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Confidentiality and Communications Protocols

By: Paris Aden, Valitas Capital Partners

Synopsis: The development and implementation of communication principles, strategies and protocols are essential to protect your company and its stakeholders. This white paper will go into detail about the importance of Confidentiality Protocols and discuss strategies on how to mitigate the risk of information leaks. It will also cover our Communication Protocols and present the ways in which we help business owners manage the exchange of information during planning and throughout the sale process.

Read on for our views...



Confidentiality and Communication Protocols

The development and implementation of communication principles, strategies and protocols are essential to protect your company and its stakeholders from leaks regarding the existence of any process that could result in a sale of your business (referred to herein as the “Process”). These communication protocols are also intended to protect your commercially sensitive information (or “Confidential Information”) from both current and potential competitors. The protection of your Confidential Information requires a comprehensive strategy that addresses many potential scenarios. This discussion is broken down into several parts.

Why Protocols Are Essential

The impact of an information breach can manifest in two key areas:

1. Distracting, or worse, undermining the confidence of customers, employees and other stakeholders; and
2. Strategic acquirers could attempt to use your information for commercial advantage. Some examples include:
 - a) Suggesting to customers, employees, suppliers and other stakeholders that the company is in the Process because it is weak or in some kind of distress;
 - b) Using your intellectual property and know-how in their business; and
 - c) Using your marketplace intelligence, such as customer pricing and contract terms to compete against the company.

There are generally three sources of leaks:

3. **Process Participants and their Representatives:** Any party that receives a Confidential Information Memorandum (“CIM”) will have signed a Non-Disclosure Agreement (“NDA”). There are two ways that leaks may come from Process participants and their advisors:
 - a) **Unauthorized Passing Along of the “Teaser”:** In a conventional two-stage auction Process, an opportunity summary that provides high-level information on the company (the “Teaser”) would be distributed to potentially interested parties. While the Teaser typically includes the name of the company, we recommend that your company not be named in this document. If the Teaser is distributed via email and is not typically subject to an executed NDA, the company would have to rely on the honor system among those who have received the Teaser and later decline to sign the NDA. If there is no traceability to the leaking party, a Teaser can propagate quickly once forwarded to a third party; and
 - b) **Operating Team Members of Strategic Bidders:** As a Process moves into the due diligence phase, particularly if you choose to engage with strategic acquirers, the due diligence teams can become quite large and include operations people from various parts of their organizations. While the seasoned M&A professionals in the C-suite and on the corporate development teams are accustomed to handling sensitive information with discretion, operating managers typically are not. Sometimes the leaks are intentional, often they are inadvertent slips during routine interactions with outside parties. This is particularly true of salespeople who tend to exchange market intelligence for other favors.
4. **The Company:** As the company works with its advisors through the Process, several personnel will be drawn in to help prepare materials and possibly to engage directly with potential



bidders during management presentations and the later stages of bidder due diligence. Generally speaking, the company's deal team and its advisory teams (referred to herein as the "Working Group") will grow as the Process progresses. As the Working Group grows, so too does the risk of leaks, particularly with that personnel that are not accustomed to handling highly sensitive information.

5. **The Company's Advisors:** If seasoned investment bankers and lawyers are on the company's advisory team, they are highly unlikely to be the source of leaks. M&A professionals routinely handle and protect sensitive information for their clients. Their credibility depends on it. If the company chooses to involve accountants, lawyers or other professionals that are inexperienced in M&A transactions, these parties will need to be briefed on protocols to protect your Confidential Information, including the existence of a Process.

For the purpose of managing confidentiality, there are four broad phases in the Process, each with unique risks that require specific strategies:

1. Pre-Engagement of an Investment Banker;
2. Preparatory Phase;
3. Marketing and Due Diligence Phase; and
4. Post-Termination of the Process.

