





























## The process of selling a business to a 3<sup>rd</sup> party: Overview

Steps	Process			Decision
<b>Revision</b> 	Interview with owner 	Assessment business 	Explain Selling Process 	<b>Prepare a valuation</b>
<b>Valuation</b> 	Data gathering 	Recasting financials 	Prepare Valuation / Price opinion 	<b>Agree on representation</b>
<b>Preparing</b> 	Prepare Sales Dossier / plan of offering 	Prepare media plans 	Organize Data Room 	<b>Put the business on the market</b>
<b>Promoting</b> 	Select media / List with buyers 	Place ads / distribute teasers 	Data base of interested parties 	<b>Enough interest generated?</b>
<b>Interviewing</b> 	Interviewing at offices / Financially solid? 	NDA / Explain process 	Introduction to seller 	<b>Seriously interested parties found?</b>
<b>Negotiating</b> 	Formalizing serious interest 	Exclusive period / LOI 	Financing possibilities / downpayment 	<b>Accept Offer to purchase (LOI)?</b>
<b>Closing</b> 	Due Diligence 	Transfers / Redaction of contracts 	Review all documents 	<b>Sign the deal!</b>



Revision of a business for the selling process:

Steps	Process			Decision
<b>Revision</b>	Interview with owner	Assessment business	Explain Selling Process	Prepare a valuation
<b>Materials available:</b>	Questionnaire Informational texts Brochure	Questionnaires Checklists	PowerPoint Presentations Brochure	<b>Service contract (for a valuation/ opinion of price report)</b>

Steps	Applicable Fees
<b>Revision of future client</b>	Normally, no fixed fee applies



Assistance to collect data for a valuation report:

Steps	Process			Decision
<b>Valuation</b>	Data gathering	Recasting financials	Prepare Valuation / Price opinion	Agree on representation
<b>Materials available:</b>	Questionnaires Checklists	Questionnaires Excel sheets	Examples of reports	Various contracts & clauses for a representation agreement

Steps	Applicable Fees
<b>Valuation of the business</b>	Fixed fees apply, from \$/€ 5,000 upwards for a valuation; Retainer fee applies if a representation agreement is signed, to be negotiated (small upfront fee upwards to a 50% retainer)



Assistance to prepare a business for the selling process:

Steps	Process			Decision
<b>Preparing</b>	<b>Prepare Sales Dossier / plan of offering</b>	<b>Prepare media plans</b>	<b>Organize Data Room</b>	<b>Put the business on the market</b>
<b>Materials available:</b>	Examples of sales dossiers Suggestions & examples of plans of offering Factsheets Owners' disclosure forms	Examples of media plans Checklists Advertisements texts Weblogs Standard e-mailings	Checklists Various documents (NDA, register of visits, profiles of buyers)	<b>Authorization from seller</b>

Steps	Applicable Fees
<b>Preparing for selling process</b>	<b>Fixed fees apply, if no retainer fee is agreed upon, for the elaboration of Sales dossier and Fact sheets (various languages), \$/€ 1,500 upwards</b>



Assistance in developing a promotion plan for selling a business:

Steps	Process			Decision
<b>Promoting</b>	Select media / List with buyers	Place ads / distribute teasers	Data base of interested parties	Enough interest generated?
<b>Materials available:</b>	Selecting media Databases with buyers and professional parties Checklists	Examples of teasers, texts and factsheets (in various languages)	Building own database Reporting examples Standard e-mails Follow-up e-mailing	<b>Alternative promotion / media plan</b>

Steps	Applicable Fees
<b>Promoting business to buyers</b>	Fixed fees apply, if no retainer fee is agreed upon, for the elaboration of a media plan, advertisements and e-mailings, \$/€ 1,500 upwards



Assistance in interviewing interested parties to buy a business:

Steps	Process			Decision
	Interviewing at offices / Financially solid?	NDA / Explain process	Introduction to seller	Seriously interested parties found?
<b>Materials available:</b>	Questionnaires (profiles) Checklists	Various NDA & NDNU Power Point Presentations Brochure	Register of visit	<b>Offer to purchase documents; Conditions</b>

Steps	Applicable Fees
	<p>Normally, no fixed fee applies, if there is a representation agreement and agreed upon success fee.</p> <p>Otherwise, an hourly/daily fee plus expenses could be charged</p>



Assistance in negotiations between sellers and serious buyers of a business:

Steps	Process			Decision
<b>Negotiating</b>	Formalizing serious interest	Exclusive period / LOI	Financing possibilities / downpayment	Accept Offer to purchase (LOI)?
<b>Materials available:</b>	Offer to purchase Written expressions of interest	Letters of Intent Specifying conditions Things to think about	Spreadsheets Justification reports Financial checklists	Pre-eliminary purchase agreement

Steps	Applicable Fees	Applicable Commission	
		Commission for a successful transaction:	
<b>Negotiating</b> <i>w/interested parties</i>	Normally, no fixed fee applies, if there is a representation agreement and agreed upon success fee. Otherwise, an hourly/daily fee plus expenses could be charged	Under USD\$/EURE 500,000	10%
		Between \$/€ 500,000 - \$/€ 1 MM	8%
		Between \$/€ 1 – 2 MM	6%
		Between \$/€ 2 – 5 MM	4%
		Over \$/€ 5 MM	2%



## Assistance in closing the deal

Steps	Process			Decision
<b>Closing</b>	Due Diligence	Transfers / Redaction of contracts	Review all documents	Final contract
<b>Materials available:</b>	Checklist Contacts with experts	Standard contracts & clauses	Checklists	<b>Receipt for commission</b>

