

ASSIGNMENT FOR THE BENEFIT OF CREDITORS (“ABC”)

An assignment for the benefit of creditors (“ABC”) is a legal tool that management, boards, investors and lenders should consider when evaluating options for salvaging or winding down distressed businesses. ABCs are governed by state law. Using an ABC, an insolvent business may be sold as a going concern or liquidated without enduring the constraints, delays, publicity and cost of federal bankruptcy. The ABC process is a practical and resourceful way to maximize recovery for creditors, while relieving the officers and directors of the responsibility of winding down the business and limiting their potential liability. An ABC can facilitate an expedited sales process that preserves asset value.

Determining if an ABC is the right option for a business facing insolvency can be a complicated and daunting task. B. Riley is well-qualified in advising stakeholders (officers, directors and owners) regarding their fiduciary responsibility, weighing their insolvency options and advancing a timely decision. In the event an ABC is the direction to pursue, we can take over fiduciary responsibilities and serve as Assignee through a special purpose entity (“SPE”).

THE ASSIGNEE TASKS AND RESPONSIBILITIES MAY INCLUDE:

- Coordinating with and updating secured creditors
- Notifying creditors and maintaining communication
- Returning facilities to landlords
- Managing a claims process
- Conducting an accelerated going concern, specified asset, or piecemeal liquidation sale process
- Collecting accounts receivable
- Completing final tax returns
- Closing accounts with state and local taxing authorities
- Storing company records in compliance with regulations
- Winding down 401K plan

Some of the primary advantages of an ABC include: **Lower Cost, Speed, Flexibility, Expedited Sale Proceedings & Less Oversight.**

CFO Magazine

Unlike a Chapter 7 liquidation, where generally an unknown trustee will be appointed to administer the liquidation process, in an ABC the assignor can select an assignee with appropriate experience and expertise to conduct the wind-down of its business and liquidation of its assets.

ABA's Business Law Today

WHY SHOULD YOU CHOOSE B. RILEY?

- Extensive financial and operating acumen gained from decades of collective experience working in crisis situations, along with practical transaction experience
- Regularly employed as a court-appointed receiver, trustee, liquidating agent, plan administrator or in other fiduciary capacities
- Frequently retained by a court-appointed trustee to execute specific tasks, such as liquidating real estate holdings, handling forensic accounting services or providing litigation support services
- Experienced in selling unusual and difficult-to-liquidate assets, such as pollution credits, foreign receivables and disassembled plants located outside the U.S.
- Ability to leverage the range of our resources to effectively and efficiently resolve the multitude of issues faced by an estate.



Assignee to an online publicly traded gift and greeting card company



Assignee to an augmented reality company



Assignee to an online logistics company



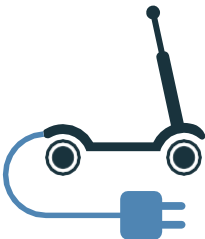
Assignee to a streaming media distribution company



Assignee to a shared office workspace company



Assignee to a retail music chain



Assignee to a micro-mobility company



Assignee to a retail book chain



Assignee to a high speed mass transit solution provider



Assignee to an ad-tech company



Assignee to private cloud connectivity company



Assignee to e-commerce fitness equipment company