FIRRMA: What Transactions Are Covered?

Current Law

"CONTROL" OF US BUSINESS

Added by FIRRMA

Substantive Expansion of CFIUS Jurisdiction

- CRITICAL TECHNOLOGY COMPANY?*
- CRITICAL INFRASTRUCTURE COMPANY?*
- REAL ESTATE?*
  - Purchase or lease; close to US military or sensitive facility

PLUS

- IP AND SUPPORT
  - not “ordinary customer relationship”
- NON-PASSIVE INVESTMENT

PLUS

MINUS

"WHITE LIST" COUNTRIES*
  - Investors from US treaty allies, etc.

Closing “Loopholes”

MANDATORY DECLARATIONS
  - Foreign gov’t transactions and potentially others

CIRCUMVENTION OR EVASION
  - Transaction or other arrangement designed or intended to evade or circumvent CFIUS

CHANGE IN RIGHTS
  - Where “could lead” to control or critical company non-passive investment

*Highly dependent on implementing regulations