Pre-Engagement of Investment Banker: This is the lowest risk phase. However, if other investment bankers pitched for the mandate and lost, it is important to ensure that they refrain from making noise in the marketplace by using what they have learned to attempt to secure an acquisition advisory mandate with a potential bidder. Whether before or after their pitch, ensure that all investment bankers who have knowledge of your plans for a Process understand that they are to maintain strict confidentiality regardless of whether they are retained by the company.

That does not mean that other investment bankers cannot be helpful later in the Process. If contacted at the appropriate time, other investment bankers can help bring qualified bidders into the Process and facilitate their participation. As the Process moves closer to a launch date (when the first contact is made with potential acquirers), Valitas will work with you to devise a strategy with regard to how other investment bankers may, or may not, be additive to the Process without compromising discretion or control.

Preparatory Phase: While the likelihood of leaks during this part of the Process is low, in many ways the quality of execution of this phase has the greatest impact on the likelihood of leaks through the rest of the Process.

A lot of information is required from the company during this phase to prepare Process materials. Process materials include:

1. The "Teaser",
2. The CIM,
3. Management presentation materials,
4. Detailed company information to populate the Virtual Data Room (the "VDR"), and



5. Other materials and information generally required to prepare the Working Group to respond quickly and thoroughly to the demands of a rigorous transaction due diligence process.

Because the due diligence process is undertaken by multiple bidders simultaneously, it is crucial that the due diligence information be prepared in a fashion that can be rapidly disseminated among multiple parties. If the preparatory phase is lax, the company may be overwhelmed with ad hoc due diligence requests as potential bidders seek to fill the information gaps. This reactive stance introduces a far greater risk of losing control over the frequency and type of requests that company personnel outside the Working Group will receive, rousing suspicion that something unusual is happening among your team.

Furthermore, a thorough and comprehensive preparation phase minimizes the risk of information leaks because it ensures the information requested of company personnel is done in an orderly and controlled fashion and it also ensures that bidder due diligence is smooth and fast, which minimizes the length of time the company is exposed to the marketplace without a transaction announcement.

Marketing and Due Diligence Phase: The period during which breaches of confidentiality are most likely to occur is between the initial contact with acquirers and closing. The best practice is to invest more time and effort in preparation to ensure that this window of maximum vulnerability is as short as possible.

Post-Termination of the Process: Leaks often happen after a Process has been terminated, whether due to a successful transaction or because a transaction could not be concluded on acceptable terms. There is often a perception that once a party is out of a Process, they no longer need to be careful with your Confidential Information. Furthermore, the passage of time causes NDA obligations to expire and people to forget which information is confidential and which is not. Unintentional slips in conversations are common when a Process was terminated years before. Of course, this is only a problem if the Process does not conclude with a closed transaction. However, the risk of misuse of Confidential Information remains in all cases.

Risk Mitigation Principles

Need to Know Basis

Restricting access to a “need to know basis” (“N2K”) keeps the Working Group small and minimizes the risk of leaks. N2K also means involving people only WHEN they need to be involved. What will happen as the Process unfolds is that the initial information gathering will be primarily high-level strategic, legal and financial items. These initial items should be addressed by the President, the CFO, possibly the Controller and ideally external legal counsel.

Note that your IT professionals likely have unfettered access to the email server and your file folders on your file server. Ideally, all communication pertaining to this Process and all working files relating to this Process would be held “off the grid”, which means establishing secure temporary email accounts for the company deal team and an FTP site to host working files. If this is not possible, the IT people will either need to have some access restricted or they will effectively be part of the inner circle and subject to strict confidentiality.

As the Process progresses into developing marketing material, particularly the CIM, indirect input will be required from various parts of the business to develop a robust, bottom-up financial forecast that the management team will be expected to defend as interested parties move into the due diligence



phase. These information requests should still be handled by the company's core members of the Working Group. Company management and staff may find these information requests unusual. Personnel enquiries about the purpose of these requests can easily be explained in a number of ways.

