

# Earnout Worksheet

## Example of a \$1,000,000 EBITDA Agency

Standard Earnout		Optional Earnout Methods
<b>Purchase Price:</b>	\$5,000,000 (5 Multiple)	
<b>Money Paid Upfront:</b>	\$3,000,000 (60%)	
<b>Contingent Payment:</b>	\$2,000,000	
<b>Earnout Period:</b>	3 years	
<b>Financial Target:</b>	\$1 M EBITDA Annually	
<b>Method of Payments:</b>	1/3 Annually	
<b>Contingent Payment:</b>	\$666,667 when Annual Financial Target Met	