

Modifying the Representation and Warranty About Financial Statements Being Prepared in Accordance With GAAP

Articles

04.23.2025

By: Gianfranco A. Pietrafesa

Partner **Gianfranco Pietrafesa** co-authored the article “Modifying the Representation and Warranty About Financial Statements Being Prepared in Accordance with GAAP,” which reviews the customary representation and warranty (“R&W”) in stock and asset purchase agreements concerning a target company’s financial statements being prepared in accordance with generally accepted accounting principles in the United States (“GAAP”). However, many private companies, especially small, closely-held, and family-owned companies, do not prepare their financial statements in accordance with GAAP. That is, their financial statements deviate from GAAP. Yet, many attorneys representing buyers require the R&W to include such language.

Included in the article is how attorneys representing sellers can respond to such a position. Part 1 of the article addresses modifying the R&W. An upcoming Part 2, will address identifying the most common deviations from GAAP.

Click [here](#) to read the full article.

Related People



Gianfranco A. Pietrafesa

Partner

✉ gpietrafesa@archerlaw.com

☎ 201.498.8559