Merger & Acquisition
Phases

PHASE I - STRATEGIC PLANNING

Stage 1  Develop or Update Corporate Strategy
To identify the Company’s strengths, weaknesses and needs

a. Company Description
b. Management & Organization Structure
c. Market & Competitors
d. Products & Services
e. Marketing & Sales Plan
f. Financial Information
g. Joint Ventures
h. Strategic Alliances

Stage 2  Preliminary Due Diligence

a. Financial
b. Risk Profile
c. Intangible Assets
d. Significant Issues

Stage 3  Preparation of Confidential Information Memorandum

a. Value Drivers
b. Project Synergies
c. EBIDTA Adjustments

PHASE II – TARGET/BUYER IDENTIFICATION & SCREENING

Stage 4  Buyer Rationale

a. Identify Candidates
b. Initial Screening

Stage 5  Evaluation of Candidates

a. Management & Organization Information
b. Financial Information (Capabilities)
c. Purpose of Merger or Acquisition
PHASE III – TRANSACTION STRUCTURING

Stage 6  Letter of Intent

Stage 7  Evaluation of Deal Points

   a. Continuity of Management
   b. Real Estate Issues
   c. Non-Business Related Assets
   d. Consideration Method
   e. Cash Compensation
   f. Stock Consideration
   g. Tax Issues
   h. Contingent Payments
   i. Legal Structure
   j. Financing the Transaction

Stage 8  Due Diligence

   a. Legal Due Diligence
   b. Seller Due Diligence
   c. Financial Analysis
   d. Projecting Results of the Structure

Stage 9  Definitive Purchase Agreement

   a. Representations and Warranties
   b. Indemnification Provisions

Stage 10 Closing the Deal

PHASE IV – SUCCESSFUL INTEGRATION

   a. Human Resources
   b. Tangible Resources
   c. Intangible Assets
   d. Business Processes
   e. Post Closing Audit