Steps	Applicable Fees	Applicable Commission										
		Commission for a successful transaction:										
<b>Closing</b>	Normally, no fixed fee applies, if there is a representation agreement and agreed upon success fee. Otherwise, an hourly/daily fee plus expenses could be charged	<table border="1"> <tbody> <tr> <td>Under USD\$/EURE 500,000</td> <td>10%</td> </tr> <tr> <td>Between \$/€ 500,000 - \$/€ 1 MM</td> <td>8%</td> </tr> <tr> <td>Between \$/€ 1 – 2 MM</td> <td>6%</td> </tr> <tr> <td>Between \$/€ 2 – 5 MM</td> <td>4%</td> </tr> <tr> <td>Over \$/€ 5 MM</td> <td>2%</td> </tr> </tbody> </table>	Under USD\$/EURE 500,000	10%	Between \$/€ 500,000 - \$/€ 1 MM	8%	Between \$/€ 1 – 2 MM	6%	Between \$/€ 2 – 5 MM	4%	Over \$/€ 5 MM	2%
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Over \$/€ 5 MM	2%											





## The process of selling a business to a 3<sup>rd</sup> party: Support provided

Steps	Materials available
<b>Revision</b> <i>of future client</i>	Questionnaires, Informational texts, Brochure, Checklists, PowerPoint Presentations, Service contract (for a valuation/ opinion of price report)
<b>Valuation</b> <i>of the business</i>	Questionnaires, Checklists, Excel sheets, Examples of reports, Various contracts & clauses for a representation agreement
<b>Preparing</b> <i>for the selling process</i>	Examples of sales dossiers, Suggestions & examples of plans of offering, factsheets, Owners' disclosure forms, Examples of media plans, Advertisements texts, Checklists, weblogs, Standard e-mailings, various documents (NDA, register of visits, profiles of buyers), Authorization form from seller
<b>Promoting</b> <i>the business to buyers</i>	Selecting media, databases with buyers and professional parties, checklists, Examples of teasers, texts and factsheets (in various languages), Building own database, examples of reporting, standard & follow-up e-mailing
<b>Interviewing</b> <i>potential buyers</i>	Questionnaires (profiles), Checklists, Various NDA & NDNU, Power Point Presentations, Brochure, Register of visit, Offer to purchase documents; Conditions & clauses
<b>Negotiating</b> <i>with interested parties</i>	Offer to purchase, Written expressions of interest, Letters of Intend (LOI), Specifying conditions, Things to think about, Spreadsheets, Justification reports, Financial checklists, Pre-eliminary purchase agreement
<b>Closing the deal</b>	Checklist, Contacts with experts, Standard contracts & clauses, Checklists <b>Receipt for commission</b>



## The process of selling a business to a 3<sup>rd</sup> party: Applicable Fees & Commissions

Steps	Applicable Fees	Applicable Commission										
<b>Revision</b> <i>of future client</i>	Normally, no fixed fee applies	<b>Commission for a successful transaction:</b> <table border="1" style="margin-top: 10px;"> <tr> <td style="text-align: center;"><b>Under USD\$/EUR€ 500,000</b></td> <td style="text-align: center;"><b>10%</b></td> </tr> <tr> <td style="text-align: center;"><b>Between \$/€ 500,000 - \$/€ 1 MM</b></td> <td style="text-align: center;"><b>8%</b></td> </tr> <tr> <td style="text-align: center;"><b>Between \$/€ 1 – 2 MM</b></td> <td style="text-align: center;"><b>6%</b></td> </tr> <tr> <td style="text-align: center;"><b>Between \$/€ 2 – 5 MM</b></td> <td style="text-align: center;"><b>4%</b></td> </tr> <tr> <td style="text-align: center;"><b>Over \$/€ 5 MM</b></td> <td style="text-align: center;"><b>2%</b></td> </tr> </table>	<b>Under USD\$/EUR€ 500,000</b>	<b>10%</b>	<b>Between \$/€ 500,000 - \$/€ 1 MM</b>	<b>8%</b>	<b>Between \$/€ 1 – 2 MM</b>	<b>6%</b>	<b>Between \$/€ 2 – 5 MM</b>	<b>4%</b>	<b>Over \$/€ 5 MM</b>	<b>2%</b>
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<b>Valuation</b> <i>of the business</i>	Fixed fees apply, from \$/€ 5,000 upwards for a valuation; Retainer fee applies if a representation agreement is signed, to be negotiated (small upfront fee upwards to a 50% retainer)											
<b>Preparing</b> <i>for selling process</i>	Fixed fees apply, if no retainer fee is agreed upon, for the elaboration of Sales dossier and Fact sheets (various languages), \$/€ 1,500 upwards											
<b>Promoting</b> <i>business to buyers</i>	Fixed fees apply, if no retainer fee is agreed upon, for the elaboration of a media plan, advertisements and e-mailings, \$/€ 1,500 upwards											
<b>Interviewing</b> <i>potential buyers</i>	Normally, no fixed fee applies, if there is a representation agreement and agreed upon success fee. Otherwise, an hourly/daily fee plus expenses could be charged											
<b>Negotiating</b> <i>w/interested parties</i>	Normally, no fixed fee applies, if there is a representation agreement and agreed upon success fee. Otherwise, an hourly/daily fee plus expenses could be charged											
<b>Closing the deal</b>	Normally, no fixed fee applies, if there is a representation agreement and agreed upon success fee. Otherwise, an hourly/daily fee plus expenses could be charged											

