



Oakland, CA, August 29, 2023



From the



Online Broker Training System

Module 1

Control the Deal:
Sell More Businesses
and Protect Yourself



This training module was written by Len Krick, based on his personal experience working with new business brokers for over 22 years. All material was written by Mr. Krick.



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Supporting Documents to this Webinar

The following file, used in this presentation, is available from Len Krick:

Transaction Document
Checklist and Control Sheet
Complete – Excel File

Send your request to LenKrickLV@gmail.com



Control the Deal:
Sell More Businesses
and Protect Yourself

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The Realities of Successful Brokerage

Chapter 1





Attributes of a Successful Broker

The most successful business brokers I know have the following six skills and attributes:

Willing to do the heavy lifting, when required

Focused on attaining their client's goals in the shortest time possible

Understand that their time is their inventory, not their listings

Is a "Hunter," not a "Farmer"

Understands psychology and the true motivations of the sellers and buyers

Knows their limitations and hires people to complete important tasks, if they are unable or unwilling to do them



Successful Brokers Multitask

Another crucial broker attribute is the broker's ability to multi-task; juggle many deals at once.



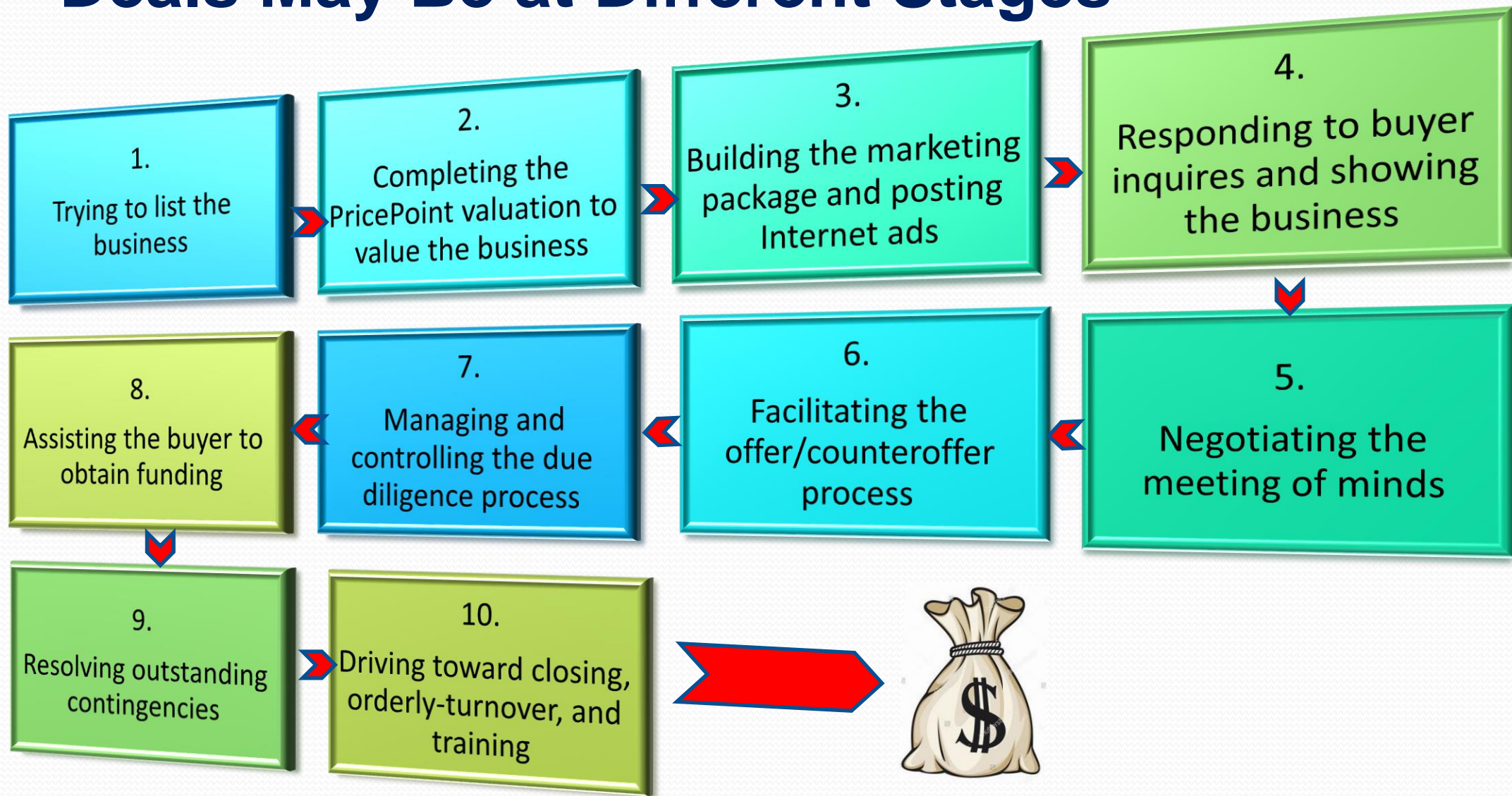
Good luck
ever taking a
vacation

You can't drop any of them, or the deal might fall apart.



