

**NEGOTIATING THE
“ACCURACY OF REPRESENTATIONS”
CONDITION IN THE ACQUISITION OF A
PRIVATELY HELD COMPANY**

Richard E. Climan
Hogan Lovells US LLP
Silicon Valley, CA
(counsel for hypothetical target company)

Joel I. Greenberg
Arnold & Porter LLP
New York, NY
(counsel for hypothetical buyer)

THE “ACCURACY OF REPRESENTATIONS” CONDITION IN THE ACQUISITION OF A PRIVATELY HELD COMPANY

Buyer’s proposed draft of “accuracy of representations” condition:

Each of Target’s representations and warranties is accurate ***in all material respects*** as of the date of this agreement, and will be accurate ***in all material respects*** as of the closing date....

Target company’s proposed draft of “accuracy of representations” condition:

Target’s representations and warranties are accurate as of the date of this agreement and will be accurate as of the closing date, ***except that this condition will be deemed satisfied if all inaccuracies in Target’s representations and warranties do not collectively give rise to a Material Adverse Effect on Target or its business.....***

Find the full text of this and thousands of other resources from leading experts in dozens of legal practice areas in the [UT Law CLE eLibrary \(utcle.org/elibrary\)](http://utcle.org/elibrary)

Title search: Negotiating the "Accuracy of Representations" Conditions in the Acquisition of a Privately Held Company

Also available as part of the eCourse

[More Mock Negotiation... Plus a Salute to the Strine Era in M&A](#)

First appeared as part of the conference materials for the
15th Annual Mergers and Acquisitions Institute session

"More Mock Negotiation... Plus a Salute to the Strine Era in M&A"