Some examples include:

- “Our business valuers need this information to complete a valuation report.”
- “Senior management has initiated an operational audit.”
- “We are implementing a more rigorous budgeting and business planning process and need very detailed information on the business.”
- “We are continually assessing strategic options for the business and are going to be approaching potential strategic and financial partners to provide growth capital to the business.”

Whatever explanation you choose, make sure that it is agreed to in advance and it is delivered consistently.

As the Process progresses, non-binding bids will be submitted to the company based on the information in the CIM. These non-binding indications are subject to due diligence, definitive documentation and various bidder approvals. As bidders move into the due diligence phase, there will be several ad hoc enquiries made, by multiple parties, regarding various parts of the business. At this stage of the Process, it becomes increasingly difficult to keep the knowledge that a Process is underway within the company's inner circle. Typically, management with direct knowledge of the sales budgets and customer history will need to be brought into the Working Group. This can be perilous, because salespeople, by temperament, like to talk.

As we get closer to this part of the Process, we will work with you to determine the best approach to managing these challenges.

Qualifying Process Participants

As your financial advisor, we will exercise professional judgment, with input from you to assess the potential bidder universe. Particularly, we will recommend which parties to include in the Process, based on the likelihood that they will:

- Be able to complete a transaction at a value and on terms that would meet your objectives;
- Meet other Process requirements, such as timing and participating in a competitive process; and, of course,
- Not leak or misappropriate information, whether about the existence of the Process, or acquired through the Process, causing harm to the company and/or the Process.

Valitas will only recommend inclusion in the Process of those parties that stand up to this scrutiny. No potential bidder will be contacted about the Process without your express prior approval.

Staging Information Flow

For those potential bidders that are brought into the Process, managing information flow as the Process progresses mitigates the risk of leaks and misuse of Confidential Information. A common



characteristic of all well-designed auction processes is that information is provided in a staged fashion, where progressive levels of access are given only to those bidders that demonstrate the required seriousness and credibility to earn such access. The most thorough Process when there is a large number of potential bidders is a two-stage auction process. Sometimes in those cases it's appropriate to add some modifications.

The broadest, most complex Process will target both strategic and financial acquirers. Because each of these groups has distinct characteristics, each group has a separate, parallel process stream. While strategic acquirers have the greatest potential to pay a premium valuation, strategic acquirers are also (i) more apt to misappropriate confidential information, and (ii) slower moving. Given that the objective of an auction process is to have all participants reach the finish line around the same time, we typically give the strategic bidders a head start on the financial bidders.

We also usually impose more stringent confidentiality requirements for the strategic acquirers. The steps are outlined below:

Table 1: Confidentiality Requirements

Strategic Bidders	Financial Bidders
Client-Approved List	
Pre-Qualification Call, Possibly One-Page Overview	Pre-Qualification Call
Execute Full NDA	Confidentiality Acknowledgement
No-Name Teaser	No-Name Teaser, with Draft NDA
CIM	
Management Presentations and VDR Access	
Final Stage Confirmatory Due Diligence	

This is discussed in further detail in Appendix A.

Communication Protocols

Code Names

Sometimes conversations are overheard, documents are left open on people's desks for others to see, documents are misplaced, and emails are sent to errant recipients. While extra care can minimize the likelihood of these missteps, people make honest mistakes. Code names provide a second line of defense in these cases.

A perfectly "encoded" document would be one that a diligent person, knowledgeable in your industry, would not be able to trace back to your company if they found it on a park bench. While a certain pattern of facts may point directly to your company, we still strive to make it as difficult as possible for others to figure out what is happening and who is involved.



If you do not already have a project name, we will work with you to develop one. Throughout the Process, we recommend that the entire Working Group refers to this Process by the project name and that the company also be referred to by a code name. As third parties enter the Process, it may be necessary to develop code names for them as well. Please ensure that all correspondence and conversations use these code names only.

