

## Monetary and Financial Code

### Legislative Section

#### **Article L. 151-1**

Financial dealings between France and foreign countries are unrestricted.

This freedom is exercised subject to the procedures described in the present Chapter, in compliance with the international commitments made by France.

#### **Article L. 151-2**

In order to protect national interests, the Government may, via a decree enacted on the basis of a report from the Minister in charge of Economy:

1. Make the following subject to declaration, prior authorisation or inspection:
  - a) Foreign exchange transactions, capital movements and settlements of all kinds between France and foreign countries;
  - b) The establishment, change of composition and liquidation of French assets abroad;
  - c) The establishment and liquidation of foreign investments in France;
  - d) Gold imports and exports and all other material movements of assets between France and foreign countries;
2. Order the repatriation of foreign receivables outside the European Union resulting from exports of goods, payment for services and, more generally, any foreign revenue or income.
3. Empower intermediaries to carry out the transactions referred to in 1. a) and d) above.

#### **Article L. 151-3**

I. – Foreign investment in any activity in France which, even if only occasionally, is part of the exercise of public authority or pertains to one of the following domains is subject to prior approval from the Minister in charge of Economy:

- a) Activities likely to jeopardise public order, public safety or national defence interests
- b) Research in, and production or marketing of, arms, munitions, or explosive powders or substances

A decree issued following consultation with the *Conseil d'État* (French Supreme Administrative Court) specifies the nature of the above-mentioned activities.

II. - The authorisation granted may have special conditions attached to it to ensure that the planned investment does not jeopardise the national interests referred to in section I.

The decree referred to in section I specifies the nature and possibilities to revise the conditions which may be attached to the approval.

#### **Article L. 151-3-1**

I. If a foreign investment has been carried out without prior authorisation, the Minister in charge of Economy shall take one or more of the following measures:

- a) Order the investor to file an application for authorisation
- b) Order the investor to re-establish the situation that existed previously at its own expense
- c) Order the investor to modify the investment

The orders mentioned in a) to c) above may be combined with a penalty. The order shall specify the amount and effective date of such penalty. A decree issued by the *Conseil d'État* shall set the

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If the protection of the national interests mentioned in section I of Article L. 151-3 is compromised or likely to be compromised, the Minister in charge of Economy may also take any protective measures he/she deems necessary. In this respect, he/she may:

- a) Pronounce the suspension of the voting rights attached to the fraction of the shares or stocks that should have been subject to authorisation prior to being held by the investor
- b) Prohibit or limit the distribution of dividends or remuneration attached to the shares or stocks that should have been subject to authorisation prior to being held by the investor
- c) Temporarily suspend, restrict or prohibit the free disposal of all or part of the assets related to the activities set out in section I
- d) Designate a representative, within the company to which the activity mentioned in section I of Article L. 151-3 applies, responsible for ensuring the protection of national interests. This representative may obstruct any in charge of Economy shall set the representative's compensation; this compensation and the expenses incurred by the representative shall be borne by the company to which he or she is appointed.

II. If the Minister in charge of Economy considers that the conditions attached to the authorisation granted pursuant to section II of Article L. 151-3 have been disregarded, he/she shall take one or more of the following measures:

- a) Withdrawal of authorisation. Unless they re-establish the situation existing prior to the investment, foreign investors must reapply for the investment authorisation provided for in Article L. 151-3
- b) Order the investor who was subject to the unfulfilled obligation to comply with the conditions outlined in the authorisation within a set period of time
- c) Order the investor responsible for the unfulfilled obligation to perform, within a set period of time, provisions in lieu of the unfulfilled obligation, including the reestablishment of the situation existing prior to the failure to comply with said obligation or the disposal of all or part of the activities defined in section I of Article L. 151-3

Such orders may be combined with a daily penalty in accordance with the terms and conditions provided for in section I of this Article.

The Minister for the Economy may also take the necessary precautionary measures, under the terms and conditions set out in section I.

III. Decisions and orders issued on the basis of this Article may only be enforced after investors have been given fifteen days' notice to submit their observations, except in the event of an emergency, exceptional circumstances or an imminent threat to public order, public safety or national defence issues.

