

# IBBA

## Certified Business Intermediary (CBI) Policy Manual



As of October 1, 2018

The International Business Brokers Association grants the designation of CBI to its qualified and deserving members of merit.

**ACCORDINGLY:**



- The Certified Business Intermediary (CBI) is a prestigious designation that identifies an experienced and dedicated business broker.
- It is awarded to intermediaries who have proven professional excellence through verified transaction experience and education.
- Holding a CBI demonstrates exemplary commitment and experience as a professional business intermediary.
- While the CBI requires much time and effort, the rewards are bountiful and indicate to potential clients that the CBI-holder is an educated, invested and dedicated professional.
- Successful completion of the CBI certification process significantly distinguishes business brokerage intermediaries from their peers in the brokerage community.

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## Certification Requirements

- i. Membership in good standing with the IBBA.
- ii. CBI application and fee must be submitted to Headquarters.  
Proof of the following:
  - a. A minimum of three years full-time business brokerage experience within the prior ten years, and must be actively involved in the deal-making process or management of the process; or
  - b. A college degree; or
  - c. Related work experience which may be submitted with the request that it be accepted as an equivalent for up to two of the three years of business brokerage experience.

The following requirements must be fulfilled within the 3 years preceding the applicant's CBI Certification Application:

- d. Attend at least one IBBA conference (excludes IBBA chapter conferences).
- e. Gain 68 credit hours of IBBA University or M&A Source courses of which 52 shall be required and 16 shall be elective and shall include a course examination passed with a score of at least 70%.

**Required credit hours:**

- Course #100 (4 credit hours);
- Course #101 or #301 (8 credit hours);
- Course #104 or #304 (8 credit hours);
- Course #210 (16 credit hours);
- Course #220 (8 credit hours); and
- Course #221 (8 credit hours).

These courses are mandatory as their subject matter involves activities in which every business broker, regardless of geographic location or business type specialization, is engaged: ethics, financial analysis, pricing/valuation, and legal and tax implications.

**Elective Credit Hours:**

The remaining 16 credit hours are elective.

- f. Evidence as lead seller broker on three (3) going concern business transactions.
- g. Each CBI candidate must pledge to uphold the IBBA's Code of Ethics.
- h. CBI Exam  
Once a candidate has completed all required and elective coursework and paid any applicable fees, s/he may take the CBI Exam and must pass the comprehensive CBI examination with a minimum score of 70% on each section. The CBI exam ascertains competency in concepts deemed to be general business brokerage knowledge, and not exclusively the content contained within the CBI required courses. Any candidate failing an IBBA course exam or the comprehensive examination may study independently and retest. Exam retests may be taken by applying to Headquarters. Exams will only be offered at scheduled times.

**NOTE:** Candidates may not claim CBI status until all requirements have been met and his/her CBI Certification Application has been approved. Applicant for admission agrees his/her status as a candidate may not be included in any promotional materials, statement

of qualifications, etc.

## Fast Track Program

Tenured business brokers can earn the CBI designation without completing the required education if the following requirements are met:

- Be or become an IBBA member in good standing (IBBA Membership must be secured before application submission).
- Complete the then-current Fast Track Program Application and submit the application fee.
- Attend a half-day CBI refresher course.
- Take and pass the 3-hour CBI exam (a minimum 70% score on each section required).
- Attend at least one IBBA Conference within the 3 years preceding application.
- Provide ONE of the following:
  - Document 10 years of full-time deal making experience (not required to be contiguous).
  - Closing Documents showing proof of (7) transactions as lead selling broker in the past 3 years.
  - Closing Documents showing proof of transactions in the past 2 years with a cumulative value of \$1,500,000 or more excluding real-estate.
- Complete ONE of the following:
  - Two IBBA member recommendations, or one IBBA or IABI Board Member recommendation.
  - Active participation on an IBBA committee for a minimum of one (1) term.
- Provide a complete resume or CV.

Your application and ancillary materials will be reviewed by the Credentialing Committee. The decision to approve your application will be made at the sole discretion of the IBBA.

## Identification

Individuals awarded the CBI designation shall receive a CBI plaque from the IBBA. While an active CBI, the member may also include the designation by the initials "CBI" or the words "Certified Business Intermediary" on his/her business cards, seals, brochures, letterhead, and other promotional materials. Applicants for the CBI are specifically denied the right to claim that they are in fact a candidate for the CBI except in providing testimony in a legal proceeding. Individuals whose active CBI status has lapsed are denied the right to claim that they were a CBI for any period of time, including but not limited to references such as "Past CBI", "Former CBI", "CBI from 2001-2007", etc.