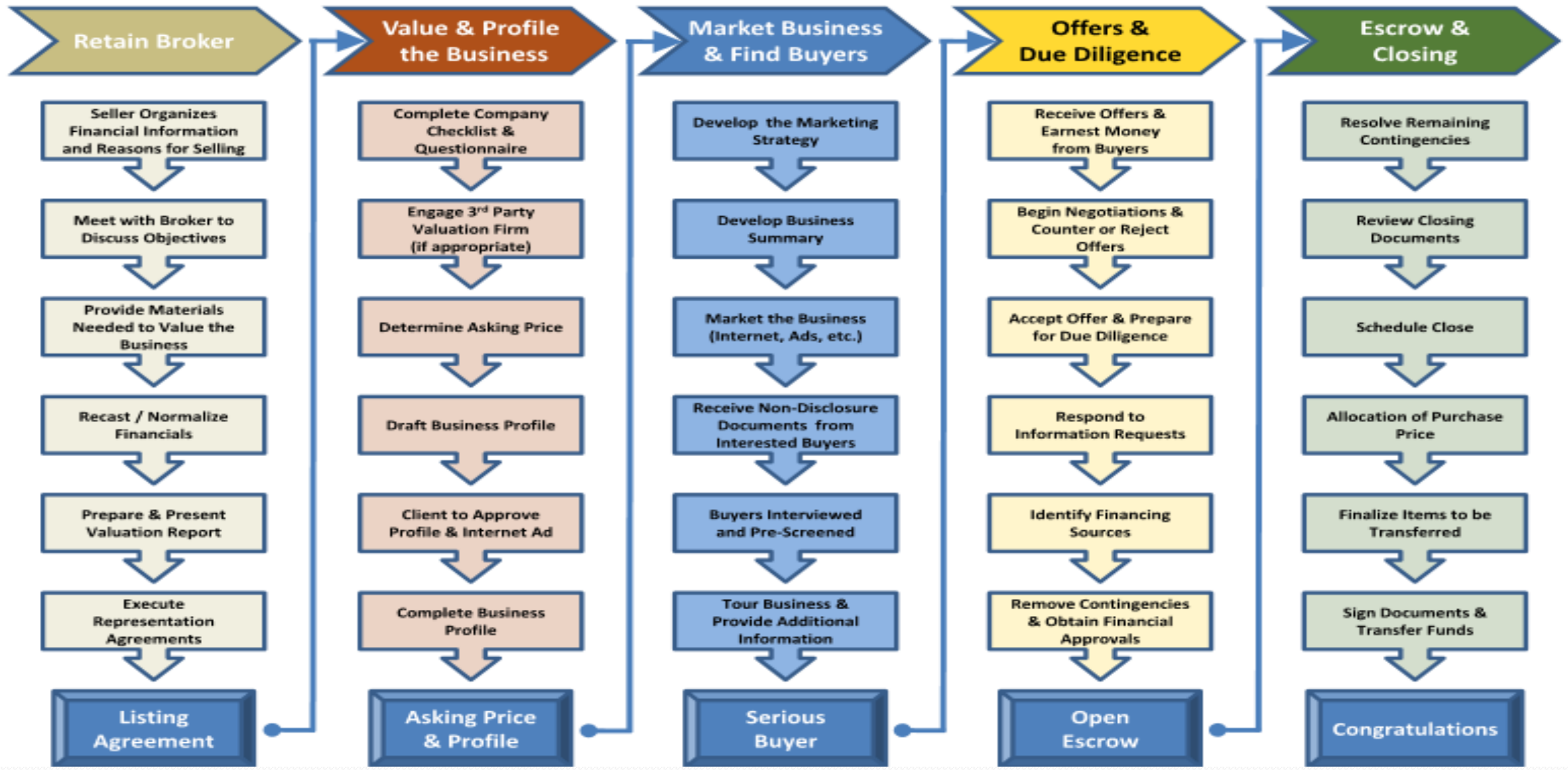
Deals May Be at Different Stages

Each deal may be at one of 10 different stages in the transaction process; the business broker is:





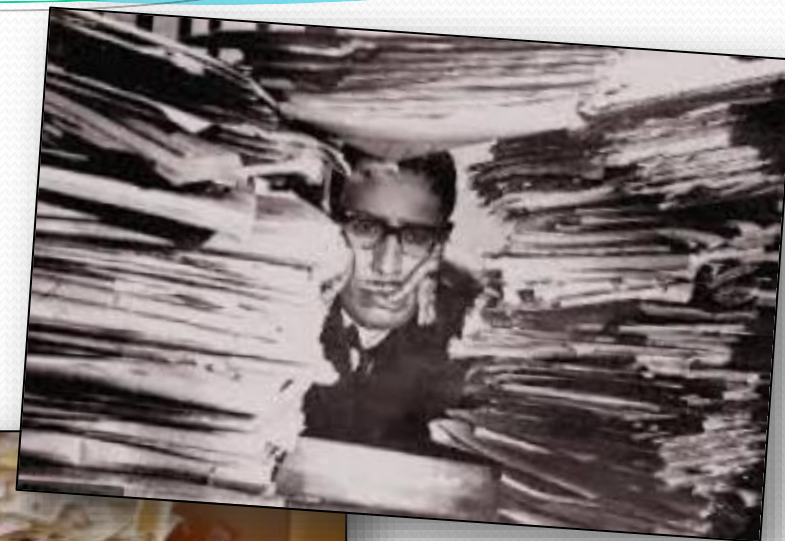
Documents Required Throughout the Process





The Last Thing You Need

- Deals require paperwork.
- You must minimize the time you spend keeping track of documents.





How Can You Track the Documents?

How can the business broker keep track of where he/she is in each transaction, and make sure that the documents have been completed?

**Checklists
&
Control
Sheets**





Keeping the Important Documents

As the Broker of my office, I was paranoid about losing control of the important documents generated by each transaction.

- I kept the originals in a fire-proof, locked filing cabinet in my office for 7 years. These included
 - all executed agreements, and
 - signed broker indemnifications.
- *No broker fees were paid until we had all the required paperwork.*
- My agents called my Assistant the “*Document Nazi.*”

Len's Assistant



**I WANT YOU
TO SHOW ME
YOUR PAPERS**



Types of Transaction Documents

Chapter 2





Standard Transaction Documents

I organize the standard transaction documents in 12 folders.

The first 8 follow the deal process.

Many of my forms are also available from



**California Association
of Business Brokers**

-
1. Pre Listing and Valuation Data Collection
 2. Listing
 3. CBR Prep
 4. Marketing
 5. Buyer
 6. Offer
 7. Due Diligence
 8. Closing
 9. Referrals and Co-oping
 10. Stock Sale
 11. Buyer Representation
 12. Other Services



