



## Shareholder / Commercial Disputes Valuation Services

**Independent & Defensible Business Valuations | Accredited Appraisals by Intelék**

When shareholder or commercial disputes put the value of a business at the center of the conflict, Intelék's accredited appraisers deliver independent, defensible business valuations and economic damages analyses built specifically to support fair and efficient dispute resolution.

[INTELEKBUSINESSVALUATIONS.COM](https://www.intelekbusinessvaluations.com)

# Why Business Valuation Matters in Commercial Disputes

Shareholder and commercial disputes can arise from a myriad of complex situations: partner disagreements, minority oppression, breach of contract, lost profits claims, or dissenters' rights actions. When the value of a business, a specific business interest, or the economic impact of a dispute is at the heart of the conflict, an independent and defensible business valuation is not just helpful — **it's absolutely critical.**

## Inaccurate Valuation Risk

Escalated tensions, prolonged litigation, and an unfair resolution — costing parties significant time and financial resources.

## What Courts Require

Objective, credible expert testimony to quantify damages, determine fair buyouts, or assess the economic impact of a disputed event.

## The Solution

An independent, accredited appraiser with deep valuation expertise and a strong understanding of the legal context of commercial disputes.

## Standards of Value in Commercial Disputes

The choice of Standard of Value is paramount in commercial disputes, as it directly impacts the valuation conclusion. Unlike other contexts where Fair Market Value is universal, dispute valuations often involve specific legal definitions that can vary by jurisdiction, specific contract language, or the nature of the dispute.

It is critical to work with an appraiser who understands these distinctions and can apply the correct standard as dictated by the legal context of your dispute. Common standards include **Fair Market Value**, **Statutory Fair Value**, and **Investment / Strategic Value** – each with materially different implications for the outcome.

# Key Standards of Value Explained

## **Fair Market Value**

The price at which property would change hands between a willing buyer and a willing seller – neither under compulsion, both with reasonable knowledge of relevant facts. Often used for general commercial disputes where a hypothetical transaction is considered.

## **Statutory Fair Value**

A legally defined standard used in dissenters' rights actions and minority oppression cases. Typically excludes discounts for lack of marketability (DLOM) and sometimes lack of control (DLOC), aiming to provide a pro rata share of enterprise value.

## **Investment / Strategic Value**

Considers the value to a specific investor or strategic buyer, accounting for synergistic benefits. Less common in disputes but may be relevant in certain breach of contract or M&A-related claims.

## **Jurisdiction & Contract Language**

The applicable standard is often dictated by state statute, relevant case law, or specific contract provisions. Applying the wrong standard can fatally undermine an otherwise sound valuation opinion.



# Valuation Process & Financial Analysis

A robust valuation for shareholder and commercial disputes requires a meticulous and often forensic approach to financial analysis. A key step involves making **normalization adjustments** to reflect the true economic performance of the business, free from distortions caused by owner-specific decisions or non-recurring events.

📄 ⚠️ **Critical Insight:** Without proper normalization, the valuation may reflect accounting fiction rather than economic reality – undermining its credibility under cross-examination and opposing expert scrutiny.

VALUATION APPROACHES

## Valuation Methodologies We Employ

We employ a combination of generally accepted valuation approaches, selecting and weighting each based on the nature of the business, the type of dispute, and the applicable standard of value. Our methodology is transparent, fully documented, and built to withstand rigorous cross-examination.

Each approach is applied with forensic rigor — drawing on historical financial statements, tax returns, market data, and industry benchmarks to arrive at a conclusion that is both credible and defensible in an adversarial setting.



# Three Core Valuation Approaches

Our appraisers apply recognized approaches as required by the facts of each engagement, ensuring methodological transparency and compliance with professional standards. The combination of approaches used – and the rationale for weighting – is clearly explained in every report we deliver.

