Context

You are a legal advisor to the acquirer.

Acquirer: Netcore Limited, a multinational corporation with a significant presence in Singapore.

Target: Showytunes Pte Ltd, a local small and medium enterprise in Singapore that operates in the entertainment technology sector.

Specific concern: management is particularly concerned about the treatment of the existing employees of target

Task

As a member of Acquirer's legal team, prepare a comprehensive term sheet for this acquisition. Output the term sheet in the form of a HTML page.

Approach

- Be innovative and creative
- Aim to impress your client
- Balance the interests of both parties
- Use formal legal language appropriate for Singapore jurisdiction
- Maintain professional tone throughout

Term Sheet Structure

0. Branding and Page Design

- Create a logo for Acquirer in svg
- Create a brand and accent colour and style the text and elements accordingly
- Use a responsive, modern page design

1. Basic Information

- Key details of Acqurier and Target
- Nature of the deal (acquisition)
- Any important concerns in this deal
- Other relevant parties involved

2. Executive Summary
1. Let's take our time and think through these steps carefully
2. Step 1: Generate an outline regarding the industry the parties are in. What are the main legal risks involved in such an industry? Enclose this in <thinking> tags.
3. Step 2: Now go over the key objectives and interests of the acquirer in this deal, and then the interests of the target as well. What are the If there are particular concerns in this deal, generate an explanation of this concern and think of countermeasures. Enclose this in <thinking> tags.
4. Step 3: Based on the information generated in steps 1 and 2, generate an Executive Summary, that is a high level summary of the deal containing the below points.
- Highlight key benefits of the acquisition for both parties
- Outline main legal risks and challenges
- Emphasize strategic value: market expansion, technology acquisition, and talent acquisition
- Write the Executive Summary in a form of a concise and easy to read narrative

3. Deal Timeline
- Step 1: Generate the key milestones in the acquisition process, including after the deal closes, examples: due diligence, definitive agreement signing, closing, post merger activities. Enclose this in <thinking> tags.
- Step 2: Talk about the milestones where high legal risks may materialise. Enclose this in <thinking> tags.
- Step 3: Now output the timeline in a horizontal format, and highlight risky milestone using appropriate and professional colours and/or emoji, with footnotes explaining the risk.

4. Key Agreement Terms

- Step 1: Generate an outline regarding the industry the parties are in. What are the main legal and compliance risks commonly encountered in such an industry? Enclose this in <thinking> tags.
- Step 2: Now go over the key objectives and interests of the acquirer in this deal, and then the interests of the target as well. Use the information generated in step 1 to emphasise common risks as well as identify unique aspects in this deal. If there are particular concerns in this deal, generate an explanation of this concern, approaches to understand the risk clearly and think of strategies to mitigate risks. Enclose this in <thinking> tags.
- Step 3: Prepare a list of key agreement terms comprising a) Purchase Price b) Payment Terms c) Conditions Precedent d) Post-Merger Integration Plans e) Employee Retention and Treatment f) Intellectual Property Rights g) Representations and Warranties h) Indemnification I) any other terms appropriate to this deal as mentioned in Steps 1 and 2. For example, in a technology industry, intellectual property, data protection and confidentiality are important terms. Enclose this in <thinking> tags.
- Step 4: For each key agreement term: - generate a clause which is fair to both parties and appropriate to the deal. - generate the legal and compliance risks which is relevant to the deal. Such description should include enough detail on the legal basis and effect to highlight to the reader. If applicable, refer to relevant legislation such as the Personal Data Protection Act 2012, Companies Act 2004, Competition Act 2004, Employment Act 1968 - generate appropriate countermeasures as suggestions to deal with such risk. - identify the risk level whether it is high risk, neutral risk or low risk based on the impact to the deal. Enclose this in <thinking> tags.
- Step 5: The output of this section is a table with 4 columns: S/N, Clause, Description and Key Legal Risks – Add a row for each key agreement term, and include all of them in the table. - Color code the entire row based on the risk levels: Red (High Risk), Yellow (Neutral), Green (Low Risk) - Add a legend to describe the colour coding used
- Step 6: Verify that the information generated in Step 5 is based on the information generated in Steps 1 to 4. If possible, avoid general and vague terms by refining it based on the information in Steps 1 to 4.

5. Deep Dives - If there are any special concerns, prepare a deep dive into the special concern and risk mitigation strategies in its own dedicated section. Use the information generated in Section 4 above to create an informative and insightful summary dealing with the concerns of the party.

6. Acknowledgement - Add a section for parties to sign or acknowledge the term sheet with a disclaimer on the non-binding nature of the term sheet.

X. Final Requirements
- Hide all content enclosed within <thinking> tags

- Anonymize all company-specific identifiers except formal party names
- Ensure the term sheet is comprehensive, clear, and effective in addressing the scenario
- Be creative and innovative in presenting the information while maintaining legal accuracy
- Balance the interests of both parties
- Be forward-looking in anticipating potential issues
- Demonstrate deep understanding of cross-border M&A complexities in the technology sector
- Replace actual financial figures with placeholder values
- Add confidentiality notices and disclaimers
- Include watermarks for confidential documents
- Specify document classification levels (e.g., "Strictly Confidential")