

What Type of Transaction is Right for You?

100% SALE OF BUSINESS

- Sell all equity to buyer
- Following a post-closing wind-down, previous owner completely out of the business
- Good option for retirement

RECAPITALIZATION

- Minority recap – sell less than 50% of business

Allows the business owner to cash out some of the value of their business equity while retaining the balance; *May retain* control and continue to grow the business positioning to sell the balance at a higher valuation in the future.

- Majority recap – sell more than 50% of business

Allows the business owner to cash out some of the value of their business equity while retaining the balance; *will not retain control*; will continue to grow the business positioning to sell the balance at a higher valuation in the future.

MANAGEMENT BUY-OUT

Current management buys out the owner; managers must be creditworthy if bank financing is required.

WORKER-OWNED COOP

Worker cooperatives are value-driven businesses that put worker and community benefit at the core of their purpose. In contrast to traditional companies, worker members at worker cooperatives participate in the profits, oversight, and often management of the enterprise using democratic practices.

TRANSFER TO FAMILY

Similar to a sale or recapitalization, but to family members.

FOR MORE INFORMATION, CONTACT:

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