IV. These decisions may be subject to a full judicial appeal.

V. The terms and conditions for the application of this Article shall be determined in a decree issued by the *Conseil d'État*.

**Article L. 151-3-2**

In the event of (i) an investment made without prior authorisation, (ii) the obtaining of prior authorisation by way of fraud, (iii) failure to comply with the requirements of section II of Article L. 151-3, or (iv) full or partial non-compliance with decisions or orders issued on the basis of Article L. 151-3-1, the Minister in charge of Economy may, after giving investors a minimum of fifteen days to present their observations on the charges brought against them, order the payment a financial penalty

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The amount of the financial penalty shall be commensurate with the seriousness of the infringements committed. Penalty payments shall be collected in the same way as government debts not related to taxes and property.

**Article L. 151-4**

Any undertaking, agreement or contractual clause which directly or indirectly gives rise to a foreign investment in an activity referred to in section I of Article L. 151-3 when that investment has not received the authorisation required under said Article L. 151-3 is null and void.

**Article L. 151-5**

The investor or the company carrying out the activities mentioned in Article L. 151-3 is required to communicate to the administrative authority in charge of authorising and overseeing foreign investments, at the request of said authority, all the documents and information necessary for the performance of its assignments, and the investor or the company may not object to the provision of such items on the grounds that they constitute legally protected secrets.

**Article L. 151-6**

Subject to the provisions relating to the protection of national defence secrecy, the Minister in charge of Economy shall publish annually, in accordance with procedures guaranteeing the anonymity of the individuals and legal entities concerned, the main statistical data relating to the government's monitoring of foreign investments in France.

**Article L. 151-7**

I. Each year, the government shall forward to the chairpersons of the committees in charge of economic affairs and to the rapporteurs-general of the committees in charge of the finances of each assembly, a report on the government's action with regards to the protection and promotion of national economic, industrial and scientific interests, in addition to the monitoring of foreign investments within the framework of the procedure provided for in Article L. 151-3. This report shall include:

- a) A description of the government's action to protect and promote national economic, industrial and scientific interests, in particular the measures taken to ensure economic security and protect strategic enterprises, the objectives pursued, the actions taken and the results achieved
- b) Information relating to the prior authorisation procedure for foreign investment in a business in France, including in particular (i) detailed information on the number of applications for prior authorisation submitted to the Minister in charge of Economy, (ii) refusals to grant authorisation, (iii) authorised transactions, including transactions subject to the conditions laid down in section II of Article L. 151-3, and (iv) information relating to the exercise by the Minister in charge of Economy of his/her power to impose penalties as provided for in Article L. 151-3. Information enabling the identification of the individuals and/or legal entities concerned by the prior authorisation procedure for foreign investment in a business in France shall not be included.

II. The chairpersons of the committees responsible for economic affairs and the rapporteurs-general of the committees responsible for the finances of each assembly may jointly:

- a) Receive the competent ministers, the commissioner for economic strategic intelligence and security and the directors of the central government departments concerned, accompanied by the co-workers of their choice, in their respective areas of expertise. These discussions, which shall not be made

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b) Carry out all investigations, on the basis of documents and on-site, of the government's action in terms of protection and promotion of national economic, industrial and scientific interests, as well as in terms of the monitoring of foreign investments in France. These investigations may not relate to investments likely to be the subject of decisions by the Minister in charge of Economy. Any administrative information and documents they may request in the context of these investigations, including any reports drawn up by the bodies and services responsible for auditing the administration, must be provided to them, with the exception of information and documents classified as secret for national defence reasons.

The exercise of the powers referred to in a) and b) shall give rise to a public announcement by each chairperson and each rapporteur-general before their committee, which may be followed by the publication of a report. This announcement and, where applicable, the related report may not contain any information or any element enabling the identification of the individuals and/or legal entities subject to the prior authorisation procedure provided for in Article L. 151-3.

In the course of their work, the chairpersons and the rapporteurs-general mentioned in the first paragraph of this section II may jointly send recommendations and observations to the President of the Republic, the Prime Minister and the competent ministers. They shall forward them to the President of the Senate and the President of the National Assembly.

