

10 QUESTIONS FOR YOUR DEAL TEAM

The sale of your company will likely represent the largest financial event of your life. Each seller is different and has different goals, and it is important that you have the right team of professionals supporting you in this process. Meeting with multiple professionals and taking the time to make sure they understand your goals will help you maximize your sale value and reduce headaches.

Your deal team should include a mergers & acquisitions (M&A) attorney, CPA, financial advisor, and investment banker. Plan to ask them the following questions:

1. **Entire Team:** *How many M&A transactions have you participated in over the last year? Have you helped other clients like me sell? What size companies do you represent?*
You want a team that participates in numerous transactions and that has represented sellers in similarly sized deals. Corporate lawyers who are not experienced in M&A will not know what terms are fair or be able to propose the same variety of solutions.
2. **Entire Team:** *How will you work with the rest of my sale team?*
Your team should plan to work cooperatively to avoid duplication of efforts.
3. **Entire Team:** *What structure will be best for selling my business, and why?*
An experienced team can compare the positive and negative attributes of various structures.
4. **Entire Team:** *What post-sale support will you provide?*
Issues often arise after the deal is done, and you may need additional support related to disputes, transition services, and other post-closing items.
5. **CPA:** *What will I pay in taxes when I sell?*
Understanding your after-tax receipts will help you plan for your future. A good team can help you restructure your company in a favorable manner.
6. **CPA and Banker:** *Do my financial statements appear ready for purchasers to review?*
Having clean financial statements can help maximize sales price.
7. **Banker:** *Is the market good for selling my business right now? What multiples are you seeing for businesses like mine?*
This will help you understand the value of your business and whether it can/should be improved before starting the sales process.
8. **Banker:** *What will your process be for marketing my business?*
You want to be assured that your banker will collaborate with you to best position the business for sale.
9. **Financial Advisor:** *How do the business sale proceeds fit into my retirement plan?*
Looking ahead will help you plan for a secure financial future.
10. **Financial Advisor:** *Does my estate plan accommodate my goals after the sale of my business?*
You may be able to minimize some taxes if your estate plan is updated before a sales process begins.