Of course, if you have a document about a Process for a code-named company and was sent from the company President's email account, it won't be too hard to figure out what's going on. There is a separate protocol to mitigate this risk.

Keeping Communications "Off the Grid"

Company email domains and file servers present a significant risk for leaks. An errant email involving the Working Group can be effortlessly traced back to the company. There may be several IT personnel at the company that has access to Working Group emails and files.

To facilitate "off the grid" communication within the Working Group, typically each company member of the Working Group sets up Hushmail (<https://www.hushmail.com/>) or similar encrypted, web-based email accounts for all project communications with the Working Group. Such services allow the creation of addresses that do not identify company members and are inexpensive. We will also facilitate the immediate set up of a secure FTP site as a repository for the Working Group to share files, as opposed to emailing files among the team.

The Investment Banker is the Buffer

The Process breaks down completely if potential bidders are free to contact company personnel or shareholders directly. The Process is designed to give the seller maximum leverage and to ensure that the highest possible value can be realized for the seller. Potential bidders have a strong incentive to disrupt the Process any way they can. This can include spreading rumors that dissuade other bidders from participating or paying their highest value, flooding the company with superfluous and time-consuming information requests, attempting to make a "pre-emptive" bid ahead of the deadlines to attempt to cause the seller to shut down their Process, etc.

Valitas serves as an effective buffer from these disruptions and distractions. At the outset of the Process, all potential bidders are given clear protocols. If these protocols are not followed, violators can be disqualified. We manage the flow of information to minimize disruption for the company and to ensure that potential bidders see the company in a position of strength and resolve.

Staging the Level of Disclosure as Bidders Clear Progressive Hurdles

While this is outlined in much greater detail in Appendix A, the key principle with staging disclosure is that gaining more information about the company has a cost to the potential bidder. If a potential bidder is not serious, they should not see your Confidential Information and they should not meet your management team. Each stage of the Process is designed to progressively filter the less serious parties out.



- Do you want to see the CIM? You have to sign an NDA first.
- Do you want to have a look at a data room and meet management? You must first put an attractive non-binding bid on the table with as few conditions as possible.
- Do you want to talk to customers, suppliers and other key stakeholders? You will have to be the high bid and you had best confirm that all of your conditions have either been satisfied or waived.

In the end, it still comes down to trust on both sides. Those parties, including the company, that can demonstrate the greatest credibility, fare best.

Watermarking All Documents Provided to Potential Bidders to Discourage Dissemination

As an additional deterrent from unauthorized dissemination of Process materials by potential bidders, all Teasers and CIM's will be watermarked with the recipient's name. This allows for easy traceability if confidentiality is breached.

Managing Shareholders That Are Outside the Working Group

We appreciate that in some cases the company may have several shareholders and that it may be difficult to maintain confidentiality among them. In these cases, it is very important that the company's board of directors effectively balance the shareholders' right to be informed with maintaining tight control over the Process to attain the best possible result for the shareholders.

Before we provide definitive advice on what should be communicated to your shareholders and at what stage, we would like more information, including playing out some potential scenarios with you.

One thing to consider with the shareholders is to be proactive and tell them:

- That the company is starting a strictly confidential Process to assess potential financial and strategic partners. A financial advisor has been retained to assist with this Process. There is no assurance that this Process will result in a transaction.
- The board of directors is managing this Process with the financial and legal advisors. It is critical to maintain strict confidentiality through this Process and details of the Process will be kept within a small, tightly controlled Working Group. All information will be shared within this Working Group only on a "need to know" basis. Should a transaction be imminent, all shareholders will receive all relevant information to ensure that shareholders can make informed decisions and to comply with the shareholders' agreement.
- Certain bidders may seek advantage by approaching shareholders directly. Under our Process this is strictly prohibited. All communications by interested parties are to be handled by our financial advisor, Valitas Capital. If you are approached by an interested party, please do not engage with them and notify the President immediately.
- Discuss the communication protocols and remind them of their confidentiality commitments under the Shareholders' Agreement.