- Income Approach: DCF and Capitalization of Earnings – projecting future economic benefits to present value
- Market Approach: Guideline Public Company and Transaction methods – using relevant valuation multiples
- Asset Approach: Adjusted Net Asset Method – valuing underlying assets and liabilities at fair market value
- Lost Profits: "But-for" forensic analysis for breach of contract and tort claims

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**Core Approaches**

Income, Market & Asset

2+

**Methods Per Report**

At minimum for defensibility

**100%**

**Documented Rationale**

For every assumption made

# Key Considerations: Minority Oppression & Dissenters' Rights

Commercial disputes often present unique valuation challenges that require specialized expertise and a strong ability to support conclusions under adversarial conditions.

## Minority Oppression & Buyouts

The valuation determines the "fair value" of the minority interest under a statutory standard that specifically addresses the treatment of discounts – often excluding DLOM and DLOC.

## Dissenters' Rights Actions

When a shareholder dissents from a corporate action such as a merger, the valuation must adhere strictly to the statutory definition of "fair value," typically excluding minority and marketability discounts.

## Lost Profits & Economic Damages

A "but-for" analysis compares actual financial results to a hypothetical scenario where the damaging event did not occur – requiring forensic accounting, financial modeling, and analysis of causation.

# Key Litigation Support Considerations

1

## **DLOM & DLOC in Disputes**

The applicability and magnitude of discounts for lack of marketability and lack of control are highly contentious. The applicable standard of value and relevant case law in the jurisdiction dictate whether these discounts are appropriate.

2

## **Expert Witness Testimony**

Our accredited appraisers provide clear, concise, and credible expert witness testimony in depositions, mediations, arbitrations, and trial settings – defending conclusions under rigorous cross-examination.

3

## **Forensic Investigation**

Many disputes require deeper investigation of financial records to uncover irregularities, misrepresentations, or the true financial impact of disputed events. Our forensic capabilities identify and analyze these critical elements.

4

## **Normalization Adjustments**

We identify and adjust for discretionary expenses, non-recurring items, and above- or below-market owner compensation to reflect the true economic performance of the business for valuation purposes.

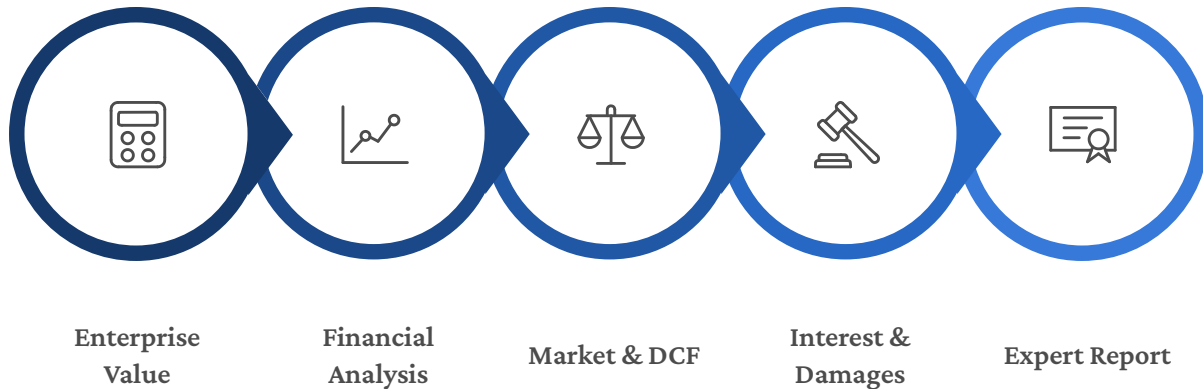
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## **Causation & Foreseeability**

In lost profits claims, our analysis considers not only the financial quantum of damages but also the causal link between the disputed event and the claimed harm – a critical element in any damages analysis.

# InteleK's Commercial Disputes Valuation Approach

Our accredited appraisers bring deep expertise in forensic accounting, business valuation, economic damages, and expert testimony to every shareholder and commercial dispute engagement. Every report is built to withstand the scrutiny of opposing counsel, judges, and arbitrators.