Standard Transaction Documents

The following pages present a review of my **Document Reference List**

Process	Ref #	Document Name	Format	Who
Prelisting and Valuation Data Collection	1.1	Seller's Initial Information Form – For Seller's Use	PDF	Seller
	1.2	Listing Prospect Information – For Broker's Use	Publisher	Broker
	1.3	Items Required for Valuation	Word	Seller
	1.4	Items Needed to Professionally Represent	PDF	Broker and Seller
	1.5	Monthly Sales Chart	Excel	Seller
	1.6	Confidentiality Agreement – From Broker to Listing Prospect	PDF	Broker
	1.7	Example Due Diligence List for Seller Orientation	Word	Broker and Seller
	1.8	Adjusted Income Statement Template	PDF	Broker and Seller
	1.9	Quick Normalized Income Statement	Excel	Broker and Seller
	1.10	Reconciliation of Tax Return and P&L	Excel	Broker and Seller
Listing	2.1a	Listing Agreement	PDF	Broker and Seller
	2.1b	Listing Agreement	Word	Broker and Seller
	2.2a	Listing Agreement – Addendum A (Price and Terms)	PDF	Broker and Seller
	2.2b	Listing Agreement – Addendum A (Price and Terms)	Word	Broker and Seller
	2.2c	Listing Agreement – Addendum (Simple)	Word	Broker and Seller
	2.3a	Listing Agreement – Single Party	Word	Broker and Seller
	2.3b	Listing Agreement – Up to 4 Parties	Word	Broker and Seller
	2.4a	Listing Agreement – Generic Amendment	Word	Broker and Seller
	2.4b	Listing Agreement – Specific Amendment	PDF	Broker and Seller
	2.5	Broker Acknowledgment - Seller	Word	Seller
2.6	Business Broker Agency Disclosure - Example	Word	Seller	
2.7a	Seller's Disclosure Statement	PDF	Seller	
2.7b	Seller's Disclosure Statement	Word	Seller	
2.8	Corporate Resolution to Sell	Word	Seller	
2.9	LLC Resolution to Sell	Word	Seller	
2.10a	Termination of Listing Agreement	PDF	Broker and Seller	
2.10b	Termination of Listing Agreement	Word	Broker and Seller	



Standard Transaction Documents

Process	Ref #	Document Name	Format	Who
Confidential Business Review Prep	3.1a	Business Summary Questionnaire and Checklist	PDF	Seller
	3.1b	Business Summary Questionnaire and Checklist	Word	Seller
	3.2	Presentation Checklist	Word	Broker
	3.3	Presentation Assembly Steps	Word	Broker
	3.4	Lease Summary	PDF	Seller
	3.5a	Asset List	PDF	Seller
	3.5b	Asset List	Word	Seller
	3.6	Organization Chart - Example	Word	Seller
	3.7	Staffing Chart – For Seller	Word	Seller
Marketing	4.1	Internet Ad Input Sheet	Excel	Broker
	4.2	Internet Ad Input Sheet	Word	Broker
Buyer	5.1a	Buyer Profile – Individual – 1-Page Version	PDF	Buyer and/or Broker
	5.1b	Buyer Profile – Individual – 2-Page Version	Word	Buyer and/or Broker
	5.2a	Buyer Profile – Company	Word	Buyer
	5.2b	Buyer Profile – Company	PDF	Buyer
	5.3	Confidentiality Agreement - Individual	Word	Buyer
	5.4	Confidentiality Agreement - Corporate	Word	Buyer
	5.5	CA, Agency Disclosure, Record of Showing - Combination	PDF	Buyer
	5.6	Business Broker Agency Disclosure	Word	Buyer
	5.7	Broker Acknowledgment - Buyer	Word	Buyer
5.8	Buyer Disclosure Statement	Word	Buyer	
	5.9	Showing Status Report - Example	PDF	Broker



Standard Transaction Documents

Process	Ref #	Document Name	Format	Who
Confidential Business Review Prep	3.1a	Business Summary Questionnaire and Checklist	PDF	Seller
	3.1b	Business Summary Questionnaire and Checklist	Word	Seller
	3.2	Presentation Checklist	Word	Broker
	3.3	Presentation Assembly Steps	Word	Broker
	3.4	Lease Summary	PDF	Seller
	3.5a	Asset List	PDF	Seller
	3.5b	Asset List	Word	Seller
	3.6	Organization Chart - Example	Word	Seller
3.7	Staffing Chart – For Seller	Word	Seller	
Marketing	4.1	Internet Ad Input Sheet	Excel	Broker
	4.2	Internet Ad Input Sheet	Word	Broker
Buyer	5.1a	Buyer Profile – Individual – 1-Page Version	PDF	Buyer and/or Broker
	5.1b	Buyer Profile – Individual – 2-Page Version	Word	Buyer and/or Broker
	5.2a	Buyer Profile – Company	Word	Buyer
	5.2b	Buyer Profile – Company	PDF	Buyer
	5.3	Confidentiality Agreement - Individual	Word	Buyer
	5.4	Confidentiality Agreement - Corporate	Word	Buyer
	5.5	CA, Agency Disclosure, Record of Showing - Combination	PDF	Buyer
	5.6	Business Broker Agency Disclosure	Word	Buyer
	5.7	Broker Acknowledgment - Buyer	Word	Buyer
5.8	Buyer Disclosure Statement	Word	Buyer	
5.9	Showing Status Report - Example	PDF	Broker	