While it is outside the scope of this discussion, we note that when there are multiple shareholders, it may be important for the Working Group, with input from legal counsel, to formulate a strategy to ensure that the board of directors is able to deliver 100% of the company's shares to an acceptable offer without imposing the risk of a shareholder vote on the bidders. One mechanism that is



commonly used in the public company context is the voting trust. We believe that this mechanism is worth exploring in those situations.

Responding to Enquiries and Approaches

Who Should Respond: Typically, the CFO is the best positioned to respond to any inbound communications that could pertain to a Process. When time permits, the CFO should caucus with Paris Aden at Valitas to confirm the appropriate response (if any) and action (if any).

What Should be Said: This depends to a great extent on how much the enquiring party knows. Over-reaction to a benign enquiry can communicate much more than was intended. So, the first steps should always be to:

- Act surprised by any referral to a specific Process; and
- Assess whether the enquiring party has any real knowledge or is just “fishing”.

If the party seems to have some real information, you may have a leak. Act confused and ascertain as best as possible:

- The source of the information;
- What specifically they have been told; and
- Commit to investigate and get back to them.

If you think there has been a leak...

The next step is to activate a Leak Mitigation Plan. We will work with you to devise such a plan. Leak mitigation strategies are prepared in advance, with the allocation of responsibility among the Working Group, to ensure that a rapid and appropriate response is implemented in the event of a breach.

However, most enquiries will be benign and will not require escalation.

For Generic Expressions of Interest in a Transaction: These may come from private equity funds, strategic acquirers or investment bankers and brokers (who may or may not be retained by a client). To the greatest extent possible, try not to engage with anyone that approaches. If they do get through, just say you are not interested at this time. If they do send any materials or provide any details on the interested party, please pass them along to Valitas. We will do the appropriate background research on the parties and provide you with a summary. When we develop the potential bidders list, their interest will be noted, and we will give these parties due consideration.

From Shareholders (if applicable): If they are simply asking for updates on the Process, first ask them what they are hearing. Restate that should a transaction be imminent; all shareholders will receive all relevant information to ensure that shareholders can make informed decisions and to comply with the shareholders' agreement. Remind them of their confidentiality commitments under the Shareholders' Agreement and that they are not to engage directly with any potentially interested parties.

From Employees or the Media: If they are asking if the company is going to be sold, but they have no specific knowledge, we suggest saying something like, “It is company policy not to comment on



speculation. However, I will say that given the way that our industry is evolving, we continually assess strategies to enhance our competitive position and strengthen the company.”

From Customers or Suppliers: We suggest saying something like, “It is company policy not to comment on speculation. However, I will say that given the way that our industry is evolving, we continually assess strategies to enhance our competitive position and strengthen the company. The alternatives we assess are far-ranging and include potential financial and strategic partnerships. Our supplier and customer relationships are critical to our ongoing success. Should there be any material developments that impact the company or its [customer/supplier] relationships, we would be sure to consult with the affected parties in an open and timely fashion.”

It is essential that confidentiality be maintained throughout any Process. We have advised on many M&A projects and leaks are rare. We have worked on projects where the working group was 100 people including the company personnel and advisors on both sides over several months with no leaks. With the appropriate precautions, we expect that Processes will run smoothly and that confidentiality will be maintained.

In addition to scheduling a Working Group session to discuss this document, we would be pleased to answer any questions you may have regarding communications protocols and confidentiality.



Appendix A

Recommended Disclosure Staging

For those potential bidders that are brought into the Process, managing information flow as the Process progresses mitigates the risk of leaks and misuse of Confidential Information. The most thorough Process when there are many potential bidders is a two-stage auction process. In those cases, it may be appropriate to add some modifications.