Each committee chairperson and each rapporteur-general mentioned in the first paragraph of this section II may delegate to a member of their committee the powers and responsibilities provided for in section I and II of this Article. In this instance, the committee chairperson or the rapporteur-general shall remain the recipient of the report provided for in section I.

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## **Monetary and Financial Code**

### **Regulatory Section**

#### **Part V**

### **Chapter I - Investments subject to authorisation**

#### **Section 1 – Definitions and scope**

##### **Article R. 151-1**

I. In the context of an investment as referred to in Article R. 151-2, the following shall constitute an investor within the meaning of this Chapter:

- a) Any individual of foreign nationality
- b) Any individual of French nationality who is not domiciled in France within the meaning of [Article 4 B of the French General Tax Code](#)
- c) Any entity governed by foreign law
- d) Any entity governed by French law that is controlled by one or more of the persons or entities referred to in subsections a), b) or c) above

II. For the purposes of this Chapter, a chain of control shall be understood to mean the combination of an investor referred to in subsections c) or d) of section I above and the persons or entities that control it. All of the persons and entities in a chain of control shall constitute investors within the meaning of this Chapter.

III. The control referred to in this Article shall be assessed in accordance with [Article L. 233-3 of the French Commercial Code](#) or, when no control has been established on the basis of this Article, in accordance with section III of Article L. 430-1 of said Code.

##### **Article R. 151-2**

An investment, within the meaning of Article L. 151-3, is deemed to have been made when an investor as defined in section I of Article R. 151-1:

- a) Acquires control, within the meaning of [Article L. 233-3 of the French Commercial Code](#), of an entity governed by French law
- b) Acquires all or part of a business activity of an entity governed by French law
- c) Crosses, directly or indirectly, whether acting alone or in concert, the threshold of 25% of the voting rights of an entity governed by French law

Subparagraph c) shall not be applicable to individuals who are nationals of a Member State of the European Union or a State that is a signatory to the European Economic Area (EEA) Agreement in addition to a mutual administrative assistance agreement with France for the purposes of combating tax evasion and tax avoidance, and who are domiciled in one of those States, or to entities in which all the members of the chain of control, within the meaning of Article R. 151-1(II), are governed by the law of one of the abovementioned States or are nationals of and domiciled in one of these States.

##### **Article R. 151-3**

The activities mentioned in section I of Article L. 151-3 are as follows:

I. Activities, relating to the exercise of public authority, that are likely to jeopardise national defence interests or the maintenance of public order and public safety:

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- a) Activities, including those mentioned in [Article L. 2332-1 of the French Defence Code](#), relating to weapons, munitions, explosive powders and substances intended for military use or relating to war material and assimilated materials covered by Parts III and V of Book III of the second part of the French Defence Code
- b) Activities relating to dual-use items and technologies listed in Annex IV to Council Regulation (EC) No 428/2009 of 5 May 2009 setting up a Community regime for the control of exports, transfer, brokering and transit of dual-use items
- c) Activities carried on by entities entrusted with the protection of national defence secrecy
- d) Activities carried on in the information systems security sector, including as a subcontractor, for the benefit of an operator referred to in Articles [L. 1332-1](#) or [L. 1332-2](#) of the French Defence Code
- e) Activities carried on by entities that have entered into a contract, either directly or as a subcontractor, on behalf of the Ministry of Defence for the provision of a good or service falling within the scope of an activity referred to in subsections a), b), c) or f)
- f) Activities relating to cryptology resources and services mentioned in paragraphs III and IV of Article [30](#) and paragraph I of Article [31](#) of Act No. 2004-575 of 21 June 2004 on confidence in the digital economy
- g) Activities relating to technical equipment or devices capable of intercepting communications or designed for the remote detection of conversations or data capture, as defined in [Article 226-3 of the French Criminal Code](#)
- h) Activities relating to the provision of services by approved assessment centres under the conditions laid down in [Decree No. 2002-535 of 18 April 2002](#) on the assessment and certification of the security offered by information technology products and systems
- i) Gambling activities, with the exception of casinos
- j) Activities relating to measures designed to deal with the illicit use of pathogens or toxic substances or to prevent the health consequences of such use
- k) Activities relating to the processing, transmission or storage of data, the interference with or disclosure of which is liable to jeopardise the exercise of the activities referred to in subsections a) to j) of section I or II

