

Welcome to Today's Webinar

Corporate Mergers and Acquisitions: Start to Finish

Thursday, Oct. 28, 2025, 2 p.m. Eastern time



Please note that the audio will be streamed through your computer—there is no dial-in number. Please make sure to have your computer speakers turned on or your headphones handy.



American Staffing Association

Today's Webinar Is Brought to You by

akerman



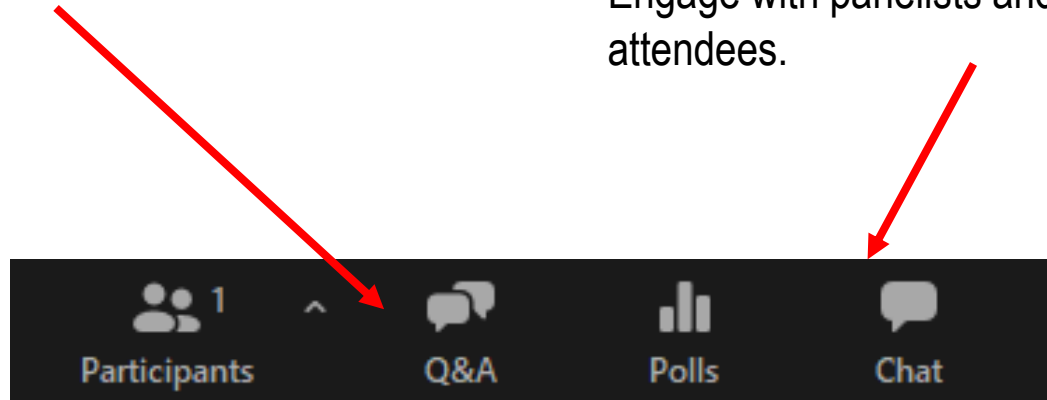
Ask a Question, Engage With Other Attendees

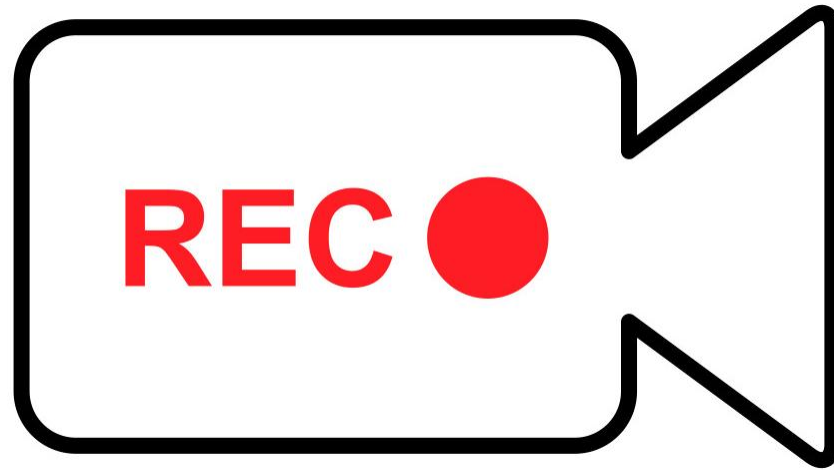
Q&A

Type your questions for the panel into the Q&A box

Chat

Start a conversation—say hello.
Engage with panelists and other attendees.





ASA Certification Continuing Education

Today's webinar qualifies for 1.0 CE hour

- **Live webinar:** CE credits earned from attending this program are *automatically* added to your online CE Status within three business days.
- **On-demand viewers:** Submit this earned CE using the online submission form at *americanstaffing.net*.



- This program is valid for **PDCs** for the SHRM-CP® or SHRM-SCP®.

