

Form:

Board Resolution Approving an Acquisition

Description:

This is a sample resolution to be adopted by the Board of a corporation, approving the acquisition of a business. The form can be used with the Action by Written Unanimous Consent of the Board of Directors or the form of Minutes of the Meeting of the Board of Directors.

BOARD RESOLUTION APPROVING AN ACQUISITION¹

ACQUISITION

RESOLVED THAT, it is in the best interests of the corporation to acquire [all of the outstanding stock] [all of the assets of] ABC, Inc., a _____ [corporation, LLC, limited partnership] (“ABC”);

RESOLVED FURTHER THAT, the acquisition of said [stock] [assets] is intended to be for a price of approximately \$_____ payable in [cash; cash with notes; stock];

RESOLVED THAT, the officers of this corporation are, and any of them hereby is, authorized to negotiate, execute, deliver and carry out on behalf of this corporation an [Acquisition Agreement] (the “Agreement”) with [ABC] [the Shareholders of ABC], substantially in the form presented to the directors, but with such changes and additions as such officers may deem to be in the best interests of this corporation (such determination that a change or addition is in the best interests of this corporation to be conclusively evidenced by such officer’s execution of the Agreement).

RESOLVED FURTHER, that the officers of this corporation hereby are authorized and directed to execute and deliver in connection with the closing of the transactions contemplated by the Agreement all documents and instruments required to be executed and/or delivered by this corporation pursuant to the Agreement or any transaction contemplated thereby, including but not limited to all exhibits to the Agreement, and to take all other action deemed by such officers to be reasonably necessary or appropriate to the negotiation, execution, or effectuation of the Agreement or any transaction contemplated thereby or entered into in connection therewith.

RESOLVED FURTHER, that the officers of this corporation are, and each acting alone is, hereby authorized to do and perform any and all such acts, including execution of any and all documents and certificates, as said officers shall deem necessary or advisable, to carry out the purposes of the foregoing resolutions.

¹ Consider whether an additional resolution is necessary for Shareholder solicitation, such as:

RESOLVED, FURTHER, that the officers of this corporation are authorized to take appropriate steps in accordance with applicable law to obtain approval of the principal terms of transactions authorized by these resolutions by the outstanding shares entitled to vote on it.

RESOLVED FURTHER, that any actions taken by such officers prior to the date of the foregoing resolutions adopted hereby that are within the authority conferred thereby are hereby ratified, confirmed and approved as the acts and deeds of this corporation.