II. Activities, related to the exercise of public authority, that are likely to jeopardise national defence interests or the maintenance of public order and public safety, insofar as they concern infrastructure, goods or services that are vital to guaranteeing:

- a) The integrity, security and continuity of the energy supply
- b) The integrity, security and continuity of the water supply
- c) The integrity, security and continuity of the operation of transport networks and services
- d) The integrity, security and continuity of the space operations referred to in [Article 1\(c\) of Act No. 2008-518 of 3 June 2008](#) on space operations
- e) The integrity, security and continuity of the operation of electronic communications networks and services
- f) The fulfilment of the missions of the national police, the national gendarmerie and the civil security services, as well as the fulfilment of the public safety assignments of customs and those of approved private security companies

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g) The integrity, security and continuity of operation of an establishment, facility or work of vital importance within the meaning of articles [L. 1332-1](#) and [L. 1332-2](#) of the French Defence Code

h) The protection of public health

i) The production, processing and distribution of the agricultural products listed in Annex I to the Treaty on the Functioning of the European Union, where these contribute to the objectives of national food safety referred to in paragraphs [1, 17 and 19 of section I of Article L. 1 of the French Rural and Maritime Fisheries Code](#)

j) The publishing, printing and distribution of political and general information press publications, within the meaning of [Article 4 of Act No. 47-585 of 2 April 1947](#) on the status of newspaper and periodical publication bundling and distribution companies, and online press services for political and general information within the meaning of [Article 1 of Act No. 86-897 of 1 August 1986](#) on the reform of legal arrangements for the press

III. Activities, related to the exercise of public authority, that are likely to jeopardise national defence interests, public order and public safety, when they are intended to be carried out in connection with one of the activities referred to in section I or II:

a) Research and development activities relating to critical technologies, the list of which is defined by an order from the Minister in charge of Economy

b) Research and development activities relating to the dual-use goods and technologies listed in Annex I to the abovementioned Council Regulation of 5 May 2009

## Section 2 – Procedure

### *Subsection 1 – Preliminary request for review of an activity*

#### **Article R. 151-4**

When a request for an opinion is submitted to it by an entity governed by French law for the purpose of determining whether all or part of that entity's activity falls within the scope of section I of Article L. 151-3, the Minister in charge of Economy shall reply within a period of two months.

Similarly, an investor may, in agreement with the entity carrying on the activities which are the subject of the investment, submit the same request to the Minister. In this case, a copy of the opinion given to the investor shall be sent to the entity carrying out the activities that are the subject of the investment.

### *Subsection 2 – Examination of applications for authorisation*

#### **Article R. 151-5**

Applications for authorisation of a foreign investment shall be submitted by the investor.

However, where the proposed investment concerns one or more investors belonging to a chain of control, the application may be made by one of the members of that chain on behalf of all of the investors who are members of that chain.

#### **Article R. 151-6**

Within thirty business days from the date of receipt of an application for authorisation, the Minister in charge of Economy shall inform the investor who submitted the application either that the investment does not fall under section I of Article L. 151-3, that it does fall within the scope of the section I of Article L. 151-3 and is authorised without any conditions, or that it does fall within the scope of the latter but that further examination is necessary to determine whether the protection of

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Refusal or authorisation, where applicable subject to conditions, shall be granted within forty-five business days from the date of receipt by the investor who filed the application of the Minister's decision provided for in the second paragraph to said investor as well as to the investors designated as responsible for compliance with the conditions in application of section II of Article R. 151-8. In the absence of a reply within this period, the application for authorisation shall be deemed to be rejected.

