able to confirm the contents of the document. Second, foreign agencies and jurisdictions often have unique requirements for how a translation is to be done and by whom. When considering translation services, allocate time to researching the receiving party's requirements, and consider the need for your team to know with confidence what's stated in the documents.

Some countries require that the company name is represented in their language, no matter the company's country of origin. In China, for example, you'll need to have the companies' names in Chinese characters.

Plan for holidays. Many countries have extended holiday periods, with major closures or limited staffing in December and into January. China and other Asian countries celebrate the Lunar New Year in February, and government offices in these regions may close for an entire week. The Lunar New Year is also celebrated in other Asian countries and territories, including Taiwan, Hong Kong, Macau, Singapore, Indonesia, Malaysia, Korea, Thailand, Vietnam, Cambodia, and Mauritius. Carnival, which marks the beginning of Lent, lasts for several days in Brazil and parts of the Caribbean, and also causes many closures.

Watch their clock, not yours. Some countries have dramatically different approaches to doing business than in the U.S. This can be most apparent in their timelines for responding to requests. Some areas in Mexico will take four to six weeks to return documents. In India, count on at least ten to twenty business days for a good standing equivalent.

Tip: *An experienced corporate services provider can alert you to the document delivery timelines that you can expect for any of the countries you're working with.*

continued on page 2



“Working on international deals can bring a host of unexpected challenges that can impact the deal timeline.”

2. Authentications and Apostilles

All countries require that the origin of legal or public documents be verified in order for the documents to be legally used. The legalization process involves obtaining a series of authentications by individual officials of both the country where the document was issued, and the embassy or consulate of the country where the document will be used.

The two ways to legalize documents are by Authentication and Apostille. Authentication is required if the country of origin is not a member of the 1961 Hague Convention Abolishing the Requirement for Legalization of Foreign Public Documents. For members of the Hague Convention, [Apostille](#) replaced legalization as the default procedure. An Apostille is a certificate issued by a designated authority in a country that is a member of the Hague Convention.

Authentication and apostille are not interchangeable, and it's essential to request the correct method. One of the U.S.'s largest trading partners, Canada, is not a member of The Hague Convention, therefore Apostille mechanisms are not applicable to Canada. In fact, documents on which an apostille has mistakenly been placed may not be submitted for authentication [for use in Canada](#). A new, clean version of the document must be obtained prior to submitting to an Embassy or Consulate of Canada.

Both Authentication and Apostille procedures are time-consuming, requiring in-person visits to consulates and embassies. Again, knowing the requirements of the receiving party is essential, especially when you're using documents from one non-U.S. country in another non-U.S. country. For example, a situation occurred in which the Chinese embassy in India required a particular type of paper to be used, and the original passport of the signor.

Also be aware that the function of notaries are different around the world. In some places outside of the U.S., and in the Authentication and Apostille process, notaries attest to the content of the documents they affix their seal to, in addition to witnessing the signing of documents and verifying the signatories.

3. Different legal systems mean different documents. An institution that exists in one legal system may not exist in the other. The international equivalents of documents and filings have different names and are governed by different laws than in the U.S. Get advice for what documents to order for specific situations. For example, many governments don't have the concept of "good standing". The equivalent of a good standing certificate might be a "certified extract" or "certificate of

existence," but neither of these may officially convey the meaning of good standing as it's known in the U.S.

This is also true with lien searches. Article 9 of the Uniform Commercial Code is specific to the U.S. Be sure to learn the types of lien and court searches available in other countries, as UCC Article 9 searches will not be available. In many jurisdictions you can't run due diligence searches on individuals without a signed declaration letter from the individual. You may have to resort to credit reports when there are no other search options. Ask your UCC services provider what your options are in the target countries you're working with.



"The international equivalents of documents and filings have different names and are governed by different laws than in the U.S."

4. Inconsistent or non-existent registries and databases

Anticipate major differences in local registries and databases, from what data is available, to the level of technology, to speed of access. Working with local registries and databases can be an art form. An experienced partner can help you plot your timeline and understand how to access and use the available data.

5. Coordination is time-consuming too

Be prepared for everything to take longer when you are coordinating multiple local providers in foreign countries. Consider how multiple documents and invoices in different languages and different currencies might affect your timeline. Will you need to arrange for 24/7 availability to accommodate different time zones?

CONCLUSION

Working on international deals can bring a host of unexpected challenges that can impact the deal timeline.

A corporate service provider can serve as your single point of contact to simplify a complex, multi-country deal. Interact with one person or team who will manage the multiple time zones and country turnaround times, and provide invoices and estimates in U.S. dollars. A large provider also offers the advantages of global local presence and can make your document requests a priority. Local overseas law firms may not prioritize your requests and may cost more.

To learn more about how CT can help you better manage your global compliance needs, contact a CT representative at (844) 322-6993 (toll-free U.S.).