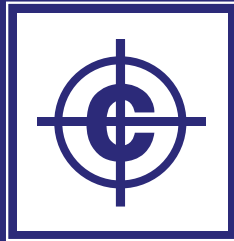


CHAPMAN ASSOCIATES



MERGER & ACQUISITION SPECIALISTS

Buyers and sellers of middle market companies have trusted Chapman Associates since 1954. During that time we have successfully represented over 2,300 clients and have sold companies worth billions of dollars.

Our track record has made us one of the most respected middle market mergers and acquisitions firms in the country. As a recognized leader in the mergers and acquisitions field, we help clients grow and sell their businesses in order to optimize their personal net worth.

Now in our sixth decade, we specialize in providing owners of mid-sized companies with the same resources, expertise and representation that are usually available only to much larger companies.

Our clients receive complete, confidential consulting and advisory services throughout the merger or acquisition process.

Our Principles

In all of our engagements, we follow a consistent set of principles:

- *We devote senior-level attention to every transaction regardless of size.*
- *We support every client's objectives with in-depth research, rigorous analysis and carefully designed marketing materials.*
- *We help clients set goals that are realistic and then strive to exceed those goals.*
- *We use the latest technology to provide clients with access to markets around the world.*
- *We make protecting a client's confidentiality a top priority.*
- *We base our compensation on the results we deliver and remain client driven throughout a transaction.*

Our commitment to these principles has enabled us to close over 2,300 successful transactions.



HELPING SELLERS SUCCEED

*The sale of
your company
may be the most
important
transaction of
your lifetime.*

Challenge

A successful business owner had considered selling his company for several years but was reluctant. He was concerned that a buyer would not retain his long-term employees, continue the same high level of service to his customers, or continue to grow the company. The business represented the owner's life work and he didn't want it to collapse after the sale.

The sale of your company may be the most important transaction of your lifetime. Selling a privately-owned, mid-sized company can be a complex and time-consuming process.

The success or failure of your efforts will be directly related to the skill used in determining your company's value, finding an appropriate buyer, solving complex legal, tax and accounting problems, and arranging a timely closing.

Chapman Associates has helped clients resolve these issues successfully thousands of times since 1954 – longer than any other merger and acquisition firm specializing in mid-sized companies.

Our track record and experience can make a big difference for you. Our knowledge of the marketplace helps us sell your company more efficiently and helps ensure that you receive full value for the business you've built.

Our immediate access to buyers enables us to create a dynamic market for your company. This results in the efficient, confidential transaction most clients seek.

We pride ourselves on providing our clients with complete, confidential consulting and advisory services through the merger or acquisition process. We will help you analyze your options and structure a transaction that meets your goals.



When we represent you we will...

- ***prepare a detailed analysis of your business to help you understand the highest price the market will pay for your company.***
- ***prepare a thoroughly researched marketing program designed to confidentially present your company to the largest number of potential buyers.***
- ***utilize the resources of our proprietary Biz MartSM database containing the acquisition criteria of over 8,500 buyers.***
- ***prepare a professionally written and bound description of your company that presents it to prospective buyers.***
- ***help you prepare for presentations to potential buyers.***
- ***accompany potential buyers on site visits to inspect your company's facilities.***
- ***assist you in analyzing different offers to help you decide which one meets your objectives.***
- ***provide you with on-going advisory and negotiation services during all phases of the transaction.***

Representing companies like yours is our specialty. Our experience enables us to close transactions in the shortest time and with the least inconvenience to you.

If you're considering selling your business, spend a little time talking with us. You owe it to yourself to understand what we can do for you.

Solution

We were able to identify an out-of-state financial buyer that acquired the company and left the owner in place for a two year transition period. During the transition, the new owner learned about the business, developed relationships with key employees and reassured customers that service would remain unchanged. At the end of the transition, the company was poised for new growth. This was a win-win situation for everyone.

*Representing
companies like
yours is our
specialty.*



HELPING BUYERS SUCCEED

We also offer comprehensive search services to public and private companies that are interested in growing or diversifying through acquisitions.

As your corporate development partner, we can simplify the search process and improve the likelihood of identifying targets that meet your objectives.

Chapman Associates offers buyers two services:

Challenge

A client thought about using an M&A firm that charged a substantial fee to value his company and then a retainer to sell it. He was leery.

Solution

He retained Chapman because our unique “payment for performance” policy enabled him to sell his company without having to commit precious working capital to the marketing effort. This eliminated any financial risk on his part during the sales process.

Corporate Search

Chapman will conduct an aggressive search on your behalf. We will work with you to determine your specific acquisition criteria. Once determined, Chapman will begin a proactive search to identify, solicit and analyze prospective acquisition targets. Chapman will represent you throughout the entire process from initial identification of an acquisition to closing.

