Post Merger Integration Legal Checklist

Legal Org Chart

- Construct and conduct work session with key stakeholders to agree on ideas to eliminate redundancies
- Review the Legal organization chart of Target Co.
- Assess roles and responsibilities of Target Co. counsel performs and scope
- Assess subject matter expertise per council member
- Construct draft Legal organization chart
- Conduct follow up meeting with key stakeholders to review draft and gather edits
- Schedule and conduct presentation meeting with decision making executives to present organization chart and gather further edits
- Revise new org chart
- Construct and conduct meeting with department to review new organization. Define roles, responsibilities and procedures going forward.
- File new org chart into corporate archives and policy records

Litigation Review

- Gather and review litigation closed (<5 yrs) to current
- Determine and review budget set aside for each case
- Assess the merits of current case(s)
- Assess the financial exposure (Judgment & Legal Costs)
- Report any key findings/concerns to the general counsel, corporate development and executive team
Contracts/Obligations
Operational Contracts Review:

- Schedule a meeting with key legal stakeholders to define the scope of contract reviews and determine if necessary to retain 3rd party legal consultants
- Review all "Standard Form Agreements" utilized by Target Co.
- Review all "Operations Agreements" of Target Co.
- Review "Risk Allocation: Parity Mapping" of Target Co.
- Review "Risk: Reward Assessment" methodology of Target Co.
- Review Process Procedure for Change Requests of Target Co.

Non-Operational Contracts Review:

- Review the following non-operational contracts and methodologies with the respective Acquirer functional representatives for cause and effect of change-of-control clauses:
- Review Bonding policies and rates
- Review of licenses granting rights for any proprietary technology and/or processes
- Review any intellectual property or patent rights owned by Target Co.
- Review Corporate building leases
- Review capital equipment methodology and contracts in conjunction with a financial analysis lease vs buy methodology
- Review medical plans and benefits
- Review all lending and debt contracts
- Review all National Purchasing Agreements
- Review all I.T. contracts/leases and methodology of storing Big Data
- Review warranty history & experience of Target Co.
- Review all "Special Contracts" written and oral
- Review and assess all non-standard individual employment terms
- Assess any remaining key contracts/agreements warranting review or that might be impacted by change-in-control
- Construct a summation reporting key issues/concerns that will have impact - especially financially - to the acquisition. Determine if this impact should directly impact the final price of the acquisition and bring forth to Corporate Development
General Corporate Documentation

- Gather and Review the Articles of Incorporation of the Company, as amended to date.
- Review the bylaws of the Company, as amended to date.
- Examine the minutes of the last five (5) years of meetings of the Board of Directors of the Company and any committees thereof and of the stockholders of the Company and copies of written consents in lieu of such meetings.
- Review documents relating to any past or present ownership interest of the Company in any other enterprise.
- Understand the key terms of trust agreements or other documents (if shares are held in fiduciary or entity capacity).
- Examine agreements, offering circulars, private placement memoranda, disclosure letters, and similar documents relating to sales (within past five years) or proposed sales of securities.
- Review a summary of the corporate history of the Company and any predecessors, including any mergers, acquisitions, changes in control, divestitures and corporate reorganizations.
- Examine the list of names under which the Company does or has done business.

Employee Contracts Review

- Gather and review severance policy
- Review employment contracts where acquisition triggers change in financial or contract terms
- Review employee handbooks and ethics policies for legal conformity
- Review and assess all non-standard employment terms
- Assess any remaining key contracts/agreements warranting review or that might be impacted by change-in-control
- Identify any key legal issues relating to any termination
- Schedule a review meeting with HR exec prior to planned attrition date to review any key issues
- Schedule with HR the planned Phase I RIF date and plan
- Review list of key documents necessary for severance package
- Verify severance documentation complies with legal requirements
- Schedule and review final severance process and documentation with HR prior to severance date
- File all updated documents into respective employee files by H.R.
JV Reviews

- Schedule and conduct a work session with Operations to review all JV contracts and relationships
- Review all joint venture agreements, partnership agreements or agreements involving a sharing of profits or technology of Target Co., or joint marketing, business development efforts involvement with Target Co..
- Assess Managing vs Minority interest holder positions
- Assess financial commitment - Labor and Equipment of all JV's
- Assess the budget to-date with Operations
- Perform risk assessment allocation under the prime contract and JV Partners
- Evaluate Change-of-Control language (if any) for all JV's and identify any impact to the acquisition
- Identify any legal exposure or potential exposure to overtures
- Determine cross-functional meetings from the findings above
- Schedule a JV review with Ops to highlight any potential issues
- Prepare formal file of contract amendments into corporate archives

Labor Strategy Session (3rd Party)

- Evaluate labor relations and determine if a third party assessment is necessary
- Perform topography mapping of Union vs non-Union labor, or hybrid
- Review any pending labor claims and exposure: sexual harassment, labor collective bargaining, etc..
- Evaluate necessity of outside legal assistance from Labor Strategy Meeting

Licensing / Registration and Change of Registered Agent

- Contract with 3rd party, CT Corp to change/update licensing registrations and registered agent
- Assess the licenses held for day-to-day operations
- Identify responsible managing officers/responsible managing employees
- Review license for currency and expiration dates
- Confirm states in which Target Co. and subsidiaries are authorized to do business
- Update Change of Officers / Directors in approximately 40 states
- Amend Contractors Licenses is approximately 30 states at new rate
- Change of Registered Agent / Registered Agent Representation in approximately 50 states at $80/per
- Document and archive into corporate files all updated Licenses / Registration and Change of Registered Agent.

**Compliance - Code of Conduct**

- Review and analyze Target Co. Code of Conduct
- Review procedure of on-boarding new employees / current employees with respect to Code of Conduct
- Prepare and review gap analysis of compliance review

- Identify and address need for communication and training on code of conduct and SOX
- Schedule compliance presentation and training based on findings above
- Schedule a date for formal presentation (within initial 30-days of Day-1)