

Merger & Acquisition Closing Checklist

M&A deals are complicated enough—closing shouldn't have to be. Yet too often, key administrative tasks get left until the last minute, or even overlooked. This can disrupt closing, and even result in severe financial penalties for the client. Using a closing checklist can help ensure all key tasks are completed on time so that closings can run smoothly.



ASAP

- Research licensing requirements
 - Are you dealing with a regulated industry?
 - What new states or jurisdictions will the acquiring company be operating in?
 - Can business licenses be transferred from the target company to the acquirer? If so, how soon before or after closing must this be completed?
- Review checklist
 - What steps should be added or removed from the standard checklist in preparation for closing?



At or Prior to Closing

- Pre-clear Certificates of Merger
 - If pre-clearance reviews are available, what are the timing, fees, restrictions, expectations, etc.?
- Obtain updated Charter
 - Have there been any amendments to the Certificate of Formation of the target company?
- Obtain Good Standing Certificates
 - How many days prior to closing must the Good Standing Certificate be dated?
 - What is the turnaround time for obtaining Good Standing Certificates from the state?
 - Are any annual reports and/or tax payments due between the date of the last Good Standing Certificate and the closing date?
- Verify payment of franchise taxes
 - Have payments been made well in advance of closing? Has the correct amount been paid (i.e. Delaware has two methods for determining franchise taxes)?
 - Which states (in which the company will be operating) include representation that all franchise taxes have been paid on the Good Standing Certificate? Which do not?
- Obtain “bring down” good standing
 - Have you coordinated with the service provider in advance to verify good standing as early as possible on the closing date?
 - Have you factored in time zone differences?

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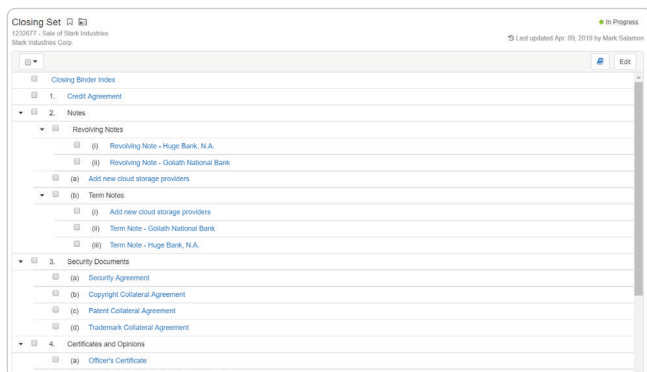
At or Prior to Closing

- Update “complete” due diligence UCC, tax lien, and suits and judgment searches
 - Are there additional searches required related to intellectual property searches with the U.S. Patent and Trademark or Copyright offices to verify ownership of important intellectual property?
- Confirm status and assignment process for business licenses
 - Are all documentation, procedure, timing, etc. for business licenses being tracked in the closing checklist?
 - If any assignments cannot be completed on the date of closing, have they been added to the post-closing checklist?
- File Certificates of Merger
 - What are the expedited options to file and return evidence of the merger?
 - Do you have clear instructions from your service company representative on timing of submission and requirement to receive evidence of filing?
 - Do you have someone available and in close contact with the states if any issues arise so that resolution can be addressed ASAP?
- Confirm wire transfer instructions



Post-Closing

- Make sure public record information is accurate
 - Update name in all existing jurisdictions
 - Register or withdraw based on where the company will be doing business
 - Amend, transfer, or file new business licenses if not completed pre-closing
- Identify and track recurring requirements
 - Annual and periodic reports
 - Assumed name or DBA name renewals
 - Business license renewals
- Review books and records
 - Minute books, stock ledgers, seal



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