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BUSINESS BROKERAGE, INC.

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How to Sell Your Practice for Maximum Profit... And on the Exact Terms You Need to Fit Your Future

Dear Sir or Madam:

As a business brokerage which specializes exclusively in selling accounting and tax practices throughout California, Business Brokerage, Inc. has led sales of CPA, Tax, Accounting and Bookkeeping practices over the past 40 years. Our credentials include the experience, integrity and focus on serving the client's needs and expectations.

We'd like to meet with you, one on one, for a profoundly informative and potentially profitable discussion in your office. At our meeting we will show you how to sell your accounting practice for the maximum profit by developing a customized marketing plan just for you. It will include your specific terms and conditions to meet your future plans.

Has the Excitement and Challenge in Your Practice Waned?

A lot of accountants have worked very hard to build up their practice. But, they come to a point in their career when the excitement and challenge has waned. And, the stress involved to sustain and maintain a large growing practice may be daunting. We understand this only too well. We're specialists in helping professionals like yourself capitalize on the years they've invested in their practice. We help them convert their equity into cash. Not instantly, but quickly, efficiently, without a lot of hassle, and in total confidence.

Maybe You Need a Change

We're experts at helping you change your life. We don't know about you, but many of our clients tell us they want to retire, go to work in industry, go to work for one of their clients or move to a new area. They need some cash and a stream of income with which to do it. Depending upon the size of your practice, it's normally not a difficult task... if you know how to orchestrate it properly.

Thinking of Selling it Yourself?

Sadly, when most accountants decide to sell their practice they try to do it on their own. They suffer inverse leverage, an inability to pre-qualify the buyer, totally incorrect posture and lack the advantage of third party negotiating. The net result? One or two things normally occur. Either the deal doesn't close or they settle for twenty to thirty or even forty percent less than the practice should have brought for them.

How Would You Like to Have Buyers Actually Bidding For Your Practice?

Our specialty is negotiating top dollar offers for solid practices, without any stress, in a turnkey manner for the principal. In other words you sit back, run your practice, We do all the work. We market the practice, we screen

\$200 MILLION IN ACCOUNTING & TAX PRACTICE SALES

the buyers, we attempt to produce multiple buyers so you will have the equivalent of a bidding contest that results in higher price offers. We help you intelligently structure the transaction. We facilitate all the complex and critical details to insure proper closure and that you get paid all your money when you want it. In short, we provide a usually quick, no hassle, worry free, conversion of your equity into cash.

Just One of These Misconceptions Could Cost You a Bundle

Few accountants understand the opportunities and the complexities involved in selling a practice. They either think it's unattainable or they think it's too easy. Both misconceptions can be fatal. Our goal in meeting with you is to clarify this situation once and for all. At our meeting we will painstakingly explain to you all of these important points.

- * The "real market" terms and conditions for the sale of an accounting practice vs. the market value promulgated by "textbooks" and various circuit speakers with the "How to buy with nothing down" come-ons.
- * The "Marginal Net Worth of a Client" and how this concept affects the value of a tax or accounting practice.
- * How to structure your sale by balancing safety, income, and price to give you exactly what you will need for your future.
- * Why you won't save money by selling your practice yourself instead of using the services of Business Brokerage.

We will take every topic or issue above and not only explain to you why they're critically important but illustrate their significance by sharing with you actual case study examples from other deals we have closed. This empirical illustration tends to make the process far more interesting and embraceable to you.

Is Your Practice Saleable? How Much Can You Get for It?

After going through that whole process we will analyze your practice and provide you with answers to: #1 the true saleability of your practice, #2 the probable selling price, and, #3 the pros and cons of selling out and either building another from scratch or investing in a new business or career.

Do You Need Help in Making Your Decision?

By the way, we have skillfully counseled hundreds of accountants and tax practitioners who were on the cusp of trying to decide the right career decision to make. We have enormous experience and insight into critical financial, psychological and gratification based problems or questions you're probably struggling with. We will gladly share the essence of my observations with you.

After Your Sale, What's Next?

