

SOFTWARE PROVIDER LIQUIDATES AND WINDS DOWN BUSINESS



Challenge

Losses and lack of funding



Solution

Liquidation



Result

The company successfully auctioned its assets, settled numerous escrow disputes and terminated the business.

This provider of software for online escrow focused on escrows for eBay transactions. Due to heavy losses and a lack of funding, the firm was turned over to Armanino for liquidation, with board and shareholder approval. Following the handover, Armanino professionals assumed the roles of CEO, CFO and controller to wind down the business.

The company had substantial physical assets, so an auction of these assets was arranged. This resulted in a substantial cash recovery.

A large number of unsettled escrow disputes also were turned over to Armanino with the business termination. Funds for these escrows were held in a separate bank account awaiting settlement by the underlying parties to the transactions. Nudging these parties to settlement required considerable effort, including taking one escrow to arbitration.

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