

# CABB

## Certified Business Broker (CBB) POLICY MANUAL



**California Association  
of Business Brokers**

*Updated March 1, 2021*



The CABB Certified Business Broker (CBB) is a privileged designation that identifies an experienced and dedicated California-based Business Broker. The title distinguishes its holder as a seasoned, professional who has a solid educational background, proven accomplishments in completing business transactions, and active member of CABB.



### **BENEFITS OF HOLDING A CBB DESIGNATION**

The CBB designation allows its holder the ability to differentiate from the competition. It is appropriate to use the initials CBB following your name in promotional materials and when signing correspondence. Many CBBs will find that it is an effective strategy, when marketing their services, to stress the benefits a client may expect by insisting on dealing with a certified professional. The CABB website also displays the CBB logo for each credentialed member and allows for a CBB priority search function.

### **CBB CERTIFICATION PROCESS AND METHOD**

In order to obtain and hold the CBB designation, an applicant must complete the following requirements.

1. **Membership in CABB and Agreement to uphold Association Code of Ethics.**
2. **Completion of CABB 101 AND CABB 201.**
  - CABB 101: Members who have other certifications or experience may waive CABB 101 [CABB 101 Waiver Form](#)
  - CABB 201: Members who have completed IBBA 210, 220, AND 221 or hold an active CBI may waive CABB 201. [CABB 201 Waiver Form](#)
3. **Effective January 1, 2021, completion of CABB 250 Legal Aspects course**
4. **Proof of selling 5 California-based business transactions** (not Real Estate) that have successfully closed within the past 4 years where the applicant is the primary agent in the transaction. The 5 closed transactions must include at least 3 listing/seller representation transactions.  
[Download Transaction Submittal Form](#)
  - **Closed Transactions must meet one of the following criteria:**
    - Minimum gross transaction amount (purchase price) of \$100,000 or
    - Minimum gross success fee/commission to broker of \$10,000
5. **Attendance at 2 industry conferences** in the past 4 years (CABB, IBBA or M&A Source), minimum of 1 CABB Conference. *For example, if you are applying in 2020, then the conferences must have been attended within Jan 1, 2017-Dec 31, 2020.*
6. **Completion of the CBB Application and \$50 Application Fee.**

### **PLEASE NOTE:**

- Incomplete applications will not be reviewed.
- Only attendance from CABB, IBBA or M&A Source conferences are eligible for the conference requirement.
- CBB applicants **do not earn** and **cannot claim** the CBB designation until all requirements are met, reviewed and approved by the CABB CBB Committee. Until approved and certified, his or her status as an applicant is not used, or included in any promotional materials, statement of qualifications, or any other use whatsoever. The exception would be in providing testimony in a legal proceeding.



### **CBB CERTIFICATION, USE, AND IDENTIFICATION**

Once an application is submitted, CABB will review and communicate the credentialing committees' decision. Individuals awarded the **CBB** designation shall receive a **CBB** certificate.

While an active CBB, the member may then include the designation by the initials "**CBB**" or the words "**Certified Business Broker**" on business cards, seals, brochures, letterhead, and other promotional materials.

CABB has the exclusive right to the term "Certified Business Broker" as its registered with the United States Patent and Trademark Office, Register No. 5343924 on November 28, 2017.

CABB reserves the right to send out Cease and Desist notices as needed to individuals falsely claiming the CBB designation. Additionally, CABB reserves the right to take all necessary steps to secure and preserve its intellectual property rights.

### **ELIGIBILITY PERIOD**

The CBB designation covers a 4-year timespan. The applicant's original certification period starts from the date the application is approved, and expires December 31<sup>st</sup>, four (4) full years after. If the applicant applies anytime in Jan-March 2017 then the period is Jan 2017 to Dec 2020. If the applicant applies anytime April 1-Dec 31, 2017 then the expiration date is Dec 31, 2021. The renewal period then begins on the date of expiration.

### **CBB RECERTIFICATION PROCESS AND METHOD**

In order to renew a CBB designation, an applicant must complete the following requirements.

