

## **Nota Bene Episode 87: What Buyers and Sellers Need to Know About Distressed Financial Transactions with Ariel Yehezkel [VIDEO]**

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What is in store for companies that are on the cusp of financial distress and might be facing potential mergers and acquisitions (M&A) or liquidation? We're discussing what buyers and sellers should keep in mind while engaging in distressed financial transactions.

Joining Michael for this conversation is Ariel Yehezkel. Ariel is a partner in the Sheppard Mullin New York office. He is the Practice Group Leader of the firm's Corporate and Securities Practice Group. He concentrates his transactional practice on domestic and cross border mergers and acquisitions, leveraged buyouts, growth capital, minority investments, financing, joint ventures, equity arrangements, and general corporate matters.

### **What We Discuss in This Episode:**

- What does the climate look like right now, in a post-pandemic world, for distressed financial transactions?
- What did the mergers and acquisitions (M&A) market look like before the pandemic?
- How were some companies able to weather the storm of the crisis?
- What are two ways distressed M&A's can be carried out?
- Why is it important for buyers to conduct thorough due diligence prior to purchasing a distressed company?
- How should distressed M&A transactions be structured?
- As a buyer, how can you shield yourself from liabilities following the closing of the transaction?

- In terms of operational issues, what should buyers consider?
- What are third party consents and why might buyers have difficulties acquiring those consents?
- How can obtaining either a fairness or solvency opinion help a buyer when dealing with seller's creditors?
- What is the Section 363 sale process? What are the benefits and drawbacks of this type of transaction?
- How do relief packages and loan repayment obligations play into distressed M&A transactions?
- Why companies that aren't prepared to take their business digitally might face liquidation as opposed to a purchase.

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