Activity ID: 25-NA76Y





Melissa Cizmorris
partner
Akerman



Brian Nugent
partner
Akerman

Corporate Mergers and Acquisitions: Start to Finish

Brian M. Nugent
Melissa L. Cizmorris

October 30, 2025



akerman

Agenda

About our Team

Lifecycle of a Deal

Stage 1: Planning for a sale

Stage 2: Marketing of the Company

Stage 3: Selecting a Buyer;
negotiating an LOI

Stage 4: The diligence process

Stage 5: Drafting and reviewing deal
documents and the Closing

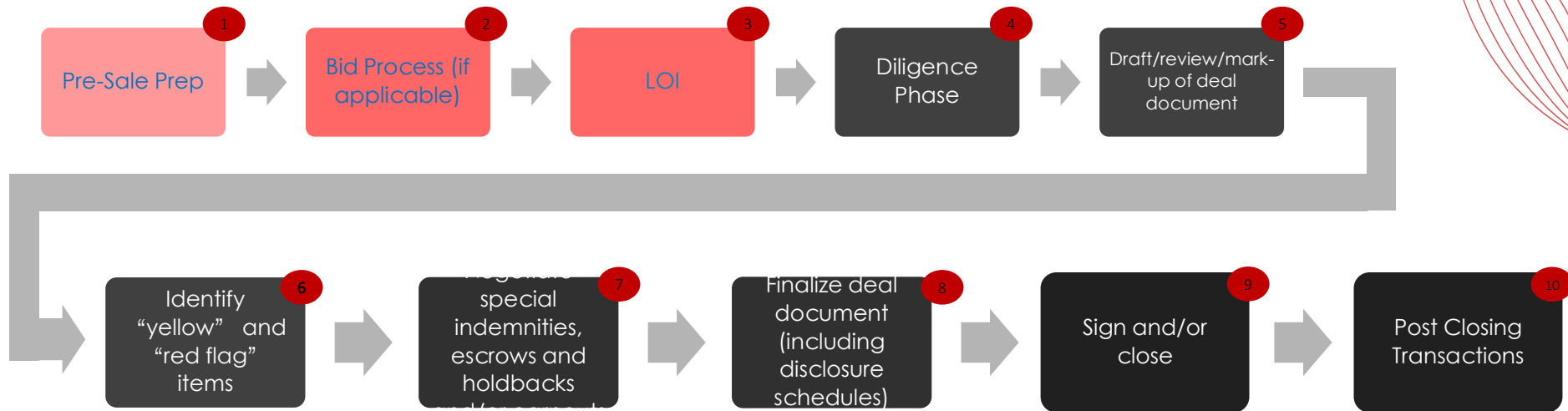
Post-transaction Considerations

| About Us

- Akerman is a national full-service law firm recognized as one of the most active M&A firms for its ability to close sophisticated transactions effectively and responsively, with a focus on value, a commercial perspective and consistency in staffing.
- We represent private equity firms, strategic buyers, and small- and medium-sized sellers
- Our Staffing Sector is lead by Brian, a former general counsel for a national staffing company; Melissa is a key part of this team
- Our team has represented clients in over 32 transactions in the last six years in the staffing, PEO, and related industries
- Retained by Canadian staffing company in a 2025 transaction to enter the US market through the purchase of a U.S. medical staffing company
- Retained by a major 401(k) recordkeeper that services the staffing and PEO space in a 2024 transaction in which a private equity firm invested in the company
- Frequently retained by private equity firms as special counsel to review and finalize diligence in transactions involving staffing and human capital companies.



| Lifecycle of a Deal



| Pre-Sale Considerations

Every company can be for sale at the right price at the right time, it is important to plan for it

Even if you never sell your company, you will understand your company better and address and/or fix operational and/or legal issues

Examine your business as if you will market it to others

Expenses: Are you being efficient; are there cyclical trends (ups and downs)

Personnel: this matters to a buyer – particularly Private Equity

Is there a Succession Plan?

Revenues: What are your revenue streams; how predictable are they; are any tied to regulatory changes. Buyers will attach varying significance to types of revenue

Understand and ensure sufficient documentation of your finances

Do you have clear financial records for the last 5-8 years?

How and from where do you generate revenue?

Do you have audited financials? Should you?

Should you retain a consultant/adviser to conduct a review of the business?

| Pre-Sale Considerations

Specific Tips for Staffing Companies

Management Team and Recruiting Team

Financing – How do you finance payment of wages to staffing employees

Technology – How are you using it to increase efficiencies? How are you using AI or plan to use it?

What is your niche or other distinguishing characteristics or items that make you different than other staffing firms?

Get your documentation in line

Corporate documentation – Have you adhered to corporate formalities?

Client contracts

I-9s and process

Onboarding and hiring

Vendor spend and contracts

Software licenses

Insurance practices and policies

State and federal compliance

Employee handbooks and privacy and related policies

When is the right time to actively market your Company for Sale?

Should you hire an advisor to market your Company?

What are the different ways to market a Company?

Pros and Cons (auction v. other processes)

| Drafting and Negotiating an LOI

What is the purpose of a Letter of Intent (LOI)?

Essential Terms

- Generally non-binding except for certain terms

 - Exclusivity

 - Confidentiality

- The LOI sets important parameters and expectations

- You should expect it might change because of diligence findings

Provides a framework for the Purchase Agreement

Structure - equity or asset purchase

Will there be debt used to purchase?