**Article R. 151-7**

I. Investors shall be exempt from the obligation to file the application for authorisation provided for in this Chapter:

- a) If the investment is made between entities all belonging to the same group, i.e. more than 50% of the capital or voting rights are held, directly or indirectly, by the same shareholder
- b) If the investor exceeds, directly or indirectly, whether acting alone or in concert, the threshold of 25% of the voting rights in the capital of an entity over which it has previously acquired control by virtue of an authorisation granted under subsection a) of Article R. 151-2
- c) If the investor acquires control, within the meaning of [Article L. 233-3 of the French Commercial Code](#), of an entity over which it has previously, directly or indirectly, alone or in concert, exceeded the threshold of 25% of the voting rights by virtue of an authorisation issued under subsection c) of Article R. 151-2, provided that this acquisition has been notified in advance to the Minister in charge of Economy. Barring any objection from the Minister, the new authorisation shall come into effect at the end of a period of thirty days from the date of notification, under conditions laid down by an order.

If an application for authorisation has nevertheless been submitted under the assumptions set out in section I, the acknowledgement of receipt issued shall state that the application is not applicable.

II. Section I shall not be applicable under the following circumstances:

- a) If the investment prevents investors from complying with the conditions for which they have been made responsible in application of section II of Article R. 151-8 in connection with a previously issued authorisation
- b) If the purpose of the investment is to transfer abroad all or part of a branch of one of the activities listed in Article R. 153-3

**Article R. 151-8**

I. The conditions mentioned in section II of Article L. 151-3 are mainly aimed, in compliance with the principle of proportionality, at:

- a) Ensuring the continuity and security, throughout France, of the activities listed in Article R. 151-3 carried on by the entity that is the subject of the investment, in particular by ensuring that these activities are not subject to the legislation of a foreign State likely to hinder them, as well as the protection of the information related to them
- b) Ensuring the retention of the knowledge and expertise of the entity that is the subject of the investment and preventing their acquisition
- c) Adapting the internal organisational structure and governance procedures of the entity, as well as the procedures for exercising the rights acquired in the entity as a result of the investment



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d) Establishing the terms and conditions of information to be provided to the administrative authority in charge of the control

To this end, the Minister may, in particular, make his/her authorisation conditional on the transfer of part of the shares or equity acquired in the capital of the entity subject to the investment or of all or part of a branch of activity listed in Article R. 151-3 carried on by the entity subject to the investment to an entity that is separate from the investor and approved by the Minister.

II. Where the investment authorisation is subject to conditions, it shall identify from among the investors, within the meaning of section II of Article R. 151-1, on whose behalf the authorisation has been sought, the investor or investors responsible for compliance with such conditions.

### **Article R. 151-9**

I. The conditions laid down may be revised at the request of the investor:

a) In the event of changes, which were unforeseeable on the date of completion of the authorised transaction, to the economic and regulatory conditions for the exercise of the activities listed in Article R. 151-3 by the entity subject to the investment

b) In the event of a change in the shareholding of the entity that is the subject of the investment or a change in the members of the chain of control

c) In application of one of the conditions laid down at the time of authorisation. When the application for a review of the conditions is submitted by the investor, it shall be accompanied by the documents or information necessary to justify the circumstances mentioned in (a), (b) or (c), as well as those necessary for the examination of such an application. The Minister shall make a decision within forty-five business days of receiving the application. In the absence of a reply within that period, the application for review shall be deemed to be rejected.

II. The conditions laid down may be revised at the initiative of the Minister in charge of Economy in the cases mentioned in paragraphs (b) and (c) of section I.

New conditions may only be set in the event of the acquisition of control, within the meaning of [Article L. 233-3 of the French Commercial Code](#), by the investor in the entity that was the subject of the investment and in compliance with the principle of proportionality.

The Minister in charge of Economy shall inform the investor of his/her decision, specifying the reasons for such a review and shall provide the investor with an opportunity to present observations within forty-five working days. At the end of this period, the Minister shall notify the investor of the amended conditions and the date of their application.

### **Article R. 151-10**

The Minister for the Economy shall refuse, on the basis of a reasoned decision, the investment authorisation requested if the implementation of the conditions provided for in Article R. 151-8 is not sufficient on its own to ensure the protection of national interests as defined under Article L. 151-3. The Minister may take into consideration the fact that the investor has links with a foreign government or public body.