## Additional Responsibilities of CBIs

- a) Professional activities including, but not limited to, public speaking (excludes panelists), teaching, publication (other than in IBBA or M&A Source publications) other professional designations or degrees, and other coursework are recognized by IBBA as evidence of professional commitment and standing in the business community. These efforts are expected of the CBI as part of his or her professional practice.
- b) All CBIs should understand that notifying Headquarters of activities for CEU credit lies solely with them. Appropriate proof of completion of each activity must be

submitted to Headquarters to earn credit.

## Recertification Requirements

**CBI ONLY RECERTIFICATION:** Upkeep of the CBI designation is required. Every CBI must complete the recertification requirements by the third anniversary of the award and each three years thereafter including active membership in the IBBA.

**CBI/M&AMI RECERTIFICATION:** If both a valid CBI and M&AMI designation are held, then the recertification dates for both will become synchronized. A member who qualifies for M&AMI recertification will automatically qualify for the CBI's educational, association activity, business transactions and/or conference attendance requirements for recertification during the same period so long as the individual maintains an active membership in the IBBA.

**To recertify as a CBI, the following requirements must be met:**

- a) Complete the CBI Recertification Form, if applicable.
- b) Be an IBBA member in goodstanding.
- c) Attend at least one IBBA conference (excludes IBBA Chapter Conferences).
- d) Pay the annual credentialing fee.

Additionally, earn a minimum of 48 credits, 24 of which must be garnered in any of the following 3 experience categories:

### 1. Educational Experience Category:

- Attendance at each additional IBBA conference [15 credits]. Attendance at an IBBA Canada chapter conference [10 credits]. (Credits for attending other IBBA chapter conferences to be determined on a case by case basis.)
- Attendance at M&A Source Conference [15 credits].
- Speaker, workshop instructor, or panel moderator at an IBBA conference (excludes panelists) [5 credits].
- Additional IBBA and M&A Source sponsored educational opportunities successfully completed or taught [course credits / instructors will receive 1.5 x course credits].
- Outside education courses [one credit/course hour, 10 credits maximum].\*

\* Courses offered by the below listed associations or others if related to the business brokerage profession, and at the discretion of the Credentialing Committee may be accepted. Verification of completion will be determined by course description and completion certificate. The course must be a structured educational "course" (not a workshop or seminar) and must be at least 4 hours in duration.

- American Bar Association
  - American Society of Appraisers
  - Institute of Business Appraisers
  - American Institute of Certified Public Accountants
  - the National Association of Realtors
  - International Franchise Association
  - NEBB Institute
  - Exit Planning Institute.
- Lead Subject Matter Expert (SME) for IBBA University course [4 credits per

course hour; 4 hr. course = 16 credits; 8 hr. course = 32 credits].

- Contributing Subject Matter Expert (SME) for IBBA University course [2 credits per course hour; 4 hr. course = 8 credits; 8 hr. course = 16 credits]

## **2. IBBA Activities Category:**

- Service on the IBBA Board of Governors (10 credits/year).
- IBBA committee participation (5 credits/ year). The committee must be one approved by the IBBA Board of Directors or Executive Director. Each term lasts one year, and credits earned through committee participation will be added to individual records at the end of the year.
- Officer or director of an IBBA affiliate or chapter (5 credits/year). Please notify IBBA Headquarters if you serve as an office or director of a State or Regional IBBA Affiliate or Chapter to receive credit.
- Contributor to IBBA publications (5 credits/ year).
- Submit to headquarters a published article that mentions the IBBA (5 credits/ year).

## **3. Business Transactions Category:**

- Submit proof of a completed business transaction where you were the primary intermediary (10 credits/transaction), not to exceed 3 transactions per renewal period. Please submit one CBI Transaction Submittal Form for each transaction and follow directions in providing the necessary documents as proof of the transaction.
- CBIs who own/manage a firm will be allowed to use a transaction from a broker they manage to count towards their recertification requirements and the broker is also allowed to use the same transaction. If multiple brokers are working as a team on a transaction, then all can list the same transaction for recertification.