A word of warning or a piece of advice. Deciding to sell a practice is only one of the critical decisions we personally think you have to address. You've got to decide what to do next, if in fact you do want to sell. For a lot of accountants that's a difficult decision. Most accountants want to do one of three things; they sell out and retire, they sell out and buy a different business outside of accounting, or they sell out and they start or buy another practice out of the area.

HUNDREDS OF ACCOUNTING & TAX PRACTICES SOLD

We can help you relocate by offering you another practice in California since we have a statewide brokerage service. We can also give you tips on how to build up a practice after you buy it (Note: Having sold businesses since 1973, we have seen the whole spectrum of practice operations from the extremely successful and profitable to the declining and stressful practice). Our counseling can help you create maximum value for any practice that you buy, if that's what you want.

About Our Buy/Sell Agreement

How would you like to be able to hire a team of highly experienced attorneys to put their heads together and write your final buy/sell agreement? When you engage Business Brokerage that's what you get; a contract that has been picked apart, piece by piece, by hundreds of attorneys. In over 1,600 sales, we have provided a model buy/sell agreement for both the buyer and seller to take to their attorneys. These attorneys have fixed the loopholes, weak verbiage, and situations not covered. They have incorporated the particular needs and peculiarities of CPAs and accountants into our contract. Don't get me wrong, our contract is not designed to be extremely one-sided, but rather, it's very comprehensive. It covers all of the situations that most attorneys never think of, since they don't have experience in writing accounting practice buy/sell agreements. For example, here are just a few of the points covered (missing any one of these points could cost you more than our fee alone):

- * Protection from a buyer "cherry picking" your clients by jacking up the fees
- * Protection from your gross going down due to the buyer lowering your fees (this actually happened to one of our sellers wherein the buyer thought the seller's billing rate of \$150 was too high so he lowered it to \$100)
- * A clause allowing the seller to refer additional business to offset any loss of clients
- * A clause allowing the seller to stay on as a consultant to drum up new business for a handsome compensation
- * Protection from the death of a buyer (6 months after one of our deals closed, the buyer ran his car into a truck and died; now we include a life insurance provision in every contract)
- * A credit report on buyer prior to signing contract (when/ if the Seller provides any financing).
- * A clause equivalent to "signing off" on the books and records, so the buyer can't come back claiming fraud.
- * A covenant not to compete that is strict enough to protect the buyer, but not so restrictive to keep the seller out of the market place in case his plans don't work
- * An Independent Contractor agreement to cover your consulting arrangement if you desire to stay on in a "phase-out" scenario
- * A Partnership Agreement if you desire to stay on in a "phase-out" as a partner

OVER 40 YEARS OF TAX & ACCOUNTING PRACTICE SALES EXPERIENCE

Ask for Our Free Report

We don't know if you are interested in selling at this time, but, inevitably you will want to sell even if it's to your children or employees. In any event, we think you should have certain information available to you when you do decide, or in the event of an emergency. Thus, we are offering you the following report "How to Sell Your Accounting or Tax Practice" at no charge. In this report, we specifically describe and give examples for the following topics:

- * 24 Tips for Selling Your Practice
- * 29 Investment criteria that every Buyer will use to judge a practice
- * The Steps in marketing a practice for sale
- * How Business Brokerage can help you sell your practice with some actual comparables
- * A "Buyer Scorecard" that you can use to evaluate a potential Buyer (Excerpted from The Small Business Administration)
- * An Agreement of Confidentiality for a potential Buyer to sign before looking at your books, records and client list
- * A credit report request to use on the Buyer before closing the deal
- * An outline of the points to cover in your Buy/Sell Agreement
- * A Due Diligence Checklist
- * A Reference Source where you can find more information concerning appraisal, buying & selling of practices

Get Top Dollar, the "Right" Buyer and the Protection of a "Time Tested" Contract

You will discover from this report why so many accountants have recognized the value of our services and agreed to list their practices with us. We have included some excerpts from letters that our clients have sent to us regarding our services.

We look forward to meeting with you and we will answer any questions you may have.

Yours Truly,
BUSINESS BROKERAGE, INC.

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P.S. Our free report "How to Sell Your Accounting or Tax Practice" is an excellent reference source to have on hand.