

Performing a Disciplined Sell-Side M&A Process to Maximize Price & Terms and Minimize Risk

	PREPARATION	SOLICITATION	RECEIVE IOI*	RECEIVE LOI**	CONDUCT DUE DILIGENCE	SIGN PURCHASE AGREEMENT
	30-45 Days	~90 Days	15 Days	30 Days	90-120 Days	
ACTIVITIES	- Conduct valuation - Build confidential information memorandum (CIM) - Build buyer prospect list, including warm and cold connections - Create data room and due diligence package - Build and finalize financial models and business documents	- Invite buyers to review CIM and provide an Indication Of Interest - Give buyer a commitment timeline when appropriate - If prospect passes, ask for a referral - Rebut objections based on preparation	- Create and negotiate valuation range, earnout and acquisition terms - Share information needed for buyer to create valuation, such as growth story and customer information	- Negotiate and refine deal terms, such as valuation, and equity rollover - Determine due diligence needs and exclusivity post LOI execution	Due diligence activities including but not limited to legal, operational, financial, vendor, working capital, organizational structure, facilities, and advisor items	- Updating valuation, earnout, equity rollover, and other related items based on material due diligence discoveries - Conditions to close - Representations and warrants - Covenants and indemnification
DELIVERABLES	- Confidential Information Memorandum - Objection-handling script - Prospect list - Projections and audited statements	- List of FAQs (dynamic) - List of expected objections	- List of open items for an LOI - Formal IOI	- Due diligence list - Executed LOI	- Completed due diligence list - Data room satisfying diligence requests	- Signed binding agreement - Money transferred
STAKEHOLDERS	Seller, CPA, M&A Broker	Seller, M&A Broker	Seller, M&A Broker	Seller, CPA, Lawyer, M&A Broker	Seller, Banker, CPA, M&A Broker	Seller, Lawyer, Escrow Agent, M&A Broker

*IOI: Indication of Interest (nonbinding) **LOI: Letter of Intent (may be binding)