He/she may also refuse, by way of a reasoned decision, to authorise an investment:

a) If there is a serious presumption that the investor is likely to commit one of the offences or conceal one of the offences referred to in Articles [222-34 to 222-39](#), [223-15-2](#), [225-4-1](#), [225-5](#), [225-6](#), [225-10](#), [313-1](#), [314-1](#), [321-6](#), [324-1](#), [421-1 to 421-2-6](#), [433-1](#), [433-2](#), [435-3](#), [435-4](#), [441-1 à 441-8](#), [450-1](#) of Part I of Book IV of the French Criminal Code or in articles [1741 to 1743](#), [1746](#) or [1747](#) of the French General Tax Code

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b) If the investor has been subject to a final judgment on the basis of one of the offences referred to in subsection (a) or for equivalent offences under the law of another State during the five years preceding the submission of the request for authorisation

c) If the investor has been the subject of a sanction handed down on the basis of Article L. 151-3-2, or if they have seriously and persistently disregarded the injunctions or precautionary measures imposed on the basis of sections I and II of Article L. 151-3-1 during the five years preceding the filing of the application for authorisation

#### **Article R. 151-11**

The carrying out of an investment transaction authorised on the basis of this chapter shall be subject to a declaration under the conditions laid down by an order from the Minister in charge of Economy.

### **Section 3 – Enforcement measures and sanctions**

#### **Article R. 151-12**

In the event of an emergency, exceptional circumstances or an imminent threat to public order, public safety or national defence interests, the Minister may impose one of the measures provided for in sections I or II of Article L. 151-3-1 after giving the investor formal notice to submit observations within a restricted period, which may not be less than five business days.

At the end of this period, the Minister shall notify the investor of his/her decision, specifying the time allowed for compliance and, where applicable, the amount of the penalty due, which shall be set by the Minister.

#### **Article R. 151-13**

Where the Minister orders an investor, pursuant to subsection a) of sections I and II of Article L. 151-3-1, to file an application to correct their situation, the order shall specify the documents and information required to examine the application.

Where the Minister orders an investor, pursuant to subsection c) of section I or subsections b) and c) of section II of Article L. 151-3-1, to modify the investment or to comply with the conditions, the order shall specify the nature of the modifications or new conditions required. The Minister may order the transfer of all or part of the shares or equity acquired in the capital of the entity subject to the investment or of all or part of a branch of activity listed in Article R. 151-3 carried on by the entity subject to the investment to an entity separate from the investor.

#### **Article R. 151-14**

The daily amount of a penalty payment imposed pursuant to Article L. 151-3-1 may not exceed fifty thousand euros.

Penalty payments are collected in the same way as government debts not related to taxes and property.

#### **Article R. 151-15**

The decision to appoint a representative pursuant to subsection d) of section I of Article L. 151-3-1 shall specify the foreseeable duration of his/her assignment as well as his/her monthly compensation, which shall take into account, in particular, the nature and importance of the assignment.

### **Section 4 – Common provisions**

#### **Article R. 151-16**

An order from the Minister in charge of Economy sets out the list of documents and information to be provided in support of the prior applications for examination of an activity and authorisation provided for respectively in Articles R. 151-4 and R. 151-5.

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**Article R. 151-17**

The administrative authorities responsible for examining the authorisation provided for in this Chapter may seek international cooperation in order to verify the accuracy of the information provided to them by foreign investors, in particular information concerning the origin of funds.

**Order of 31 December 2019 relating to foreign investments in France**

**Article 1**

Pursuant to Chapter I of Part V of Book I of the regulatory section of the French Monetary and Financial Code, applications for authorisation shall include the following documents and information:

I. - For investors within the meaning of section I of Article R. 151-1 of the abovementioned Code, for individuals: any official document that identifies their first name(s), surname(s), date and place of birth, nationality(ies) and residence for tax purposes

II. - For investors within the meaning of section I of Article R. 151-1 of said Code, when they are not individuals:

a) A registration certificate or equivalent stating the company name, registered office, registration number or equivalent and nationality

b) An organisation chart making it possible to identify the entities or individuals making up its chain of control, including the entity or entities or individuals who ultimately control it, within the meaning of [Article L. 233-3 of the French Commercial Code](#). The application shall indicate which entities or individuals in the chain of control took part in the decision to make the investment or authorised it.

