

A. STEPS IN A TYPICAL M&A TRANSACTION

A M&A transaction is unlike most other commercial transactions due to the numerous steps and procedures that must be followed and executed precisely. Each step in an M&A transaction is connected and the progression and success of such transactions depends on the success of the preceding step. The steps in a typical M&A transaction are as outlined in the below diagram:



Perhaps the most important step in an M&A transaction is the Due Diligence (DD) stage of the transaction. The success of a typical M&A transaction is usually anchored on the information obtained during the DD stage of the transaction. A successful DD process can either make or break an M&A transaction.

This therefore begs the question: **What is Due Diligence in M&A transactions and why is it so important to the success or failure of these type of transactions?**