

The Business Assessment



The breadth and scope of the business assessment we provide has been referred to as “substantial, impressive and unparalleled in the industry.”



Mergers and Acquisitions of Ohio



Why should I have a business assessment of my company?

As a business owner, you undoubtedly have an appreciation for some of the many challenges relative to selling a company, as well as the desire to maximize the proceeds you will receive from the transaction.

Mergers and Acquisitions of Ohio has years of experience dealing with not only the common challenges present in most transactions, but also the special and unique challenges encountered when dealing with discriminating, particular buyers.

If you are contemplating selling your business, or are in the process of preparing your business for sale at some point in the future, Mergers and Acquisitions of Ohio strongly recommends your company undergo a quantitative and qualitative Business Assessment conducted by an independent third party.

The Business Assessment process and resulting report will allow you to view your company through the eyes of a prospective buyer, and with the analytical clarity of a buyer's professional advisors.

What expertise is involved in its preparation?

In addition to your Mergers and Acquisitions of Ohio representative and your RWI Business Services(RWI-BSERV) Engagement Director, numerous RWI-BSERV professionals will be involved in analyzing and evaluating the information you and your management team provide during our initial visit. The individuals typically involved in preparing Business Assessment Reports include attorneys, CPAs, financial advisors, investment advisors, financial planners, investment bankers, financial analysts, valuation analysts, the RWI-BSERV IT support and editorial staff, and Business Improvement Specialists with industry-specific experience.

The Business Assessment encompasses both the financial and operational aspects of your business, and at a fraction of the cost associated with retaining each professional's contribution to such a comprehensive service.





The Business Assessment Process

The assessment is a three-part process:

1. An initial onsite information gathering is conducted by the Engagement Director;
2. The Business Assessment Report is developed (at the RWI-BSERV corporate offices); and
3. The Engagement Director returns to present the Business Assessment Report and discuss the results, recommendations, and corrective action options (if applicable).

With regard to day-to-day business operations, the information gathering process is two or three days in length, minimally invasive, seamless and totally confidential. RWI-BSERV respects the time constraints imposed upon your employees, and the crucial role each of them plays in generating revenue for your company. Therefore, the Engagement Director's interaction with your employees is limited to the minimal time necessary, and he or she will accommodate their respective schedules as much as possible.

At the conclusion of the information gathering, your Engagement Director and Mergers and Acquisitions of Ohio representative will schedule a return date and time with you (usually the following week), for the presentation of your Business Assessment Report.

During the course of the presentation, your questions will be addressed, as well as options for implementing corrective action (if applicable).

A representative of Mergers and Acquisitions of Ohio will participate in the initial conference at the onset of the assessment, and in the discussions that will take place during the presentation of the Report.

It has been our experience that some business owners determine they possess the time, knowledge, and skill necessary to effect the required changes internally; while others seek the assistance of such outside professional advisors as they deem appropriate. Many elect a combination of the two approaches.

Scope of the Business Assessment

The Business Assessment addresses six key areas:

1. Business Model Performance
2. Management Team Effectiveness
3. Business Process “Fitness Test”
4. Acquisition (Administrative) “Diligence”
5. Maximizing After-Tax Income
6. Achieving Financial Goals and Objectives

The Business Model Performance assessment is presented in a combination of text, numerics and advanced graphics. It addresses your business’ overall performance and trends, and the performance of key products, profit centers and cost centers (analyzed individually).

the efficiency and effectiveness of day-to-day operations, your operational processes and their respective systemization (or lack thereof), the performance metrics your company has established, and the consistency with which the targeted objectives of those metrics are achieved.

The Acquisition (Administrative) “Diligence” addresses the existence of, and your company’s ability to readily access and submit, certain documentation. If requested, your business must be able to provide tangible validation and verification of business matters to prospective participants in a transaction such as lenders, buyers, joint venture partners, customers requiring confirmation of




The Management Team Effectiveness assessment addresses your management team’s demonstrable ability to grow and improve overall business performance, their ability to achieve strategic results, and the sustainability of your company’s future growth.

The Business Process “Fitness Test” addresses

your ability to perform on proposals, etc. In addition, tax savings and exit strategy illustrations are provided. These illustrations depict the financial impact associated with your current approach to structuring your professional and personal affairs, and alternatives to maximize your after-tax income and achieve your financial goals and objectives.

