

# SUCCESSFUL BUSINESS TRANSITIONS START WITH EARLY PLANNING

Selling a business is more than just a financial decision. At BNY Wealth, we frequently guide clients through the necessary steps to maximize the value of their company, as well as the value of their financial and personal well-being long after the sale is complete.

- Assess the marketplace and evaluate factors that could impact a future sale of business
- Assemble a deal team and begin work on pre-sale checklist
- Obtain company appraisal through counsel and implement valuation enhancers
- Profile potential buyers and assess impact on company



## BUSINESS PERSONAL

### PRE-PLANNING 3+ Years

- Assemble a team of advisors and choose one key advisor to lead the team
- Consider different sale structures and wealth-transfer strategies
- Prepare for impact on family and other stakeholders
- Determine post-sale cash-flow needs and desired sale price to meet these needs
- Consider income tax mitigation strategies



- Evaluate the corporate structure and review key documents to ensure they are up-to-date
- Conduct a thorough bid comparison
- Determine desired future role in company and mandatory terms of sale
- Begin assembling documents for due diligence

### TRIGGERING EVENT 1 Year Out

- Review employment contracts and restrictive covenants
- Coordinate with wealth management firm to prepare investment policy

### LETTER OF INTENT

### TRANSACTION CLOSING

- Finalize investment plan, cash-flow needs and tax payment plan
- Open accounts and consider credit solutions (e.g., investment credit line)



- Review and finalize purchase agreement
- Consider obtaining Reps and Warranties insurance policy
- Prepare for impact of sale on company and how to announce to employees



### POST-TRANSACTION 1 Month/3 Months/1+ Year

- Transfer company to buyer and role in company (if any)
- Begin work on next chapter of business or new opportunity
- Review and track deal terms
- Review insurance policies and personal security
- Continue wealth-transfer strategies and implement personal legacy plans
- Implement investment plan



### ENJOY POST-SALE LIFE



# Disclosure Appendix

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