



Closing Checklists

Closing Checklists – In General

- A closing checklist organizes the closing of a transaction by:
 - Listing actions and documents that are needed for the transaction to close – “Deliverables”
 - Assigning responsible parties for the actions and documents
 - Establishing deadlines
 - Providing for the tracking of the status of each item
- When is a closing checklist prepared?
 - Preparation may begin as early as the due diligence phase
 - When will purchase agreement be signed?
 - How much time in between
 - Sign and Close



Preparation of Closing Checklists

- Review Purchase Agreement
 - ☐ Closing Conditions
 - ☐ Representations and Warranties
 - ☐ Covenants
 - ☐ Disclosure Schedules
- Include documents needed for transfer of assets/
stock or merger
- Review regulatory requirements for filings/consents
- Review corporate approval requirements
- Include payment requirements, e.g. wire instructions
- Other documents – escrow agreements, estimated
balance sheets, etc.



Preparation of Closing Checklists

- Assignment of parties' responsibilities
 - ☐ Who is preparing or obtaining each item
 - ☐ Who is signing documents
 - ☐ Good practice to include names and contact information in the checklist document
- Include Post-Closing items



Documentation

- Preparation of documentation is the biggest part of preparing for closing
- Be clear who is preparing and understand time required to prepare
- Will document be heavily negotiated?
- Reliance on third parties
 - ☐ Review documents
 - ☐ Approvals
 - ☐ Signatures



Transaction Documents

- Principal transaction document typically includes forms of many of the closing documents in final or close-to-final form
- Disclosure Schedules – “Bringing Down” at closing
- Ancillary agreements and documents not included in principal transaction document
 - Identify, draft and negotiate



Common Closing Documents

- Closing Certificates – “Bring-Down Certificates”
- Secretary’s Certificates – Examples include certifying approval resolutions and corporate authority
- Board/Shareholder Consents
- Legal Opinions
 - Need for opinions will vary
 - Less common than they used to be



Closing Process

- In person or virtual?
- If in person:
 - ☐ Where?
 - ☐ Who?
- If virtual
 - ☐ Who is collecting documents and declaring closing conditions met?
 - ☐ Original or facsimile signatures?
 - ☐ Timing of delivery



Preparation for Closing

- Establish regular calls/meetings
- Determine lead time for items on checklist
 - ☐ Ordering of documents
 - ☐ Gathering signatures
- Consideration issues
 - ☐ Who is being paid – counterparty, lender, etc.
 - ☐ How is consideration being paid



Post-Closing

- Include Post-Closing items on checklist
- Post-Closing items may include:
 - ☐ Name changes
 - ☐ Final balance sheet
 - ☐ Final asset list
 - ☐ Transition services arrangements
 - ☐ Press releases
 - ☐ Assembling and distribution of closing documents
- Parties to a transaction often have significant interaction following a closing