

CHECKLIST

For a complete evaluation of your company, we will schedule a meeting with the individuals from your firm who will be involved in the decision-making process of your sale and conduct a Comprehensive Business Survey.

This Comprehensive Business survey is used as the foundation of all of our work. Your committee may wish to review and make available the material on the following Information Request checklist.

General Information

- Description of products and/or services.
- Company literature, product or service/brochures, service agreements, and schedule of fees.
- Business Plan.
- Hours of operation and employee mix.
- Written description of business (brochures, etc.).
- Information about market and/or industry status.
- Major competitor information (name, size, location, and rank).
- List of Trade Associations that influence market and industry information sources.
- Copies of trade publications.
- Major supplier agreements with amount of purchases in past year.
- Order backlog.
- EDD department information.
- Reports of examination issued by government agencies.
- List of regulatory agencies and license requirements.
- Reports of other professionals or consultants.
- Clippings, articles and contracts that would be useful.
- Local area information.

Financial (Internal)

- Annual statements for relevant period immediately prior to valuation, minimum of 3 years.
- Tax returns (for same years).
- Stock Reports, forms 8-K, 10-K and 10-Q.
- Financial projections and operating budgets (5 years).
- Copies of business and marketing plans.
- Copies of capital budgets.

Assets

- Recent inventory value (how valued) and listing.
- Aged accounts receivable list and copies of notes receivable.
- Current listing of plant, machinery and equipment depreciation, including real estate — dates of acquisition, cost depreciation method and life, and net depreciated value.
- Real property appraisal report and appraisals of specific assets.
- Diagram of facility layout.
- Photos of facility, office, equipment, area, etc.
- List of investments and rate of interest.
- List of items comprising significant other asset balances.
- Copies of title deeds.
- Copies of building codes/building leases.
- Blueprint of the working drawings of the buildings.
- List of intangibles, i.e., licenses, franchises, trademarks, customer lists, and unpatented technology.
- Inventory list.

Liabilities

- Aged listing of accounts payable.
- Copies of loans and notes payable.
- Equipment leases agreements and schedule of payments.
- Real property leases.
- Bank and other borrowing agreement summaries.
- Details of any contingent liabilities (guarantees, warranties, litigation, etc.) or off balance sheet financing (such as letters of credit).

Ownership

- Shareholder/partner list, shares owned and transfer dates.
- Copies of stockholder or partnership agreements, including any stock option arrangements.
- Copies of any buy/sell agreements and/or written offers to purchase or sell company stock.
- Details of transactions in Company stock with related parties.
- Details of transactions in the Company's stock during the last five years.
- Minute Book.

Employees

- Payroll registers for a recent payroll period.
- Schedule of officer(s) and director's compensation.
- Details of any employee benefit plans, including pension plans, profit sharing, and employee stock option plans.
- List of key employees and compensation history.
- Organization chart.
- Union contracts.
- Summary of pension and retirement program.
- Schedule of key-man life insurance.

Customers

- Sales report by major customer (10% or more of total revenue for last year and year-to-date).
- Sales contracts.
- Major customer agreements.
- Sales breakdown by sales method (salespeople, distributors, telemarketing, direct mail).
- Sales breakdown by customer type and geography.

Copies of Contractual Obligations

- Included but not be limited to, such items as: leases, loan agreements, franchise or distributor agreements, contracts with customers and/or suppliers, buy/sell agreements, ESOP documents, employment or non-compete agreements, etc.