c) Registration certificates or equivalent stating: the names, registered offices, registration numbers or equivalent, and nationalities of the entities referred to in b)

d) The application shall also include, with respect to entities ultimately controlling the investor:

a) A list of the members of their administrative, supervisory and management bodies or of any other body performing equivalent functions, together with their nationality(ies) and residence for tax purposes

b) The identity, percentage of share capital and fraction of voting rights held by each shareholder or partner with more than 5% of the voting rights

e) Where the chain of control includes investment fund(s), the documents provided must attest to the identity of the fund manager(s) and the entities or individuals controlling the fund manager(s)

f) A detailed description of the activities carried on, including a description of the services or products provided

g) Mention of any significant equity relationship or financial support from a State or public body outside the European Union over the last five years

h) Description of the markets on which it operates

i) List of French and foreign competitors

j) A signed and dated declaration that the investor has not been convicted of any offence referred to in Article R. 153-10 of the French Monetary and Financial Code, or of a similar offence in another State, within the past five years. If the investor is a legal entity, it must also declare that, to its knowledge, none of the members of its administrative, supervisory and management bodies or of any other body performing equivalent functions has been convicted of any of the above offences.

The information and documents referred to in (f) to (i) shall also pertain to the group to which the investor belongs.

III. - In respect of the entity subject to the investment:

a) They shall mention the name, registered office and address of the operating sites located in France, the French business identification number (SIREN) and the French industry classification (NAF) number

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- b) The headcount in France and worldwide, as well as individual and consolidated turnover and net income for the last three financial years
- c) An organisation chart identifying the entities or individuals making up its chain of control including the entity, entities or individuals who ultimately control it, within the meaning of [Article L. 233-3 of the French Commercial Code](#)
- d) A detailed description of the activities carried on, including a description of the services or products provided
- e) A list of its French customers and the activities carried on for their benefit, including a description of the services or products it provides to them
- f) Indication of the markets on which it operates
- g) List of its French and foreign competitors
- h) Mention of any involvement in projects or programmes of interest to the European Union, as defined in Article 8 of Regulation (EU) 2019/452 of the European Parliament and of the Council of 19 March 2019 establishing a framework for the screening of foreign direct investments into the Union, or any financial support from European Union funds
- i) Appointment of a point of contact and details of his/her first name(s), surname(s), professional status and business address and email address
- j) Without prejudice to the above information, when the investment consists in the acquisition of all or part of a branch of activity of an entity governed by French law, as defined in Article R. 151-2 of the French Monetary and Financial Code, the application shall include, in particular, a list of the assets making up the branch of activity concerned

The information and documents mentioned in d) to g) also relate to the group to which the entity subject to the investment belongs.

IV. - With regard to the investment:

- a) A copy of any document attesting to a sufficiently completed investment project
- b) Any option on the remaining capital
- c) Amount of the investment as defined in Article R. 151-2 of the aforementioned Code and, where applicable, amount of the overall transaction in which the investment is included. If such amounts are not determined when the application is filed, the application must include an estimate and, where applicable, the method used to provide this estimate.
- d) Reasons for the transaction in relation to the investor's overall strategy
- e) Financial arrangements, including whether the settlement will be made by a transfer of funds from abroad to France or by some other means of payment. If the exact amounts mentioned cannot be provided, the application shall include an estimate, and the method used to establish it.
- f) Timetable for completion of the transaction
- g) If applicable, the list of States in which the transaction has been or will be notified under merger and foreign investment controls and the dates of the various notifications

**Article 2**

I. When it is filed by the investor, the prior application for examination of an activity mentioned in Article R. 151-4 of the aforementioned Code shall include:

- a) The information and documents mentioned in section I or in subsections a), b) and f) of section II of Article 1

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- b) The information and documents mentioned in section III of Article 1
  - c) A copy of any document attesting to an investment project as well as the agreement of the entity subject to the investment with regard to the filing of such an application
- II. When it is filed by the entity subject to the investment, the prior application for the examination of an activity mentioned in Article R. 151-4 of the aforementioned Code shall include:
- a) The information and documents mentioned in section III of Article 1
  - b) A copy of any document attesting to an investment project and the existence of one or more potential investors