Our proven two-phase approach first establishes enterprise value through rigorous financial analysis, then carefully analyzes the specific interest and economic damages at issue — applying the correct standard of value as dictated by the legal context of your dispute.



# What Sets InteleK's Process Apart



## Independent & Objective Analysis

We maintain strict independence, ensuring our valuation and damages conclusions are unbiased and credible to all parties, counsel, and the court – free from any advocacy bias.



## Forensic Rigor

Our detailed financial analysis goes beyond surface-level review, identifying and normalizing for financial distortions, and thoroughly investigating the economic impact of disputed events.



## Defensible Conclusions

Our reports are meticulously prepared, transparent, and fully supported by market evidence and recognized valuation and damages principles – built to withstand rigorous cross-examination.



## Economic Damages Expertise

Beyond business valuation, we specialize in quantifying lost profits, diminution in value, and other economic damages resulting from contract breaches, torts, or other commercial harms.



# Collaboration With Your Legal Team

InteleK doesn't work in isolation – we integrate **seamlessly with your legal team** to ensure the valuation and damages analysis supports the overall dispute resolution strategy, from initial assessment through to trial or settlement.

## → **Litigation Attorneys**

We coordinate with legal counsel to ensure our valuation and damages conclusions align with case strategy, support motions, and are presented in a format admissible and persuasive in the relevant forum.

## → **Mediators & Arbitrators**

Our reports are structured to provide clarity and objectivity in alternative dispute resolution settings – facilitating efficient and well-informed resolution without the cost of full litigation.

## → **CPAs & Financial Advisors**

We provide the independent, accredited valuation opinion that corporate trustees, forensic accountants, and financial advisors require to support their own analysis and reporting in commercial dispute matters.

# Shareholder / Commercial Disputes: Key FAQs

Expert insights into business valuations for minority oppression, dissenters' rights, lost profits, and expert testimony in 2026.

## What types of disputes require a business valuation?

Business valuations are critical in shareholder oppression, dissenters' rights actions, breach of contract claims (to quantify lost profits or diminution in value), partner buyouts, intellectual property disputes, and M&A-related commercial disputes.

## What is the difference between "Fair Market Value" and "Statutory Fair Value"?

Fair Market Value is a hypothetical market value between a willing buyer and seller, often including discounts. Statutory Fair Value, used in dissenters' rights and oppression cases, is legally defined and typically excludes discounts, aiming for a pro rata share of enterprise value.

## How do you quantify "lost profits" in a commercial dispute?

We conduct a "but-for" analysis comparing actual financial performance to a hypothetical scenario where the damaging event did not occur – using forensic accounting, financial modeling, and analysis of causation and foreseeability.

## Are DLOM and DLOC discounts applied in commercial disputes?

It depends on the applicable standard of value and relevant case law in the jurisdiction. While DLOM and DLOC are typically applied under Fair Market Value, many statutory fair value standards specifically prohibit their use. We provide clear, data-driven rationale for their application or non-application.

## Can you serve as an expert witness in court or arbitration?

Yes. Our accredited appraisers provide clear, concise, and credible expert witness testimony in depositions, mediations, arbitrations, and trial settings – communicating complex financial concepts to judges, juries, and arbitrators under rigorous cross-examination.

## What financial information is needed for a dispute valuation?

Typically several years of historical financial statements, tax returns, internal financial reports, budgets and forecasts, legal agreements relevant to the dispute, and any existing buy-sell agreements or prior valuations. A detailed request list will be provided.

ABOUT US

# About IntelleK

## Business Valuations For Today.... & Tomorrow

Business Valuations are an "opinion of value" so finding the right professional valuer is key, an opinion with trust. Business Valuations need the combination of science (technology) and art (knowledge & experience).

IntelleK embraces the two worlds to deliver the most robust and efficient service to its clients, adapting to the ever changing environment of businesses and how to value them.

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OUR PURPOSE

## Transferring Business Valuation Knowledge to Business Owners

Most business owners don't know the value of the business, let alone where the value comes from, how to influence / increase it, or where the risk exposure is, which limits its potential.

[Contact Us](#)

