

**Overview:** This course has students explore the differences between a stock purchase and an asset purchase, with particular focus on operative provisions and representations and warranties. The instructor will use an actual stock purchase agreement to exemplify key provisions and drafting considerations, highlighting differences with asset purchases where significant. Participants will practice drafting and negotiating various provisions clearly and precisely, taking into account buyer and seller concerns. Practice tips for redlining and commenting on drafts will also be discussed in context. While certain provisions will be discussed in more detail, the aim of this course is to give the participant a broad understanding of the transaction document as a whole so that he or she feels comfortable reviewing, drafting, and negotiating this type of document.

**Objectives:** Upon completion of this course, participants will be able to:

- Identify and explain to a client the differences between an asset purchase and a stock purchase
- Recognize pro-buyer and pro-seller language
- Draft and negotiate basic terms in an SPA

**Key Topics:**

- Review of stock purchase characteristics vis-à-vis asset purchases
- Compare and contrast key provisions:
  - Operative Provisions
  - Deal protection/risk allocation devices:
    - Reps & Warranties
    - Covenants
    - Conditions (including MAC clauses)
  - Introduction to additional deal-protection devices and remedies:
    - Termination
    - Indemnification
  - Miscellaneous provisions, signatures, exhibits, and schedules
- Drafting process:
  - Modifying standard provisions for stock purchase agreement
  - Key areas for negotiation
  - Incorporating due diligence
  - Pro-seller vs. pro-buyer language

**Supplemental Materials/Additional Resources:**

- Sample SPA
- Sample key provisions
- Various on-line document sources

**Simulation Exercise:** Reviewing Seller comments on an APA form and revising to reflect SPA format.