



Kent E. Seton, Esq.
Managing Partner, Seton & Associates, PLC
Business Lawyers For Charities

Tel (310) 557-1923 x201 | Fax (213) 947-4948
Email - kseton@setonlawgroup.com

 [vCard Download](#) |  [LinkedIn](#)

Kent E. Seton, Esq., an entrepreneur at heart, started his law career simultaneously with the launch of a separate online venture that quickly grew into one of the largest nationwide providers preparing the paperwork for creating 501(c)(3) nonprofit organizations. At its height, this online company was forming over 200 501(c)(3) organizations per month. At the same time, he also steadily grew his transactional law practice in the Beverly Hills and outlying areas, and has become one of the foremost attorneys representing charities. He also lends his experience to social entrepreneurs by advising them as they form and structure new businesses. Kent rejects the idea of "one size fits all" and works with each client separately to develop legal solutions tailored to meet their specific legal and business needs. In addition to speaking regularly on a variety of topics, he also spearheaded a complimentary periodic event featuring some of the most advanced thinkers in the nonprofit sector for the benefit of sharing resources, information and networking in the Los Angeles Area. He also enjoys lecturing on subjects including "social entrepreneurship," collaborations, mergers and acquisitions in the nonprofit sector, strategies for donors and fundraisers, and "hybrid" entities.

Practice Areas

Formation & General Counsel to Nonprofits
Mergers & Acquisitions of Charities - Hybrid Entities

Formation & General Counsel To Nonprofits

Over a decade of experience forming and advising thousands of nonprofit organizations has made Kent's top priority providing counsel to nonprofits specifically relating to compliance with the governing rules and regulations. He emphasizes the importance of maintaining an organization's policies and procedures as living and organic documents that adapt to frequently changing regulations and best practices. Kent's legal team regularly reviews and updates these materials for clients to ensure proper compliance, while maximizing the capacity and influence of the charity. His experience allows him to anticipate complications and identify opportunities to provide innovative solutions to his clients.

Mergers & Acquisitions of Charities

Kent is at the forefront of the movement to recognize restructuring and/or mergers and acquisitions as a real option to continue the charitable efforts of financially struggling nonprofit organizations. He regularly speaks on the viability of restructuring in the nonprofit sector, along with ways to overcome the fear and uncertainty of pursuing such an arrangement. His passion for the topic led him to recently co-author the article [*Strategic and Legal*](#)

[Considerations of Nonprofit Integrations](#) to further raise awareness on the matter.

Hybrid Entities

Kent is a trusted specialist in structuring hybrid entities. Established by years of experience, his intimate knowledge of the rules and regulations governing nonprofit organizations provides the ability to address the varied complications of engaging operations between for-profit and nonprofit entities. This expertise manifests in the structuring of solutions that simultaneously ensure compliance and manage varied internal tensions, such as maximizing shareholder value versus public benefit. His innovative counsel takes client's efforts to the next level through otherwise unrealized structural opportunities.

Representative Transactions

Below are just a few examples of Kent's work

- Advised the former President of one of the largest health insurance companies in her new endeavors in attempting to develop a hybrid model for consultancy for hospitals and in securing governmental monies to streamline the entire healthcare process nationwide. Based upon these conversations, the Firm was able to provide this client the needed legal understanding in making critical decisions in the manner and method in which the former President would undertake a potential multi-million dollar business in the healthcare sector.
- Advised the team of a major doctor/inventor concerning the interest of the for profit pharmaceutical company in creating a related nonprofit entity focused on medical research. Through our conversations, we were able to provide this client with much needed information to determine the best structure and corporate governance to avoid self dealing and other conflict of interest rules.
- Provided general counsel for the largest association of independent skilled nursing facilities in the State of California in converting this long time for profit organization into two related nonprofit entities, a 501(c)(6) and a 501(c)(3). We assisted in helping the for profit entity comply with all legal regulations in dissolution including minority shareholders, transfer of rights to the nonprofits, approval from the government, etc.
- Assisted the largest of association of women business owners in restructuring their related 501(c)(3) and 501(c)(6) such that we eliminated any potential self dealing or UBIT issues. We created "more efficient" governance structures, thereby, allowing the organizations a better business flow and to be more successful.
- A nonprofit organization focused on helping abused women and their children struggled to survive following years of negative net income and cash flow and the loss of their Executive Director of over ten years. Kent served as a liaison between the organization and a Los Angeles charity serving the community with over 60 programs. Conducting due diligence and coordinating communication between the two parties prior to integration managed and relieved the tension and uncertainty inherent to M&A transactions. This set the stage for the organization to survive and retain its branding under the umbrella of the acquiring charity.
- Have assisted in multiple audits by the IRS of tax exempt organizations. In one particular case, we assisted a Church who had violated the rules against engaging in political activities. Through our guidance, we successfully avoided this multi million dollar church from being shut down the by the IRS, by helping it restructure its activities such that we created a related 501(c)(4) that handled its political activities and we continue to provide legal counsel to this Church and how to keep these matters separate.
- We represent as general counsel a large advocacy group in the State of California which constitutes a related 501(c)(3) and 501(c)(4). Through our legal advice, this group has been able to avoid any self dealing or political activities violations.

