

EXHIBIT 2
Report Standard Comparison Chart

Standard	NACVA	ASA (Full)	AICPA (Full)	AICPA (Summary)	AICPA (Calculation)	IBA (Full)	IBA (Letter)	USPAP 10-20 (1)
Engagement identification requirements					76 (2)			
Client		USPAP	52	71		5.3	4.3	(a) (i)
Subject being valued	4.3.b.1	p19 IV	52	71	76	5.3	4.3	(a) (iii)
Interest being valued	4.3.b.2	p19 IV	52	71		5.3	4.3	(a) (iii)
Valuation (or effective) or calculation date	4.3.b.3	p19 IV	52	71	76	5.3	4.3	(a) (vii)
Report date	4.3.b.4	p19 IV	52	71	76	5.3	4.3	(a) (vii)
Type of report			52	71				
Standard of value defined	4.3.b.6	p19 IV	52	71		5.3	4.3	(a) (vi) (3)
Premise of value	4.3.b.7	p19 IV	52	71		5.3	4.3	(a) (vi) (3)
Purpose and intended use of the valuation	4.3.b.5	p19 IV	52	71		5.3	4.3	(a) (ii)
Sources of information disclosed		p19 IV	53	71		5.3		(a) (ix)
Interviewees			53					
Site visit disclosure or lack of			53 (4)			1.19 (5)		
Analysis and development of value requirements	(6)							(7)
Nature and history of business	3.4.a	p19 V (8)	57 (9)			5.3 (10)		(a) (iii)
Economic conditions, present and outlook	3.4.b	p19 V	57			5.3		(a) (ix)
Past, current, and future prospects of business/ industry	3.4.c/d/e	p19 VI	58			5.3		(a) (ix)
Financial analysis of earnings/dividend capacity			58					
Past sales of interest in the business being appraised	3.4.g	p19 V	61			5.3		(a) (ix)
Market prices of similar businesses publicly traded	4.3.b.14	p20 VII	61					(a) (ix)
Similar business/interest sales		p20 VII	61			5.3	4.3	(a) (ix)
Ownership, size, nature, restrictions, and agreements	4.3.b.13	p20 VII	61			5.3	4.3	(a) (ix)
Extent the interest appraised contains ownership	Implied	p20 VII B	52	71	76	5.3	4.3	(a) (iv)
Extent interest has or lacks elements of marketability	Implied	p20 VII B	52	71	76	5.3	4.3	(a) (v)
Valuation approaches and methods used	4.3.b.15 (6)	p20 VII A	59-62	71	76 (2)	5.3		(a) (ix)
Valuation approaches and methods considered	4.3.b.15	USPAP	59-62			5.3		(a) (ix)
Valuation approaches and methods rejected		USPAP				5.3		(a) (ix)
Conclusion of value and signature	4.3.d	p20 VIII	68	71	76	5.5	4.5	(a) (ix)
Estimate or opinion disclosure	4.3.d		68	71	76			
Signature of primary appraiser	4.3.b.17	p18 II(A)	68	71	76	1.30	1.30	(a) (xi)
Firm signature option	1.2.k	p18 II(A)	68	71	76	1.30	1.30	
Financial information disclosure	4.3.b.9	p19 VI	54-56			5.5	4.5	(a) (ix)
Historical financial statement (F/S) summaries	4.3.b.16	p19 VI A	58					(a) (ix)
Adjustments to historical F/S summaries	4.3.b.17	p19 VI B	63					(a) (ix)
Adjusted F/S summaries	4.3.b.18	Implied	58					(a) (ix)
Projected/forecasted F/S, including assumptions	4.3.b.19	p19 VI C	58					(a) (ix)
Tax return information			53					
If appropriate, financial comparison to industry		p19 VI D	58					
Limiting conditions and assumptions	4.3.b.8	p18 III	52	71		5.3	4.3	(a) (x)
The scope of work of the appraisal	4.3.b.8	USPAP	52	71				(a) (viii)
Use of report limitations	4.3.b.10	USPAP	49	71				(a) (ii)
Intended users of the valuation		USPAP	52	71		5.4	4.4	(a) (i)
Representations, disclosures, and certifications	4.3.b	USPAP	51	71				(a) (xi)
Subsequent events in certain circumstances			52	71				
Jurisdictional exception application		USPAP	52	71				Stated
Firm attestation engagement disclosure			54					
Tax preparer/client relationship disclosure			55					
Hypothetical conditions, if any		USPAP	52	71	74	1.22	1.22	(a) (x)
Extraordinary assumptions, if any		USPAP						(a) (x)
Disclosure of not auditing, reviewing, or compiling F/S			56					
The report's scope limitations	4.3.b.8	USPAP	52	71				(a) (viii)
Statement of independence	4.3.b.12	p18 III A						(a) (xi)
If a specialist was used, a reliance use statement		p18 III B	52	71				(a) (xi)
Appraiser representations			65	71				
Appraisal certification signed by appraiser		USPAP		71		5.3		(a) (xi)
No obligation to update statement					76			
Conforms to organizations' standards	4.3.c	p18 II(B)	65		76	1.25	1.25	(a) (xi)
Qualifications of the appraiser						1.26	1.26	

Footnotes:

- (1) USPAP 10(a) the appraisal report 10(b) the restricted use report.
- (2) General description of engagement and calculation procedures agreed upon.
- (3) USPAP requires a cite of standard and premise of value.
- (4) AICPA requires whether a site visit was made and to what extent.
- (5) IBA requires disclosure if no site visit was made by the appraiser.
- (6) NACVA refers to Revenue Ruling 59-60 tenets as "fundamental analysis."
- (7) USPAP 10(a)(ix) requires that the appraiser summarize the information analyzed, the appraisal procedures followed, and the reasoning that supports the analyses, opinions, and conclusions: exclusion of the market approach, asset-based (cost) approach, or income approach must be explained; 10(b) (ix) requires that the appraiser state the appraisal procedures followed, state the value opinion(s) and conclusion(s) reached, and reference the work file, exclusion of the market approach, asset-based (cost) approach, or income approach must be explained.
- (8) ASA includes form of organization, history, products and/or services, markets and customers, management, major assets, both tangible and intangible, and major liabilities, sensitivity to seasonal or cyclical factors, competition, and "such other factors."
- (9) AICPA refers to nature, background and history, facilities, organizational structure, management team, classes of equity ownership interest and rights attached thereto, products and/or services, geographical markets, key customers and suppliers, competition and business risks.
- (10) IBA includes the form of the organization and if incorporated, the state of incorporation, together with a description, adequate to the assignment, of all classes of securities outstanding and a list of shareholders whose interest should, in the appraiser's judgment, be specified. If a partnership, the type and the state of filing, together with a list of those partners, whether general or limited, whose interest should, in the appraiser's judgment, be specified.

Source: Michael J. Mard, James, R. Hitchner, and Steven D. Hyden, *Valuation for Financial Reporting*, Second Edition (Hoboken, NJ; Wiley, 2007). Copyright © 2007 by Donald P. Wisehart, ASA, CPA/ABV, CVA, MST. Used with permission.