Tax Savings

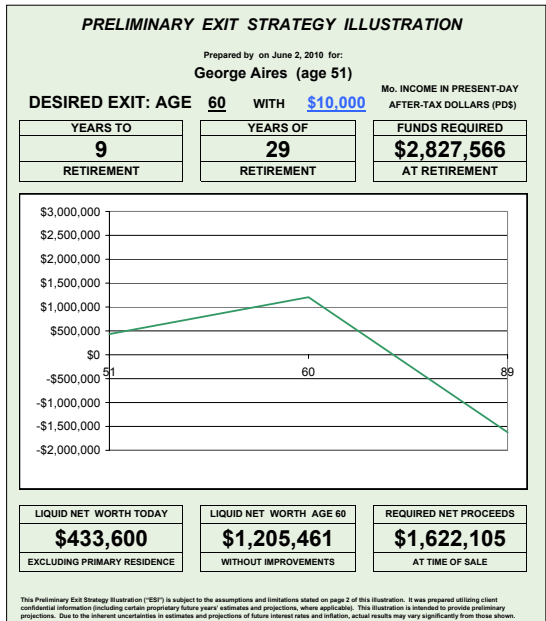
The tax-related information incorporated in your Business Assessment Report will quantify potential tax savings available to ongoing operations, as well as the potential transactional tax planning savings associated with the structuring of a contemplated transaction (if applicable).

 PRELIMINARY TAX SAVINGS & EXPOSURE ILLUSTRATION			
PREPARED FOR: George Aires of Electrical Equipment & Supply			
	One Time Savings	Estimated 1st Full Year Savings Using AIW Strategies	Estimated Five Year Tax Savings Using AIW Strategies
Estimated Tax Related Benefit Savings (Excluding E/I) Estate/Inheritance Taxes and Fees	\$86,823 - \$873,398	\$15,537 - \$27,384	\$82,073 - \$144,655
Totals	\$86,823 - \$873,398	\$15,537 - \$27,384	\$82,073 - \$144,655
Other Items of Concern Asset Protection Strategies	\$134,324 - \$183,200		

This illustration utilizes the following Client originated estimates: 2009 W-2 wages of \$96,000 and 2010 wages of \$99,552; current net worth of \$3,467,600; a projected annual net worth growth of 5.00%, year-over-year sales increases of 7.00%, 5.00%, 4.00% and 4.00%, respectively.

Exit Strategy

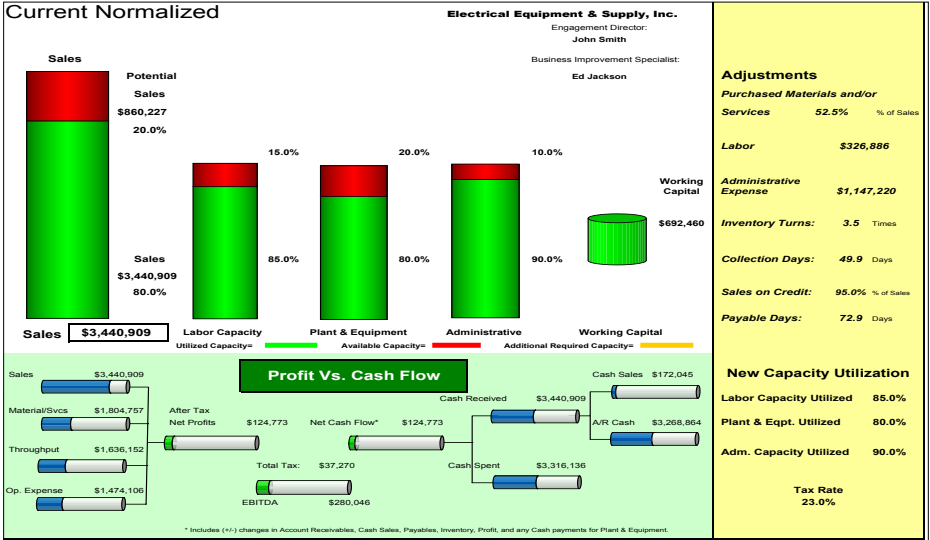
The exit strategy analysis and forecasting discussions provide relevant information tailored to either (1) owners focused on transitioning to their next career business endeavor, or (2) owners contemplating retirement and refocusing their life efforts in preparation to enjoy the opportunities afforded to them as a result of their labors. The information you supply relative to your specific facts and circumstances, and your future desires and contemplated intentions, provides the focus for our professionals as they develop this information for you.