Biz MartSM

We encourage active buyers to register their acquisition criteria with us. Once we have entered your acquisition criteria in our proprietary database we will notify you of all acquisition targets which we represent that meet your acquisition criteria, now and in the future.

Whichever service you choose, we are ready to work with you as your corporate development partner to help you achieve your corporate objectives.



EXPERIENCE

Nothing can replace over five decades of experience and over 2,300 successful transactions.

Whether you are buying or selling a business you want an experienced merger and acquisition firm to represent you. You want a firm that specializes in representing mid-sized companies and that is familiar with the unique issues their owners face.

In addition, we maintain one of the largest data bases of classified buyers in our industry. Chapman's proprietary Biz MartSM database is a powerful resource. Over 8,500 companies have provided us with their acquisition criteria covering all industries and all regions of the country.

Over 50% of the companies we represent are purchased by buyers in our Biz MartSM database. That means that transactions can be closed quickly, confidentially and economically.

Our daily interaction with buyers allows us to track the tone of the market for middle market companies. It also enables us to have immediate access to buyers when we represent a company like yours for sale.

Challenge

A business owner received an offer for his company but he wasn't sure it represented the full value of his company.

Solution

We explained the importance of creating a market for a company to determine its full value. Chapman prepared a professional offering memorandum on the company, marketed the business across the country, identified two new buyers, and secured an offer for 30% more than the client's original buyer was willing to pay.

*Nothing replaces
over five decades
of experience.*



RESULTS-BASED COMPENSATION

Our reasonable fees are based on results not promises.

Our reasonable fees are based on results, not promises.

We are in the business of selling middle market companies, not collecting up-front fees, selling expensive seminars, or charging for glossy valuations that have little real value.

We are so confident of our ability to deliver the results you seek that we are prepared to invest our own time and money to help you sell your company. Our fees are paid at closing.

You will also be happy to know that when we deliver the results you seek, our total commissions are usually lower than those of traditional business brokers, commercial real estate agents, and other M&A firms.

Challenge

A client wanted to retire but was reluctant to sell his company because of the huge capital gains he would realize as a result of the sale.

Solution

We structured a deal for him that eliminated all capital gains on the sale of the company, reduced his taxable income in the year of the sale, enabled him to make a substantial gift to the charity of his choice, and allowed him to retire with a comfortable annual income.



OUR ETHICS

We pride ourselves on the way we do business. Our reputation is our firm's greatest asset. Each of our professionals has pledged to abide by the following code of ethics.

- 1. We will not make any promises that we would be unable to live up to.***
- 2. We will never withhold important facts or deliberately mislead either a buyer or a seller.***
- 3. We will respect the confidentiality of every client's proprietary information.***
- 4. We will never knowingly misrepresent the market value of a seller's company.***
- 5. We will present the seller with all offers received prior to the closing of a transaction.***
- 6. We will disclose to the client the nature and extent of any interest that Chapman and/or one of our professionals has or expects to acquire as a result of the sale.***
- 7. We will represent our client's best interests at all times and to the utmost of our ability.***

We are proud of our position on these issues and want you to know where we stand. Our clients prefer to deal with professionals who have invested the time and energy to think about what ethical and who have committed themselves to adhere to the highest ethical standards.

Challenge

An owner of a manufacturing company retained one M&A firm based on the fancy valuation they did of his company. He was elated. Their valuation told him his company was worth twice what he imagined. However, after working with that firm for over a year they had not been able to sell it. They had inflated the appraisal in order to get the listing.

Solution

Chapman helped the client understand what creates value in the market and helped him come up with a more realistic asking price for the company. Although it was lower than the original valuation, it was a market-based price and the company sold within 130 days.



THE CHAPMAN DIFFERENCE

We are unique in our industry, Chapman Associates is a professional association of independent mergers and acquisitions professionals. These professionals work closely together sharing their experience, knowledge, networks and skills to provide our clients with the highest level of service.

Each Chapman professional has bottom line responsibility for his or her own practice. Because we do not expect our clients to pay large upfront fees, each of our professionals is prepared to commit his or her own time, energy and working capital to help you achieve your goals.

What does this mean for you? This means the professional working with you believes in you and your firm and is willing to “put his money where his mouth is”. He won’t recommend that our company accept your assignment unless he is fully committed to delivering the results you seek.

This also means that while one of our professionals is providing you with the personal attention and experience you and your company deserve, you also have the resources of our entire firm working behind the scenes helping to ensure that we deliver the results you seek.

Chapman’s corporate headquarters, located outside of Chicago, coordinates the activities of our professionals around the country and maintains its extensive databases and marketing resources that these professionals use the market your company.

Contact us today to learn how we can help you achieve your objectives.

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