**Article 3**

The declaration provided for in Article R. 151-11 of the aforementioned code shall be made by the investor within two months following the completion of the investment defined in Article R. 151-2 of the aforementioned code. It shall mention:

- a) The date on which the transaction was carried out
- b) The distribution of the capital of the entity subject to the investment upon completion of the transaction
- c) The amount of the investment actually paid if available, or the estimated and updated amount of the investment, where applicable, and the method used to provide this estimate
- d) Any change in the chain of ownership of the entity subject to the investment that has occurred since the date of issue of the authorisation by the Minister for the Economy

**Article 4**

I. Applications for authorisation and requests for opinions must specify whether the investor, an entity in the group to which the investor belongs, or the entity subject to the investment has previously been the subject of a decision by the Minister for the Economy pursuant to [Articles R. 151-1 et seq. of the French Monetary and Financial Code](#). In such cases, requests must indicate the reference(s) of the related file(s).

II. Applications for authorisation or requests for opinions and declarations must specify the status and identity of the person(s) empowered to represent the investor or the company subject to the investment in implementation of Chapter I of Part V of Book I of the regulatory section of the Monetary and Financial Code. If the administrative authority in charge of the foreign investment authorisation and control procedure deems it necessary, it shall request any document attesting to this power.

III. Applications for authorisation or requests for opinions and declarations shall be drawn up in French. If it considers it to be necessary, the administrative authority in charge of the foreign investment authorisation and control procedure may request a translation, if necessary certified, of the documents and information submitted in a foreign language pursuant to Articles 1 and 2.

**Article 5**

Applications for authorisations or requests for opinions, the declarations provided for in Article R. 153-11 and the notice provided for in section I c) of Article R. 151-7 of the aforementioned Code, or any correspondence relating to foreign investment in France should be sent to the Ministry for the Economy (Directorate General of the Treasury) by email ([iefautorisations@dgtresor.gouv.fr](mailto:iefautorisations@dgtresor.gouv.fr)) or by post in a single copy (139, rue de Bercy, 75572 Paris Cedex 12, France).

**Article 6**

The critical technologies mentioned in section III (a) of Article R. 151-3 of the Monetary and Financial Code are:

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- a) Cybersecurity
- b) Artificial intelligence
- c) Robotics
- d) Additive manufacturing
- e) Semiconductors
- (f) Quantum technologies
- (g) Energy storage

**Article 7**

The aforementioned Order of 7 March 2003 is amended in accordance with the following provisions:

- (a) Articles 4 to 6 have been repealed
- (b) The first paragraph of Article 7 has been deleted

## **French Commercial Code**

### **Legislative Section**

#### **Article L.233-3**

I. - For the purposes of sections 2 and 4 of this Chapter, any individual or legal entity is deemed to control another:

1° When it directly or indirectly holds a fraction of capital shares that gives it a majority of voting rights at that company's general meetings;

2° When it alone holds a majority of the voting rights in that company by virtue of an agreement entered into with other partners, members or shareholders and is not contrary to the company's interests;

3° When it effectively determines the decisions taken at that company's general meetings through the voting rights it holds;

4° When it is a partner in or a shareholder of that company and has the power to appoint or dismiss the majority of members of that company's administrative, management or supervisory bodies.

II. - It is presumed to exercise such control when it directly or indirectly holds a fraction of the voting rights above 40% and no other partner, member or shareholder directly or indirectly holds a fraction larger than its own.

III. - For the same sections of this chapter to apply, two or more companies acting in concert are deemed to jointly control another company when they effectively determine the decisions taken at its general meetings.

#### **Article L.430-1**

(...)

III. – For the purposes of applying this Article, control will arise from rights, contracts or any other means which, either separately or in combination and having regard to the consideration of fact and law involved, confer the possibility of exercising a decisive influence on an undertaking, in particular by:

- ownership or the right to use all or part of the assets of an undertaking;
- rights or contracts that confer decisive influence on the composition, voting or decisions of the bodies of an undertaking.