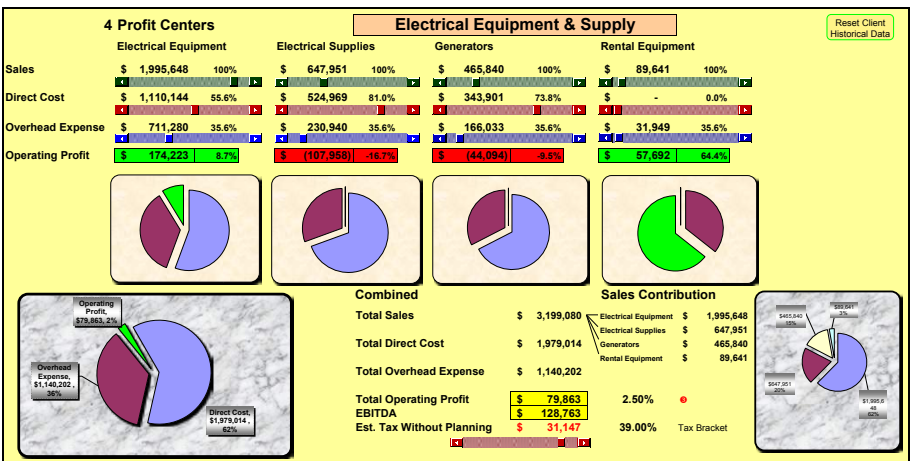
The results are based upon the information and assumptions you provide, and will quantify the available capital as of a given future date, or the capital required to fund your desired lifestyle throughout the anticipated term of your contemplated retirement.

Interactive Customized Software

A key component of each Business Assessment is the limited license provided to you, which allows you to use our proprietary interactive software that has been customized and personalized to your company's operations.



Utilizing graphic embedded sliders, this software allows you to modify the revenues and costs associated with your company's operations and instantly see the impact of that decision (graphically and numerically) on EBITDA, overall profitability and resulting taxes, working capital requirements, and remaining available capacity or additional capacity requirements with respect to your plant and facilities, equipment, operational personnel, and administrative personnel.



You can evaluate your decision on a company-wide basis, or examine each profit center individually. You will find this tool invaluable to your decision-making process.



Monthly Performance Review Program

Subsequent to the presentation of your Business Assessment Report, your Engagement Director will explain and discuss RWI-BSERV monthly financial and operational performance review program. Your company's participation is entirely voluntary, but strongly encouraged.

If you elect to participate in the program, at the conclusion of each month:

1. On or before an agreed-upon date, you will email or fax to the RWI-BSERV corporate offices a copy of your monthly financial statements and certain operational reports you and your Engagement Director agree upon.
2. Your RWI-BSERV Engagement Director and select members of the RWI-BSERV Support Services Team will review and discuss your company's monthly performance in light of the goals and objectives targeted.
3. Based upon their review and discussions, a member of the Support Services Team will email a proposed

agenda of topics and issues to be discussed on an upcoming conference call.

4. Your RWI-BSERV Engagement Director will call you to schedule our monthly conference call with you and selected members of your management team to discuss:

- What was accomplished that month;
- The overall performance of your company;
- Your management team's performance in relation to established key metrics;
- Possible strategies, tasks, and approaches that would be appropriate to address and correct any identified performance deficiencies; and
- Your management team's targeted objectives to be accomplished in the coming month.

It has been our experience that the first few months following the assessment are the most crucial to effecting meaningful change and assuring substantive results.

Every Management Team's Responsibility

Every business management team has the responsibility to run the business:

1. "As if it were for sale – every day," and
2. In such a manner that additional financing would be readily available, if necessary, to address any business opportunities that might arise.

To fulfill this responsibility, management must be committed to, and focused on, continuously implementing improvements in an effort to achieve optimal revenue generation, cost containment, efficiency, and productivity.

The concept is simple, but executing it is exceedingly more complex. In fact, there are times it may seem like an insurmountable, daunting, or overwhelming task. We are here to help.

Please feel free to call us with any questions you might have, or to discuss your specific business circumstances and any assistance we might provide.

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