1. **Membership in CABB and Agreement to uphold Association Code of Ethics.**
2. **Completion of CABB 501 during the 4-year eligibility period.** *This course is typically offered 2 times a year (one in NorCal and one in SoCal), please plan accordingly based on your expiration date.*
3. **Effective January 1, 2021, completion of CABB 250 Legal Aspects course.**  
**Earning a total of 4 credits selling California-based businesses** (representing the seller) that have closed within the 4-year certification timeline. *For example, if the CBB credential expires on Dec 31, 2020, then the submitted transactions must have been closed within Jan 1, 2017-Dec 31, 2020.*  
[Download Transaction Submittal Form](#)
  - **Credits can be earned as follows:**
    - \$100,000 - \$2 Million Business Transaction Value – Representing seller (1 credit)
    - Above \$2 Million Business Transaction Value – Representing seller (2 credits)
    - Managing Broker – 0.5 Credits per transaction for an agent-run deal, that you oversaw (i.e. 8 transactions equal 4 credits)
  - **Closed Transactions must meet one of the following criteria:**
    - Minimum Gross Transaction amount (purchase price) of \$100,000 or
    - Minimum gross success fee/commission of \$10,000
4. **Attendance at 2 industry conferences** in the past 4 years (*CABB, IBBA or M&A Source*), minimum of 1 CABB Conference. **For example, if the CBB credential expires on Dec 31, 2020, then the conferences must have been attended within Jan 1, 2017-Dec 31, 2020.**
5. **Completion of the CBB Renewal Application and \$50 Application Fee.**



**PLEASE NOTE:**

- Incomplete recertification applications will not be reviewed.
- Only attendance from CABB, IBBA or M&A Source conferences are eligible for the conference requirement.
- CBB Recertification applicants must complete the above requirement and renew prior to their expiration date to continue using the designation or must remove claim of credential from all promotional and marketing materials until successfully renewed.

**ELIGIBILITY PERIOD**

The CBB designation covers 4 years. The renewing applicant's certification period is for the 4-year period prior to its expiration. For example, if the CBB expires December 31<sup>st</sup>, 2020, then the renewal period is January 1, 2017 to December 31, 2020. All requirements must be completed during this time (education, conference attendance & deals).

**BRIDGE EXTENSION**

A one-time, one-year bridge extension may be requested if a CBB credential is about to expire and the holder is not able to complete all the renewal requirements on time. The application and fee should be submitted no later than December 31 of the expiring year.

A one-time extension eliminates one (1) year of requirements eligibility. All requirements must be completed during a 4-year period from the new expiration date. For example, if your CBB credential expires on December 31, 2020 and you are approved for a one-year extension, your new CBB expiration date will be December 31, 2021. Submitted requirements must be within January 1, 2018 to December 31, 2021.

**Requirements:**

1. Membership in CABB and Agreement to uphold the Association's Code of Ethics
2. Payment for \$50 Extension Fee
3. Register and pay for a CABB 501 course in the year the credential is expiring, although the course may be taken in the future.
4. A member may only use the bridge extension once in the lifetime of the program.

**LAPSE OR EXPIRATION \***

If a CBB credential lapses for any reason (recertification not renewed in time, or membership is not renewed in CABB), the member must immediately remove a claim of CBB Designation from all promotional and marketing materials. The lapsed member may apply for recertification at any time by utilizing the recertification guidelines and qualifications.

**REVOCAION OR TERMINATION \***

The Certified Business Broker (CBB) designation of any member may be terminated by the Association's Board of Directors for the following reasons:

1. Failure to remain a current member in good standing with CABB.
2. Violation of the Association's bylaws and/or rules and regulations, or Code of Ethics.
3. Misrepresentation, either intentional or otherwise, of experience or other qualifications.



4. The rendering of a guilty verdict by a trier of fact of proper jurisdiction (court or arbitration) for charges which, in the opinion of the Association's Board of Directors, reasonably establish the **CBB's** noncompliance with those standards required by CABB.
5. A revoked or terminated CBB may not apply for re-certification for 2 years and at such time must apply as a new CBB.

\*Any CBB whose designation is revoked, terminated, or expired shall immediately return his/her **CBB** certificate and any other related items (pins, plaques, etc.). In addition, his/her store of stationery and other renderings mentioning the **CBB** designation must be immediately destroyed. And, lastly, it is specifically understood that the member or former member may not verbally or in print make ANY reference to "former CBB," "past CBB," or the like.