Standard Transaction Documents

Process	Ref #	Document Name	Format	Who
Offer	6.1	Proposed Basic Acquisition Terms	PDF	Buyer
	6.2	Information Required to Write and Offer	PDF	Buyer
	6.3a	Offer for Purchase (APA)	PDF	Broker Assisting Buyer
	6.3b	Offer for Purchase (APA)	Word	Broker Assisting Buyer
	6.4	Offer Addendum	PDF	Broker Assisting Buyer
	6.5	Offer Amendment	Word	Broker Assisting Buyer
	6.6a	Counter Offer	PDF	Broker for Seller
	6.6b	Counter Offer	Word	Broker for Seller
	6.7a	Proposed Transaction Timetable Example	Word	Broker for Buyer
	6.7b	Proposed Transaction Timetable Example With SBA Loan	Word	Broker for Buyer
	6.8	Environmental Disclaimer	Word	Broker for Buyer
	6.9a	Due Diligence List	PDF	Broker Assisting Buyer
	6.9b	Due Diligence List	Word	Broker Assisting Buyer
	6.10a	Due Diligence Escrow Authorization	PDF	Buyer and Seller
6.10b	Due Diligence Escrow Authorization	Word	Buyer and Seller	
6.11	Termination of Purchase Agreement	Word	Buyer	
Due Diligence	7.1	Buyer's Receipt for Due Diligence Items Provided By Seller	Word	Buyer
	7.2	Due Diligence Control Sheet	Word	Broker
	7.3	Contracts Summary	Excel	Seller and Broker



Standard Transaction Documents

Process	Ref #	Document Name	Format	Who
Closing	8.0	Documents and Process Relating to Closing a Transaction	PDF	Broker
	8.1	Escrow Opening Checklist - Worksheet	Fillable PDF	Broker
	8.2a	Authorization to Begin Escrow	Fillable PDF	Buyer, Seller, Broker
	8.2b	Authorization to Begin Escrow	MS Word	Buyer, Seller, Broker
	8.3	Transaction Fee Agreement	MS Word	Seller, Broker
	8.4	Broker Services Acknowledgment - Closing	PDF	Buyer, Seller
	8.5a	Allocation of the Purchase Price	Fillable PDF	Buyer, Seller
	8.5b	Allocation of the Purchase Price	MS Excel	Buyer, Seller
	8.5c	Allocation of the Purchase Price Tax Chart	PDF	Buyer, Seller
	8.5d	Allocation of the Purchase Price - Summary	PDF	Buyer, Seller
	8.6	SBB Business Closing Checklist	MS Word	Buyer, Seller
	8.7	Example Guide to Licensing, Utilities Transfer, Etc.	PDF	Buyer, Seller
	8.8a	Example - Buyer's Preliminary Closing Statement	PDF	Buyer
	8.8b	Example - Seller's Preliminary Closing Statement	PDF	Seller
	8.9	Example - Closing Documents, Without Seller Note	PDF	Broker, Buyer, Seller
	8.10a	Closing Checklist - Comprehensive	MS Excel	Broker
8.10b	Closing Checklist - Comprehensive	PDF	Broker	
8.11	Shareholder's resolution - Corporate	MS Word	Broker, Seller	



Types of Documents

During a transactions, there are numerous types of documents. These can be categorized as follows:



Marketing



Information



Controlling



Legal Agreement



Broker Liability



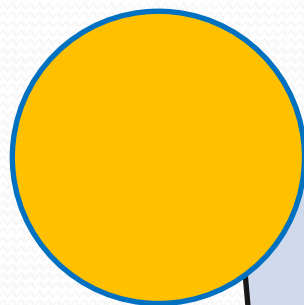
Which Are the Most Important?

