



September 2015

Follow @Paul_Hastings



The Macron Act

By [Anthony Guillaume](#) & Ted Dimvula

Coming out of the financial crisis and the willingness of European States to boost their economy, the French government has decided to take measures in order to modernize the French economic and social model. As a result, the Act for the growth, activity, and equal economic opportunities (*Loi pour la croissance, l'activité et l'égalité des chances économiques*), named the Macron Act, was enacted on August 6, 2015. This reform represents a significant step forward on various topics such as Tax and Employment Law, but also Competition and Consumer Law.

Key measures of the Macron Act relate in particular to the following topics:

- **An incentive to employee savings and employee shareholding** through the reduction of vesting period and retention period of free shares and the easing of issuance conditions for company stock warrants (*Bons de souscription de parts de créateurs d'entreprise*). Through this new measure, a parent company is now able to issue stock warrants to the benefit of the employees and officers of subsidiaries in which it holds at least 75% of the capital or voting rights. In addition, these devices are simplified to allow their widespread use by for small and medium enterprises (SMEs) and make them more attractive on taxation.
- **A new form of company is created for large investors and to facilitate foreign participation in private equity.** The new investment tool, called free partnership company (*Société de Libre Partenariat*), is quite similar to the Anglo-Saxon limited partnership. Its aim will be in particular to compete in Europe with the special limited partnership (*Société en Commandite Spéciale*), Luxembourg vehicle created in 2013 which had made the French *Fonds Professionnel de Capital Investissement* less attractive. This business entity will allow the establishment of governance suited to institutional investors. Indeed, within this company, that will take the form of the French *Société en Commandite Simple*, and two types of partners will be divided, namely those in charge of the company's management and the LPs which remain passive.
- **Labour legislation on Sunday and night.** Henceforth, the successful device removes the original system of five Sundays worked per year and leaves the choice to the French Government for fixing the number of working Sundays, which could not exceed twelve per year. Furthermore, International tourist areas might be created in several towns in which shops may be opened every day until midnight and every Sunday, subject to salary compensation.



These significant changes are designed to promote the productivity and the competitiveness of the French economy, and may facilitate the setup of a more flexible social model in France.



If you have any questions concerning these developing issues, please do not hesitate to contact any of the following Paul Hastings Paris lawyer:

Anthony Guillaume
33.1.42.99.06.73
anthonyguillaume@paulhastings.com

Paul Hastings LLP

PH Perspectives is published solely for the interests of friends and clients of Paul Hastings LLP and should in no way be relied upon or construed as legal advice. The views expressed in this publication reflect those of the authors and not necessarily the views of Paul Hastings. For specific information on recent developments or particular factual situations, the opinion of legal counsel should be sought. These materials may be considered ATTORNEY ADVERTISING in some jurisdictions. Paul Hastings is a limited liability partnership. Copyright © 2015 Paul Hastings LLP.