

Standard list of advisors tool

The **Standard list of advisors** tool will help you make your business transfer into a collective project and will promote teamwork between the various advisors, in order to create winning conditions for your transfer.

The purposes of this tool are to:

- help you identify the professional advisors that form your support network;
- enable you to assess whether you are well supported to carry out your business transfer;
- enable our account managers to point you toward the right resources at the right time;
- inform you on the role of the various business transfer consultants to ensure that you have an overall perspective.

Instructions:

1. In the table below, list the names of the advisors who are currently supporting you, how long they have worked for you (number of years) and your perceptions regarding the quality of the services received.
2. Ask your Desjardins advisor to refer you to the types of experts you would like to have support you in your business transfer.

Standard list of advisors

ACTUAL BUSINESS TRANSFER ADVISORS Note: Certain advisors sometimes play multiple roles.	YOUR ADVISOR'S NAME	NUMBER OF YEARS WORKING FOR YOU	YOUR PERCEPTION OF THE QUALITY OF HIS EXPERTISE (checkmark)
Title: Business transfer consultant Role: Can support you throughout the entire process, since he is familiar with all activities involved in a business transfer.			<input type="checkbox"/> Excellent <input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor
Title: Traditional lender – Account manager Role: Can help you with respect to financing the transfer and the financing set-up. Can give you advice and help finance your successor(s).			<input type="checkbox"/> Excellent <input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor
Title: Investor/Investment manager Role: Can help you with respect to financing the transfer and the financing set-up. He can give you advice and, using development capital, help finance your successor(s).			<input type="checkbox"/> Excellent <input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor
Title: Attorney Role: Can help you implement a shareholders' agreement, a letter of offer, etc. He can also give you advice and support you in the drafting of legal documents associated with a transfer.			<input type="checkbox"/> Excellent <input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor
Title: Accountant Role: Can give you advice, help you draft financial statements, and prepare the business for due diligence.			<input type="checkbox"/> Excellent <input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor
Title: Notary Role: Can help you review your will, power of attorney, etc., as well as give you advice.			<input type="checkbox"/> Excellent <input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor
Title: Tax specialist Role: Can give you advice and help you optimize the tax aspects of your business transfer.			<input type="checkbox"/> Excellent <input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor
Title: Financial planner Role: Can give you advice, help you plan your retirement, and safeguard your assets			<input type="checkbox"/> Excellent <input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor

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ACTUAL BUSINESS TRANSFER ADVISORS Note: Certain advisors sometimes play multiple roles.	YOUR ADVISOR'S NAME	NUMBER OF YEARS WORKING FOR YOU	YOUR PERCEPTION OF THE QUALITY OF HIS EXPERTISE (checkmark)
Title: Business valuation expert Role: Can give you advice and help you determine the fair market value of your business			<input type="checkbox"/> Excellent <input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor
Title: Strategic planning advisor Role: Can give you advice and help you develop a strategic plan to ensure the continuity of your business.			<input type="checkbox"/> Excellent <input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor
Title: Human resources consultant Role: Can assist you in the preventive planning and management of your human resources. He can give you advice and help you make training and knowledge/power transfer plans.			<input type="checkbox"/> Excellent <input type="checkbox"/> Good <input type="checkbox"/> Fair <input type="checkbox"/> Poor

Standard list of advisors

Business transfer advisors to be recruited	YOUR CHOICE OF SERVICE (✓)
<p>Title: Business transfer consultant</p> <p>Role: Can support you throughout the entire process, since he is familiar with all activities involved in a business transfer.</p>	
<p>Title: Traditional lender – Account manager</p> <p>Role: Can help you with financing your transfer as well as the financing set-up. Can give you advice and help finance your successor(s).</p>	
<p>Title: Investor/Investment manager</p> <p>Role: Can help you with financing your transfer as well as the financing set-up. He can give you advice and, using development capital, help finance your successor(s).</p>	
<p>Title: Attorney</p> <p>Role: Can help you implement a shareholders' agreement, a letter of offer, etc. He can also give you advice and support you in the drafting of legal documents associated with a transfer.</p>	
<p>Title: Accountant</p> <p>Role: Can give you advice, help you draft financial statements, and prepare the business for due diligence.</p>	
<p>Title: Notary</p> <p>Role: Can help you review your will, power of attorney, etc., as well as give you advice.</p>	
<p>Title: Tax specialist</p> <p>Role: Can give you advice and help you optimize the tax aspects of your business transfer.</p>	
<p>Title: Financial planner</p> <p>Role: Can give you advice, help you plan your retirement, and safeguard your assets.</p>	
<p>Title: Business valuation expert</p> <p>Role: Can give you advice and help you determine the fair market value of your business.</p>	
<p>Title: Strategic planning advisor</p> <p>Role: Can give you advice and help you develop a strategic plan to ensure the continuity of your business.</p>	
<p>Title: Human resources consultant</p> <p>Role: Can assist you in the preventive planning and management of your human resources. He can give you advice and help you make training and knowledge/power transfer plans.</p>	