Obviously,

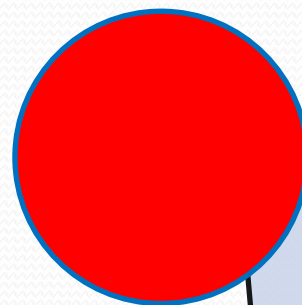
- marketing materials,
- information about the seller, business, and buyer,
- and controlling the deal ... ***are important.***

However, after the transaction is complete, the business broker must retain original copies of the following signed documents...

These *will* be required in the event of a lawsuit.



Legal
Agreements



Broker
Liability



Who Maintains the Checklist?

Primary responsibility to maintain control of the deal and ensure all documents are produced at the proper time, in the transaction process, belongs to the listing...



or the listing broker's administrative assistant.



Who Produces and Uses Documents?

Throughout the transaction process documents are produced and reviewed by many people:

Our Team

Listing Broker

Seller

Seller's CPA

Seller's Attorney

Their Team

Selling Broker

Buyer

Buyer's CPA

Buyer's Attorney

3rd Parties

Escrow Agents

Transaction Attorney

Landlord

Franchisors

Buyer's Lender

Governmental Agencies



Master Checklist and Control Sheet

Chapter 3





Checklist and Document Control

I have developed a master checklist of all documents used in a typical transaction.

- Not all documents are used in every transaction
- All “Legal” and “Broker Liability” documents are keyed to the standard documents found discussed previously in this webinar.

There is no reason to let paperwork frustrate you... just a little organization will cure the broker brain damage!





Checklist and Document Control

The following Excel file is available from Len Krick:

 **Transaction Documents Signatures and Timing Chart - Complete**

This file, the master checklist and document control sheet in one continuous list.





Document Type & Checklist Header

Each document is color-coded:

KEY:	Marketing		Legal Agreement 	Broker Maintains a copy of all these documents	
	Information				Broker Liability
	Controlling				

NOTE: Not all documents are used in every transaction.

Each document is organized as follows:

Document	Document Reference	Document Type	DOCUMENT USED DURING THIS PHASE OF THE TRANSACTION PROCESS							
			Prospecting	Pre-Listing	Listing	Marketing Roll-Out	Buyer Pre-Screening	Offer	Due Diligence	Closing



Who Signs Each Document?

For each document, I have indicated the people who sign it, if any.



This is usually one, or more, of the following:





The Checklist Follows the Process

The image shows a large, tilted checklist table with multiple columns and rows. The table is filled with text and color-coded cells (yellow, green, red, blue). The columns are labeled with various categories and tasks, and the rows represent individual items on the checklist. The table is oriented vertically on the page.



Document	Document Reference	Document Type	DOCUMENT USED DURING THIS PHASE OF THE TRANSACTION PROCESS							
			Prospecting	Pre-Listing	Listing	Marketing Roll-Out	Buyer Pre-Screening	Offer	Due Diligence	Closing
Drop Note		Marketing	Broker Drops							
Seller Solicitation Letter		Marketing	Broker Writes and Sends							
Seller Follow Up Email		Marketing	Broker Writes and Sends							
New Client Package		Marketing	Broker Sends							
Seller's Initial Information	1.1, 1.2	Information		Broker Interviews						
Items Required for Valuation	1.3	Information		Broker Sends to Seller						
Information Needed to Professionally Represent	1.4	Marketing		Broker Provides						
Monthly Sales Chart	1.5	Information		Seller Completes						
Business Financial Data & Add-Backs		Information		Seller Provides						
Reconciliation of Federal Tax Returns	1.1	Information		CPA Prepares						
Broker Confidentiality Agreement (if any)	1.6	Legal Agreement		Broker Signs						
Listing Agreement	2.1a,b	Legal Agreement			Seller and Broker Sign					
Addendum A to Listing Agreement	2.2a,b	Legal Agreement			Seller and Broker Sign					
Seller's Disclosure Statement	2.7a,b	Broker Liability			Seller Completes and Signs			Buyer Signs, at the latest		
Agency Disclosure	2.6	Broker Liability			Seller and Broker Sign			Buyer Signs, at the latest		
Broker Services Acknowledgement - Seller	2.5	Broker Liability			Seller and Broker Sign					
Corporate or LLC Resolution	2.8, 2.9	Legal Agreement			Seller Signs					
Broker's Opinion of Most Probable Selling Price		Marketing			Seller Signs/Accepts					
Business Checklist and Questionnaire	3.1a,b	Information				Seller Completes				
Lease Summary	3.4	Information				Broker Completes				
Asset List	3.5a,b	Information				Seller Completes				