- Represented a private operating foundation which is offering as a prize over 75 million dollars for anyone who develops a technique to create a single dose spay and neutering technique for dogs that is non-invasive. Our representation included providing advice concerning political activities as this a major concern of the billionaire founder.
- We have represented several documentary film makers. In particular, we are representing a group of successful Hollywood filmmakers funded by a hedge fund manager to make a film concerning Attention Deficit Disorder.
- We represent the only known group that strictly provides educational advancement for working women film directors in Hollywood. This organization claims some of the top women film directors in Hollywood on its roster.
- Our Firm represents many celebrities. One such celebrity has founded an organization dedicated to making "investments" in early state environmental companies. We have provided the structuring advice to our client and his business managers such that the charity does not violate self dealing rules, UBIT rules, and, can engage in this entrepreneurial type of activity.
- We provide general counsel to one of the fastest growing community garden charities in the US. In one transaction, we helped structure a multimillion dollar transaction with a major public corporation, such that our client was able to eliminate hundreds of thousands of dollars in potential UBIT.
- We represent commercial conventures and commercial fundraisers. We represent one of the largest food and wine festivals benefiting charities in the state of California. We provided legal counsel and restructuring to our client who was unaware of the self dealing rules and continued to help this client put on this wonderful event.
- Facilitated the acquisition of an original music based education curriculum by a nonprofit organization providing innovative education programs to children for over 80 years. Understanding the difficulties facing nonprofit organizations during in a struggling economy, Kent recognized the potential match and conducted due diligence, research, and introduced the organizations. The introduction led to structuring an eventual agreement that enabled the acquisition of the intellectual property related to the curriculum while ensuring its future use according to the vision of its creators.
- Advised client who wanted to sell candles and clothing under her nonprofit organization, but did not want the organization to be subject to unrelated business income tax (UBIT). He helped her understand the tax implications related to a variety of options, and successfully implemented a structure whereby the nonprofit wholly owned a corporate subsidiary that was formed to sell the candles and clothing, thereby protecting the nonprofit from any negative tax consequences. Additionally, we protected all of the intellectual property relating to the nonprofit and drafted a licensing agreement to allow the subsidiary corporation to utilize the trademarks of the nonprofit in the product designs.

Publications, Interview & Speaking

Below are a few examples of Kent's recent work

- "Strategic and Legal Considerations of Nonprofit Integrations"
Available at [Century City Bar Association](#)
- "Maximize The "Good" of Your Charitable Trust"
Available at [CSQ Magazine](#)
- KTLA News with Manny Medrano - *Tips For Donors to Protect Against Deceptive Donation Sites*
- Association of Fundraising Professionals - *Collaborations, Mergers & Acquisitions in the Nonprofit Sector*
- Center for Nonprofit Management - *Nonprofit Mergers from a Legal Perspective*
- Loyola Marymount University - *Lecture on General Nonprofit Compliance*

- Center for Nonprofit Management - *The Inside Guide for Professional Fundraisers and Charities*
 - Center for Nonprofit Management - *Hybrid Organizations*
-

Education

- Loyola Law School, Loyola Marymount University, JD, Business Law, 1998
 - University of Southern California, Marshall School of Business, B.S., Business Administration, 1994
-

Associations

- [Association of Fundraising Professionals](#)
- [Center for Nonprofit Management](#)
- [Beverly Hills Chamber of Commerce](#)
- [Provisors](#)
- [AthletesTouch](#)