You can share this list with your Desjardins advisor, who will help you find the best resources for your needs.

Standard list of advisors

You can distribute this list to your various advisors so that they can contact each other regarding your business transfer.

KEY ROLES	INSTITUTIONS	NAME	COMPLETE CONTACT INFORMATION	COMMENTS
Business transfer consultant				
Traditional lender – Account manager				
Investor – Investment manager				
Attorney				
Accountant				
Notary				
Tax specialist				
Financial planner				
Business valuation expert				
Strategic planning advisor				
Human resources consultant				

Definition of the roles of the various business transfer specialists

The **business transfer consultant** can support you throughout the process, starting from the moment you begin your reflection, during the planning stage and, finally, when it's time to act. This individual is not specialized in a specific field, but knows enough about each facet of a business transfer to guide you and refer you, as applicable, to the appropriate specialists.

The **human resources consultant** will provide invaluable assistance in preparing the succession: assessing human resources needs in terms of managing the business, evaluating the skills of potential successor(s), establishing a plan for training the latter and doing the appropriate follow-up. This person will, among other things, establish the complementarity of the profiles of the management team.

The **chartered accountant** will perform a realistic business valuation. Based on his financial diagnostic, he will evaluate the growth potential and future prospects, two crucial factors in determining the fair market value. To increase the business's worth in the eyes of potential buyers, he will advise the owner on how to improve business performance and maximize the market value.

The chartered accountant or tax specialist will discuss the various transfer scenarios with the owner or the buyer, according to the owner's personal goals, whether the successor is a family member or non-family member, and the owner's financial needs for his retirement. The chartered accountant will assess the tax implications of each scenario and evaluate the relevance of adjusting the legal structure, freezing the owners' estate or setting up a family trust.

The **legal advisor** will work in close cooperation with the chartered accountant and the tax specialist. The legal advisor is responsible for implementing the legal aspects of the acquisition strategy. Even the best scenarios aimed at reducing the tax bill at the time of the transfer will be useless unless they are supported by an appropriate legal framework (e.g. creation of a new class of shares, management company). He will help the owner make the right choices, which will provide the flexibility necessary to face unforeseen changes during the process.

The **notary** or **attorney** will draft the numerous documents required throughout the process (e.g. confidentiality agreement, letter of intent, letter of offer, sales contract, underwriting agreement, shareholders' agreement). This person will also safeguard the seller and the buyer, and will support both the seller and buyer to ensure the negotiation and transaction take place in accordance with generally accepted practices. Finally, he will help the seller and the buyer get their personal affairs in order.

The **account manager** will help you design the financing set-up, i.e. all of the sources of funding required to finance the transaction, which is unique to your situation. He will not only offer traditional financial products, but will also inform you about other complementary products available on the market. He will help you choose a financial structure that is both realistic and balanced, and which respects the business's financial capacity and the needs with respect to its future growth. His ability to put you in contact with the various professionals in the field, to work together with them and to advise you will be invaluable.

Given his numerous contacts in the business world, the account manager may be aware of the interest of potential buyers and help them find potential sellers. Finally, Desjardins has raised awareness and has trained their advisors to provide strong support throughout the succession process, for both the transferor and the buyer.

The **development capital investor**, in conjunction with the onsite account manager, will design the financing set-up. He will offer you financial products other than those normally offered by financial institutions, for example, debentures, which are unsecured debts with repayment terms that are more flexible than for traditional loans. The development capital firm will also assume a minor shareholder position in the business. Combined with those offered by the account manager, these financial products will enable future owners, whether they are family members, managers in the business or outside buyers, to acquire the business, even if their deposit initially appears inadequate, and to maintain the business debt load within reasonable limits. They also enable the owner to pocket a portion of the business's value, and buyers to gradually acquire shares.

Source: Chair of SME development and succession, HEC, Montréal, 2007.