A typical Process will target both strategic and financial acquirers. Because each of these groups has distinct characteristics, each group has a separate, parallel process stream. While strategic acquirers have the greatest potential to pay a premium valuation, strategic acquirers are also (i) more apt to misappropriate confidential information, and (ii) slower moving. Given that the objective of an auction process is to have all participants reach the finish line around the same time, we typically give the strategic bidders a head start on the financial bidders. We also usually impose more stringent confidentiality requirements for the strategic acquirers. The steps are outlined below:

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Management Presentations and VDR Access	
Final Stage Confirmatory Due Diligence	



Each level of qualification provides progressive information access as follows:

Stage	Information Access
1. Initial List of Prospective Bidders, approved by the company's Working Group designees.	None: No outside contact.
2. Pre-qualification Call to prospective bidders to determine whether broad transaction parameters fit.	None: Would deliver a tightly scripted question to determine whether the size, sector and geography are of potential interest. This would be done on a "no-names basis" and the questions would be broad enough that the company could not be identified. There would be no need to even refer to an imminent Process. Information gathered from these calls would help us determine which parties to contact during the marketing phase.
3. A Pre-Teaser Confidentiality Acknowledgement is sent to financial bidders qualified in stage 2 above.	None: For financial bidders, an email acknowledgement of confidentiality obligations would be sent to qualified parties prior to sharing the (no-names) Teaser. This would protect the confidentiality of the existence of the Process and control dissemination of the Teaser.
4. A Form of NDA is sent to strategic bidders qualified in stage 2 above.	None: For strategic bidders, a full NDA would need to be executed before a Teaser is provided. This would protect the confidentiality of the existence of the Process and control dissemination of the Teaser.



Stage	Information Access
<p>5. A Teaser is sent to those strategic bidders that pass through stage 3 above.</p> <p>For financial bidders, the Teaser would be sent with a Form of NDA.</p>	<p>Confirmation of the identity of the company and the existence of the Process. The Teaser is typically 2-6 pages long, with summary information on the company, such as:</p> <ol style="list-style-type: none">1. Investment highlights;2. Description of products, services, end markets and channels to market;3. High-level financial information, which may or may not include some management forecasts; and4. A description of the Process, communication protocols and key Valitas contacts. <p>It is intended to give just enough information for the bidder to determine whether they would be willing to negotiate and sign an NDA to receive a CIM.</p>
<p>6. First Round Bids: A CIM is sent to those bidders that sign an NDA. A Process Letter outlining bid requirements is also provided prior to the bid deadline.</p>	<p>The CIM is typically 40-120 pages long, depending on the complexity of the business and the depth of analysis provided. It typically includes the following:</p> <ol style="list-style-type: none">1. A description of the Process and proposed transaction;2. Investment Highlights;3. Industry Overview;4. Company Overview;5. Growth Opportunities; and6. Historical and Projected Financial Information, with a management discussion and analysis of both the historical results and the management forecasts. <p>The CIM is intended to give enough information for the bidder to form a preliminary view on value and proposed transaction structure so they can prepare a first-round bid that meets the Process requirements outlined in the Process Letter.</p>
<p>7. Second Round Bids: Virtual Data Room ("VDR") access and Management Presentations are provided to those bidders selected to proceed into the second round. The number selected is always case-specific, but</p>	<p>The VDR allows those parties selected for the second round of bidding to remotely access various desktop due diligence items. The information provided in the VDR varies with the complexity and size of the business. The VDR can contain tens of thousands of pages of company documents, covering such areas as:</p> <ol style="list-style-type: none">1. General corporate documents;2. Legal, including contracts and past, pending and potential litigation;3. Accounting and financial information;4. Personnel, human resources, health, safety and environmental compliance information (subject to applicable privacy legislation);5. Customer and sales information;



Stage Information Access

generally ranges from 3-10.

- 6. Details on facilities, equipment and other assets;
- 7. Shareholder and general capitalization information; and
- 8. Any other information that a potential bidder may reasonably require to complete their due diligence.