Document	Document Reference	Document Type	DOCUMENT USED DURING THIS PHASE OF THE TRANSACTION PROCESS							
			Prospecting	Pre-Listing	Listing	Marketing Roll Out	Buyer Pre-Screening	Offer	Due Diligence	Closing
Business Presentation Checklist						Broker Maintains				
Business Presentation		Marketing				Seller Signs/Accepts				
Internet Advertising Copy		Marketing				Seller Signs/Accepts				
Internet Ad Site Input Sheet	4.1 or 4.2	Marketing				Broker Completes				
Buyer Email Inquiry Response		Marketing				Broker Sends				
Buyer Profile - Individual	5.1a	Information					Buyer Completes and Signs			
Buyer Profile - Company	5.2a,b	Information					Buyer Completes and Signs			
Confidentiality Agreement - Multi-Business	5.3	Legal Agreement					Buyer Signs			
Confidentiality Agreement - One Business	5.4	Legal Agreement					Buyer Signs			
Advantages of Buying an Existing Business		Marketing					Broker Provides			
Steps to Owning Your Own Business		Marketing					Broker Provides			
Buyer Solicitation Letter		Marketing					Broker Prepares and Sends			
Showing Status Report		Controlling					Broker Maintains			
Broker Services Acknowledgement - Buyer	5.7	Broker Liability					Buyer and Broker Sign			
Term Sheet	6.1	Information						Buyer Provides		
Information Required to Write an Offer	6.2	Information						Buyer Completes		
Offer for Purchase	6.3a,b	Legal Agreement						Seller and Buyer Sign		
Offer Addendum	6.4	Legal Agreement						Seller and Buyer Sign		
Offer Amendment	6.5	Legal Agreement						Seller and Buyer Sign		
Exhibit A - Transaction Timetable	6.7	Legal Agreement						Seller and Buyer Sign		
Exhibit B - Due Diligence List	6.9a,b	Legal Agreement						Seller and Buyer Sign		
Exhibit C - Seller Carry Note Amortization		Legal Agreement						Seller and Buyer Sign		
Counter Offer	6.6a,b	Legal Agreement						Seller and Buyer Sign		
Buyer Disclosure Statement	5.8	Broker Liability						Buyer Signs		
Authorization to Open Preliminary Escrow During Due Diligence	6.10a,b	Legal Agreement						Seller and Buyer Sign		
Receipt for Due Diligence Materials	7.1	Legal Agreement							Buyer Signs	



