

Stock/Asset Purchase Due Diligence Checklist, Summarized Template:

GENERAL CORPORATE RECORDS/MATTERS

- Corporate organization, charter documents, Company bylaws
- Minutes, written consents; reports and other written communications with stockholders
- Capital stock, other securities; acquisitions, divestitures

FINANCIAL INFORMATION

- Audits, financial statements, reports, studies, projections, asset valuations

DEBT FINANCINGS

- Debt instruments, credit/security agreements
- Schedule of title, authorized amount, amount outstanding

TAX MATTERS

- Federal, State, and Local Tax Returns

EMPLOYMENT MATTERS

- List of employees, including job descriptions, recent/pending promotions
- Employee contracts, handbooks, manuals, guidelines, and other materials
- Employment agreements, contracts with unions, details of benefit plans

INTELLECTUAL PROPERTY

- Patent, trademark, and copyright registrations and applications

INFORMATION TECHNOLOGY

- Software, IT systems and resources, data security and privacy
- Websites, social media

OTHER AGREEMENTS, COMMITMENTS

- Distribution, marketing, advertising, public relations, sales agreements
- Vendor/supply lists and agreements, customer loyalty program information
- Product warranties, liabilities

LITIGATION, INSURANCE

- List and description of settled, concluded, pending, and threatened litigation
- Insurance agreements and arrangements

COMPLIANCE WITH LAWS

- Citations, notices, inquiries, and correspondence from government agencies
- List of government permits, licenses, and authorizations

REAL PROPERTY, PERSONAL PROPERTY, ENVIRONMENTAL

- Deeds, leases, subleases, valuations, and descriptions of real property
- Equipment and personal property leases and encumbrances

RELATED PARTY TRANSACTIONS

- Written agreements between Company and any current or former directors, shareholders, and other interested parties

MISCELLANEOUS

- Advertising, marketing, and selling materials used
- Press releases, analyst reports, market research or studies

OTHER CONSIDERATIONS:

- Scope of due diligence investigation- time, budgeting restrictions
- Due diligence areas legal counsel is responsible for, and particular focus
- Review by specialists, consultants, third parties; contact information and availability
- Due diligence document and material access, availability, and protection