Purchase price and terms, including:

- How/why that might change

- How the price will be paid (i.e., cash at closing, etc.)

| Drafting and Negotiating an LOI

Are any owners rolling over any of their ownership as part of the transaction?

Will there be a “band” in which the Seller can choose a rollover %

Will the transaction be in steps?

If less than the entire company is sold, what will the post-transaction governance look like?

Will there be an escrow of funds?

What types

It will likely state that there will be customary escrow holdbacks

What role will the majority owner(s) be expected to play post closing?

Will the buyer require any employees to stay on?

If so, will the buyer require employment agreements?

Terms?

| Drafting and Negotiating an LOI

Exclusivity

Confidentiality provisions

Allocation of anticipated expenses

Anticipated closing timeline

Termination provisions

This is the time to negotiate these terms, as both parties will point to the LOI as reference for the terms of the agreement

| Due Diligence

There is no way around it, this is agonizing for a seller

Important to have a good team around you who knows the business inside and out

Must consider who on your team will be "in the know"
Still need to run the business

Buyer will want to know every detail of how you run your business, and they should have access to the financial and business information they need

Financing Contingency

If the Buyer intends to include debt to complete the purchase, the Lender will require its own diligence

| Major Areas of Diligence

Financial/
Working Capital

Corporate
Records

Corporate
Structure (*i.e.*,
S Corp., LLC,
C-Corp.)

Regulatory and
Compliance

Client Contracts

401(k) Plans

Health and
Welfare Benefits

Worker's Comp

Litigation and
Possible Claims

Privacy and
Data
Transmission

SUTA

Payroll
Practices/Tax
Reporting

Employee
Procedures
(Employee
Handbook)

Employee
Census

Shareholders

| Diligence Red Flags

Common areas:

- Client agreements

 - Have complete and fully-executed copies, especially for top clients

 - Templates

- Regulatory – especially in medical staffing

- Financing Agreements

- Workers' Compensation

- Privacy Issues

- Employee Benefits – Health and 401(k)

- Wage and hour issues

 - Especially if you are in California

 - Wage statement compliance

 - Independent contractors v. employee

Additional areas if you operate a PEO:

- SUTA

- Tax Credits (Particularly Pandemic tax credits)



| Drafting and Reviewing Deal Documents

There will be a lot of back and forth with lawyers on these documents, and often the hardest decisions are made by the buyer and seller on where (and whether) to compromise

Purchase Agreement

- Will differ between asset and equity deals

- Will include all terms of the deal, big and small

- Purchase Price terms ("Cash at Closing is King")

- Escrows, Indemnities, Holdbacks

- Will there be a corporate reorganization required (i.e. Seller is an S Corp)?

Disclosure Schedules – the Meat and Potatoes of the Purchase Agreement

- Overlap with Diligence

Employment Agreements

- Should include terms on restrictive covenants (non-compete and non-solicit)

- Should pre-negotiate if severance is available and under what conditions



| Addressing Red Flags

How do you stop a red (or yellow) flag from possibly tanking a deal?

Negotiating special indemnities, escrows, and holdbacks

Special Indemnities

When do they come up?
Most common types

Escrows

Most common types
Novel way to handle red/yellow flags

Holdbacks

| Finalizing deal documents

It is essential you read through and understand every single document

Pay close attention to representations and warranties in Purchase Agreement

Disclosure Schedules

You (and your staff!!) will hate these – but they are absolutely critical

They are the physical embodiment of all the most relevant diligence you have compiled and the most important information in the data room

Buyer can come back and point to information missing from disclosures as a reason to take money from escrow

Can be penalties for failing to disclose information you were aware of, even if it was also in the data room

Sign and close

The last 48-72 hours of any transaction are hectic and require all hands on deck at nearly all the time

Expect a last-minute twist or potentially gating issue to arise

| Meet the Team



Melissa Cizmorris

melissa.cizmorris@akerman.com



Brian Nugent

brian.nugent@akerman.com

Today's Webinar Is Brought to You by

akerman

ASA Certification Continuing Education

Today's webinar qualifies for 1.0 CE hour

- **Live webinar:** CE credits earned from attending this program are *automatically* added to your online CE Status within three business days.
- **On-demand viewers:** Submit this earned CE using the online submission form at *americanstaffing.net*.



- This program is valid for **PDCs** for the SHRM-CP® or SHRM-SCP®.

Activity ID: 25-NA76Y





**You will now be redirected
to a brief survey**