Document	Document Reference	Document Type	DOCUMENT USED DURING THIS PHASE OF THE TRANSACTION PROCESS							
			Prospecting	Pre-Listing	Listing	Marketing Roll-Out	Buyer Pre-Screening	Offer	Due Diligence	Closing
Due Diligence Control Sheet	7.2	Controlling							Broker Maintains	
Termination of Purchase Agreement	6.11	Legal Agreement							Buyer and Broker Sign	
Stock Sale Acknowledgment, Notification, and Disclaimer	10.1	Legal Agreement						Seller, Buyer, and Broker Sign		
Summary of Business Contracts Chart	7.3	Information							Seller Provides	
Financial and Operational Information		Information							Seller Provides	
Authorization to Open Escrow	8.2a,b	Legal Agreement								Seller, Buyer, and Broker Sign
Broker Services Acknowledgement - Closing	8.4	Broker Liability								Seller and Buyer Sign
Escrow Opening Checklist-Worksheet	8.1	Controlling								Broker Maintains
Allocation of the Purchase Price	8.5a,b	Legal Agreement								Seller and Buyer Negotiate and Sign
IRS Form 8594		Legal Agreement								CPA Prepares, Seller and Buyer Sign
Business Closing Checklist	8.10a,b	Controlling								Seller, Buyer, and Broker Sign
Authorization to Close Transaction, Release All Contingencies, Affidavit, Indemnity, and Mutual Release (example from Closer)	8.9	Legal Agreement								Seller, Buyer, and Broker Sign
Seller Note, Security Agreement, Buyer's Personal Guaranty	8.9	Legal Agreement								Seller and Broker Sign
Broker Transaction Fee Agreement	8.3	Legal Agreement							Seller and Broker Sign	
Escrow Company's Guide to Transfer	8.7	Information								Escrow Company Provides
Closing Statement - Buyer (Closer)	8.8a	Information								Escrow Company Prepares, Buyer Signs
Closing Statement - Seller (Closer)	8.8b	Information								Escrow Company Prepares, Seller Signs
Orderly-Turnover Plan		Information								Seller and Buyer Sign



Len Krick's Broker Coaching Program





Len Krick's Private Coaching Program

Features:

- Custom program, based on business broker's experience level
- 14 two-hour, one-on-one coaching sessions
- Custom marketing plan developed for business broker's office and market; all supporting materials ready to implement
- Access to Len Krick's ultimate business brokerage reference library of over 516 documents, checklists, templates, CBR examples, valuation examples, marketing materials, and sixty-two 90-minute webinar PowerPoint PDFs.
- Delivered via Go-To-Webinar
- Covers Main Street, M&A, or both

Price: ***\$5,000***

Available at
www.FastStart.Training
or stop by the booth

Len Krick's Online Business Broker Training Program





FastStart™ is a logical, online training program for anyone who is ***new to the business brokerage profession, or not getting traction.***

The program is comprised of 3 Learning Tracks:

FastStart

11 Modules: From Introduction to Working with the Buyer

Finish the Deal

3 Modules: Offers, Due Diligence, and Closing and Orderly-Turnover.

Fine Tune

13 Modules: more advanced tools and subjects to hone your skills.

FastStart™ is a self-directed training program; you will work at your own pace. I want to ensure that you have the tools to be successful in your critical first year.

All you will need is a computer and Internet access.

If you are the office owner, you can receive progress reports, throughout the program

Are You Serious About Reaching Your Potential, Fast?



Len Krick

Learning Track Objectives

Build a custom success plan, based on your skill sets and experience.



Len Krick

Develop all the marketing materials to attain your goal.



Quality listings, priced correctly in the



FastStart™ Training Modules

1. Business Brokerage Orientation

2. Creating a Success Plan

3. Getting Ready to Prospect

4. Generating a Listing meeting

5. Valuing and Pricing

6. Converting a Listing Meeting to a Listing

7. Listing the Business

8. Effective Packaging

9. Marketing a Business

10. Working with Buyers



Finish the Deal Training Modules

1. Offers

2. Managing the Due Diligence Process

3. Managing the Closing and Orderly-Turnover Processes

Fine Tune Training Modules

1. Allocation of the Purchase Price

2. Using a Sale to Get a Listing

3. Building a Listing Pipeline Through Referrals and Relationships

4. Minimizing Broker Liability

5. How to Evaluate a Larger Listing

6. How to Make Money From Businesses You Reject

7. Selling Franchised Businesses

8. Business Broker's Guide to Inventory

9. Working With E-2 Visa Buyers

10. Anatomy of a Successful Small-Cap M&A Deal

11. How to Build a Large-Scale Referral System

12. Business Broker's Guide to Working Capital

13. Working Buy Side Engagements

I wrote all this material from scratch, based on my experience with business brokerage deals over the 20+ years I was actively selling businesses. This learning track will shorten your learning curve.



FastStartTM Huge Business Broker Reference Library

516 Downloadable Files:

- All transaction documents
- Questionnaires & Buyer Profiles
- Marketing collateral materials
- CBR template & 35 CBR Samples
- Due Diligence & Closing Checklists
- Orderly-Turnover Checklist

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