## **Resignation/Revocation**

- a) The candidacy or CBI designation of any member may be terminated by his/her resignation in writing to Headquarters or by revocation by the IBBA's Board of Governors following a recommendation of revocation by the Credentialing Committee upon the occurrence of one or more of the following events:
  - I) Failure to pay any amounts due the Association.
  - II) Loss of good standing membership in the IBBA.
  - III) Failure to complete the requirements for the designation within five (5) years of application for admission to the CBI program or the recertification of the designation in the three (3) year re-certification period.
  - IV) Violation of the Association's bylaws and/or rules and regulations, or Code of Ethics.
  - V) Misrepresentation, either intentional or otherwise, of experience or other qualifications.

- VI) Any legal charges which, in the opinion of the IBBA Credentialing Committee, reasonably establish the CBI's noncompliance with those standards required by the IBBA.

## Forfeiture

Any CBI whose designation is terminated shall immediately return his/her CBI certificate and any other similar items (pins, plaques, etc.). In addition, his/her store of stationery and other renderings mentioning the CBI designation must be immediately destroyed. It is specifically understood that the member or former member may not verbally or in print make reference to "former CBI," "past CBI," or the like.

## Invalidation of Credits

Termination for any reason shall automatically invalidate all credits toward the designation or recertification that have previously or provisionally been awarded by the CBI Credentialing Committee.

## Reinstatement of Candidacy

In the event a member whose candidacy has been terminated applies for reinstatement, his/her credits invalidated by prior termination of candidacy shall not automatically be restored by reinstatement of candidate status but shall be reviewed by the Credentialing Committee with power to restore or decline all or part of such credits.

## Reinstatement of CBI Designation

Any member whose designation has been terminated / revoked by resignation or for any reason other than one of a disciplinary character may be reinstated in good standing by a majority vote of the Credentialing Committee, provided:

- a) The applicant remits a CBI extension request to the Credentialing Committee. Additionally:
  - I) If the applicant was in arrears on the date the membership was terminated, a deposit covering all annual dues or other indebtedness to the Association must be included.
  - II) The applicant for reinstatement has been approved by the Committee. A reinstatement fee is required.
- b) The applicant for reinstatement has met all continuing education and recertification requirements under which he/she would have been affected if it had not been for the period of termination, and:
  - a) If the application is made within the 12-month period, and is granted by the Credentialing Committee, the applicant may continue to use the CBI designation;
  - b) If the period of termination exceeds 12 months, the applicant must follow the CBI Reinstatement Guidelines outlined in this below section;
  - c) If reinstated by the Credentialing Committee, the CBI's next recertification date shall be at the end of the third year from the date the Committee made such reinstatement decision.

Additionally, the following CBI reinstatement guidelines are for any individual who has let his/her CBI lapse past the one year extension.

**Reinstatement Guidelines:**

1. If the applicant maintained their IBBA membership:
  - a. The applicant must submit a CBI reinstatement application and associated fee.
  - b. The applicant will have a three (3) year window to complete the CBI recertification process. The time period can be from:
    - i. three (3) years prior to receipt of the reinstatement application, or
    - ii. three (3) years after receipt of the reinstatement application, or
    - iii. any combination of years prior and after, as long as the total number of years is not greater than three (3).
  - c. The applicant may not use the CBI designation until the recertification process is completed.
2. If the applicant did not maintain their IBBA membership:
  - a. The applicant must rejoin the IBBA and pay the appropriate dues.
  - b. The applicant must submit a CBI reinstatement application and the associated fee.
  - c. The applicant must complete the CBI recertification process within three (3) years of submitting the CBI reinstatement application.
  - d. The applicant may not use the CBI designation until the recertification process is completed.
3. The reinstated CBI date will be used when calculating Lifetime CBI requirements.

## Lifetime CBI

Refer to *GP-14.4 LIFETIME CBI* in the IBBA Governance Policy Manual.

## Lifetime CBI - Retired

Refer to *GP-14.4 LIFETIME CBI (RETIRED)* in the IBBA Governance Policy Manual.

The member will be required to submit an affidavit or other proof that they are no longer an active business broker.

The member will be exempt from dues and maintenance fees and will be given the membership rate when attending an IBBA conference or education courses.

If a designee should decide to apply for the Lifetime CBI - Retired status, all reference to the letters "CBI" and term "Certified Business Intermediary" must be removed from documentation and replaced with the term "Lifetime CBI – Retired."

## Fellow of the IBBA

Refer to *GP-14.5 FELLOW OF THE IBBA* in the IBBA Governance Policy Manual.