Often the most commercially sensitive information is redacted or withheld from the VDR and reserved for the final negotiation stages once the leading contender has satisfied most of their other bid conditions.

Management Presentations provide management of the company an opportunity to tell the company story to potential bidders, while allowing potential bidders to meet management and ask them questions. Management presentations are usually scheduled during the first week of VDR access and run from two to eight hours. Management Presentations often include site tours. The information provided at this stage should be sufficient to meet the bidder’s due diligence requirements and submit a firm, binding bid with no, or minimal, due diligence conditions.

8. Definitive Negotiations:
Finalize definitive documentation and Confirmatory Due Diligence. This applies to the single leading contender.

Often short-listed bidders require access to highly commercially sensitive information, such as interviews with:

- 1. Key management;
- 2. Customers;
- 3. Suppliers; and
- 4. Other key stakeholders.

It would not be appropriate to provide such access to multiple bidders, yet it may be unreasonable to require a bidder to close the acquisition if they cannot interview management and negotiation employment contacts with them or ascertain that some of the key business relationships would remain intact post-closing. At the outset of the Process, a determination will be made as to which information falls into this category. Valitas will work with you to determine a protocol for meeting these requirements as the due diligence process advances.

Such access is only provided once a particular bidder has been selected as the preferred acquirer, with all of their other bid conditions met and definitive documents ready for execution. This last step is to be tightly controlled and should not take more than a day or two. Once this requirement is satisfied, the transaction can close.

About Valitas

Valitas Capital Partners is a relationship-focused merger & acquisition (M&A), corporate finance, and strategic advisory firm. We collaborate with ambitious owners of high-performing businesses with a potential value of at least \$100 million, to discover, unleash, and realize their full business value potential.

Owners and their leadership teams rely on Valitas when they:

- Want to triple the value of their business in five years or less, but realize they lack the expertise and experience to achieve this alone.
- Want to sell their company now, assured they will look back after the transaction knowing they got the best possible outcome.
- Seek the peace of mind of taking some chips off the table now, to secure their family's financial future without giving up control or the future increased value in their business.
- Are anguished they had to say no to growth opportunities they worked so hard to create because their bank cannot keep up with the needs of their fast-growing business.
- Are frustrated at the lack of traction they are getting with their acquisition efforts, whether it is not seeing enough quality acquisition opportunities, or by wasting time and money coming up empty-handed in auctions.
- Are dispirited by the significant investments in expensive specialists, technology, systems, and financial modeling capabilities required to execute their audacious strategic goals.
- Are intrigued by the idea of selling their business to their management team over time but want to recognize the full value now, while getting their cash payments as quickly as possible.

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About the Author



Paris Aden, Partner

Paris Aden is the founding Partner of Valitas Capital Partners. Since 1994, he has been involved with more than 100 M&A transactions with an aggregate value exceeding \$80 billion. He has advised clients at Morgan Stanley, Credit Suisse First Boston and RBC Capital Markets and has acted as a private equity investor at Clairvest Group where he served on portfolio company boards. Paris was also a co-founder of Alluence Capital Advisors, a mid-market M&A advisory boutique that focuses on cross-border transactions.

Paris is recognized as an expert in business strategy, M&A and corporate finance. Previous roles and speaking engagements include:

- Lecturer at the Stephen J.R. Smith School of Business at Queen's University in their Master of Finance (MFIN) program
- M&A subject matter expert for Moody's Analytics' Advanced Capital Markets Program for capital markets professionals
- Three-time expert panel moderator for the Toronto Business Transitions Forum
- TEC Canada "2018 Speaker of the Year" recipient
- Guest speaker for various industry and business leadership organizations

Paris formed Valitas to meet the unanswered needs of ambitious business owners seeking to:

- At least triple their business value in five years or less; or
- Are seeking an elite advisory boutique as their trusted advisor for their complex, mission-critical transactions.