

Key legal steps in process

Making the deal

Due Diligence

Client and counsel review ABC assets, finances, contracts, intellectual property, and related matters. Goals include identifying opportunities, risks, creditors, and consents needed to carry out transaction. An NDA is signed to facilitate this review.

Board Approvals

Each board approves the agreement, the transaction, and other related matters. ABC adopts a plan for dissolution, which would occur following asset transfer.

Definitive Agreement

Parties and counsel negotiate and draft binding contract committing parties to transfer assets from ABC to Client. Contract contains representations, covenants, and conditions to closing.

Implementing the deal

Third Party Consents

Parties seek approval from third parties as may be required under their respective contracts. In addition, for dissolution, ABC would notify its creditors, if any, who would need to make a claim within specified period of time.

Notice to Atty General

ABC provides 20 days advance notice of asset transfer to California Attorney General. Submission includes copy of agreement, financial statements, and board resolutions. ABC also seeks California Attorney General approval of proposed dissolution.

Closing

All closing documents are signed and delivered. ABC transfers all assets and liabilities to Client. Client takes over ABC programming.

Dissolution

ABC files certificate of dissolution with CA Secretary of State. Documents are public.

Key legal documents

Document	Purpose
Due Diligence Request	<ul style="list-style-type: none"> identifies ABC documents for due diligence review by Client and counsel
Non-Disclosure Agreement	<ul style="list-style-type: none"> obligates Client and ABC to keep the other's information confidential and to use the information only for purposes of evaluating a possible transaction
Asset Transfer Agreement	<ul style="list-style-type: none"> central agreement committing Client and ABC to transfer ABC's assets and liabilities to Client sets out core terms, representations and warranties about ABC and Client, pre-closing and post-closing covenants, and closing conditions includes commitment by Client to use ABC assets for [] and []
Schedule of assets and liabilities (Exhibits A and B)	<ul style="list-style-type: none"> identifies the assets and liabilities that ABC will transfer to Client at closing
Board Resolutions	<ul style="list-style-type: none"> formally documents the decisions by ABC's and Client's boards ABC resolutions include approval of proposed dissolution following completion of asset transfer
Asset transfer: Notice to Attorney General from ABC	<ul style="list-style-type: none"> provides 20-days' advance notice to the Attorney General of the proposed sale of all of ABC's assets, as required by California law describes material facts and reasons for transaction
Bill of Sale (Exhibit C)	<ul style="list-style-type: none"> operative document that conveys legal ownership of assets and liabilities to Client
Dissolution: Notice and filings to Attorney General and Secretary of State by ABC	<ul style="list-style-type: none"> seeks approval of the Attorney General of the proposed dissolution of ABC (to be done concurrently with the notice for transfer of assets described above) if ABC board vote not unanimous, file Certificate of Election to Wind up and Dissolve with Secretary of State following Attorney General approval, ABC mails final dissolution packet to Secretary of State, including the dissolution waiver of objections from the Attorney General, Certificate of Dissolution, and other documents following Attorney General approval and Secretary of State filing, ABC mails final dissolution packet to Attorney General Registry of Charitable Trusts, including a copy of the Certificate of Dissolution filed with the Secretary of State and ABC's financial report showing a zero balance

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