

## ELECTRONICS DISTRIBUTOR SELLS ASSETS, WINDS DOWN GLOBAL OPERATIONS



### Challenge

Transitioning assets, recovering escrow, and shutting down multiple domestic and international entities



### Solution

Wind-down and shareholder representation



### Result

The company successfully transitioned its assets and operations, recovered 100% of the escrow, and wound down its multiple entities.

The board and shareholders of a large global distributor of electronic components approved an asset sale to a competing distributor. They retained Armanino to manage the asset sale transition and escrow and perform an orderly wind-down.

The Armanino team took on officer and director roles and became the shareholder representative. After the successful transition of assets and operations, in which the company recovered 100% of the escrow amount, Armanino completed the wind-down of the remaining corporate shell.

The wind-down process took several years because the Denver-based company, which was incorporated in New York, had legal entities in multiple U.S. and international jurisdictions. Each entity required individual wind-down attention.

The holdups were India and China, where the company had wholly owned foreign entities (WOFEs). The orderly shutdown of these WOFEs proved extremely difficult due to the unpredictability of local authorities.

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