



A Neumann & Associates, LLC

Affiliated with Americas Largest Network of M & A Professionals

Business Information Organizer

Note: Even though you may not be interested in selling your business at this time, questions relating to the sale of your business must be answered. This is necessary in order to determine "Fair Market Value". Please answer all questions as though you were preparing the business for sale. Questions not answered will be treated as not applicable (N/A) or zero (0) value for valuation purposes. Any questions that you have difficulty answering or determining the information requested, please ask your Broker for assistance.

THE FOLLOWING DOCUMENTS ARE NEEDED

- Historical Financial Statements and/or Tax returns for the past three fiscal years**
- Interim Financials along with interim period annualized for current year**
- Projections for Sales, Earnings before Tax, and Cash Flow**
- A list of equipment, furniture & fixtures included in the sale, plus debt and lease payments**
- A current lease for building and property**

IF AVAILABLE, THE FOLLOWING INFORMATION SHOULD BE PROVIDED:

- Brochures, photographs, price lists, key contracts, purchase or buy/sell agreements
- Business valuations on prior years
- Appraisals, finance or lease agreements on equipment, furniture, fixtures and real estate
- Business plans, budgets or financial projections
- Local and regional economic information, and current industry forecast

Client submitting the information, which has been compiled from books, records and information from the business, is subject to all terms and conditions of the Client Request form or Engagement Agreement. The user of this information is instructed by client to assume that unanswered questions as set forth herein are not applicable.

I hereby certify that the information contained therein is accurate and true and complete to the best of my knowledge and I understand that broker has not and will not investigate or verify the information contained therein.

Date

Client Signature

Title



COMPANY INFORMATION

1. Business Essentials

Name of Business: _____ Tax ID _____

Bus. Address: _____ Bus Phone: _____

City: _____ State: _____ Zip: _____

Website Address: _____

2. Owner Information

Client Name: _____ Title _____

Cell _____ Email: _____

Residential Address: _____ Home Phone: _____

City: _____ State: _____ Zip: _____

3. Business Data

Company's Legal Entity: _____

Company's dba: _____

Has the company's name changed? Yes No If yes, explain: _____

Year Established: _____ Years Owned: _____

State of Incorporation: _____ Date of Incorporation: _____

Company Legal Status: Sole Proprietorship Partnership Limited Partnership
 Subchapter "S" Corporation "C" Corporation Limited Liability Corp
 Other, explain: _____

Business Category: Distribution Manufacturing Wholesale Retail Service
 Other, please explain: _____

SIC Code: Primary _____ Secondary _____ Other _____

NAICS Code: Primary _____ Secondary _____ Other _____

Years at current location? _____



Has the company moved or expanded facilities? Yes No If yes, please explain: _____

Days and Hours of business operation: Opens: _____ Closes: _____

Monday-Friday Saturday Sunday

Are there any lawsuits existing or pending? Yes No If yes, please explain _____

Are there any tax liens? Yes No If yes, please explain: _____

Are there any Environmental Issues? Yes No If yes, please explain: _____

3A Accounting/ Management Information System (MIS):

Who is responsible for accounting entries: _____

What accounting software is used? _____

How often are entries made? _____

Do you generate a monthly P&L? Yes No

In which month do you file normally the Federal tax return? _____

Have you file last year's Federal tax return? Yes No

Who tracks inventory? _____

Which Inventory software? _____



4. Management/Ownership

List all of those owning greater than 10% share of the company's stock. (Should equal 100%)

Name	Title	% Owned	Age

Number of Hours the owner works per week? _____ Vacation per Year? _____

Common Shares Outstanding: _____ Price Per Share: \$ _____

Preferred Shares Outstanding: _____ Shares Repurchased: _____

Buy/Sell/option Agreement in place? Yes No If yes, please provide a copy.

To Whom/ Explain: _____

What function(s) does the owner currently perform that will need to be replaced by the buyer?

Non Compete? Yes No If yes, miles? _____ If yes, years? _____

Is the owner the founder of the business? Yes No If no, years owned? _____

Does the owner have any interest in staying with the business after it is sold? Yes No

Comments: _____

Number of family members **including the owner** actively working in the business: _____

Number of family members **including the owner** that will need to be replaced by the buyer: _____

The following is a list of positions and the salary that will need to be replaced by the buyer:

Position: _____ Salary: _____

Position: _____ Salary: _____

Position: _____ Salary: _____



5. Human Resources/ Company Employee Information

		Yes	No
Total Employees	_____	Medical Insurance <input type="checkbox"/>	<input type="checkbox"/>
Full Time Employees	_____	Pension Plan <input type="checkbox"/>	<input type="checkbox"/>
Part Time Employees	_____	Life Insurance/IRA <input type="checkbox"/>	<input type="checkbox"/>
Union Employees	_____	Profit Sharing <input type="checkbox"/>	<input type="checkbox"/>
Average Length of Employment (yrs)	_____		

5a. Rate the local labor market: Low Unemployment High Unemployment Labor Shortage

5b. Rate the strength of unions affecting this business: None Average Strong

5c. List key personnel with summary of their responsibilities and back up personnel to these positions:

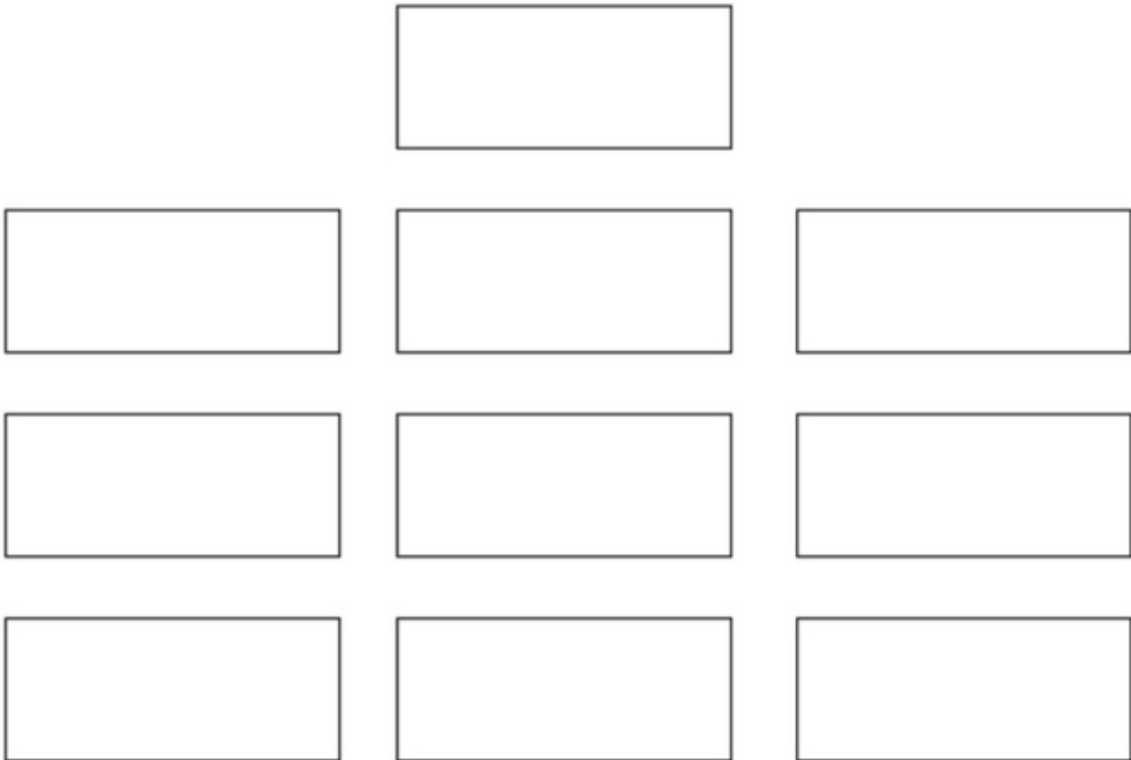
_____/ Finance & Accounting

_____/ Administration

_____/ Quoting & Contracts

_____/ Field Supervisor(s)

5B. Sketch Out Organizational Chart





6. Products and Services

General Description of company's products and/or services: _____

IS the current website accurate? Yes No

Provide a breakdown for last fiscal year of products/services by sales volume in dollars and in percent:

Products/Service	Sales Volume (\$)	Sales Vol. (%)
	\$	%
	\$	%
	\$	%
	\$	%
	\$	%
Total	\$	100%

Does the company have Copyrights, Trademarks and/or Patents? Yes No

If Yes, please explain: _____

Does the company have Cyclical or Seasonal Factors? Yes No

If Yes, please explain sales distribution by season: _____

Describe how the company sells and distributes the products and/or services: _____

Bid? Yes No Proposal? Yes No

Any Subcontractors? _____



What is the company's Backlog of orders? _____ For how long? _____

Explain _____

Does the company have a recurring revenue stream? Yes No If yes, please explain _____

What is the recurring revenue stream as percent of the total business? _____

What are the payment terms offered to customers? _____

What is the A/R collection period (average)? _____

How does the company value Inventory? FIFO LIFO

How many supplies does the company have in a year? _____

How many suppliers account for 25% of the purchases in a year? _____

Does the company have revenues for pre-paid services (that need to be adjusted at closing)

- Gift cards?
- Membership First-of-Months Credit Card charges?
- Prepaid Subscriptions ?
- Other _____

What is the percentage of annual revenue? _____%

Does the owner have detailed records to reconcile at closing? _____

Does the company have revenues for pre-paid services but does not expect to have to provide such services?

If yes, what is the average annual dollar amount? _____



7. Market & Customers - Selling & Distribution

What are the primary target market / applications for your products or services?

Market share estimate _____

Rate the market trend for this product or service: Decline Stable Growth

How long has the company, product or service been known? New 10yrs or less >10 years

How many different companies are in the company's trade area? None A Few Many Competitors

What are the company's primary marketing methods?

- Radio Outside Representatives Yellow Pages
- Television Employee/Sales Staff Direct Mail
- Newspaper Telemarketing Website
- Trade Journals Ongoing Contacts Email
- Expos Trade Associations Social Media

Other Marketing: _____

Which networking events do you attend (chambers, industry associations, charities): _____

8. Customer Information

Describe the Company's customer base: Public Private Both

Approximate number of customers (PER YEAR): _____

How many customers account for 25% of the revenues in any given year? _____

List the Top 5 customers by percent of revenue

Customer #1	%
Customer #2	%
Customer #3	%
Customer #4	%
Customer #5	%

The customer base is: Local Regional National Global

Typical distance? _____



9. Competition

Who are the top three company's major competitors? Where are they located? How big are they?

NAME OF COMPETITORS	LOCATION	SIZE
1)		
2)		
3)		
4)		
5)		

Same service / same pricing ? _____

Describe most recent head-to-head competition _____

How often do you face competition? _____

Price impact on your company _____

Confidential



10. Growth & Competitive Advantage

List potential **growth opportunities**: _____

What is the expected annual growth rate of the business? _____ of the market? _____

What kind of Investment would be needed to **grow further** and how much more could you grow? _____

List potential new customers in order to **grow** the business _____

List potential new market and product segments in order to **grow** the business _____

What is your company's **TRUE competitive advantage**?

Why do customers choose your company? _____

What disadvantages do you have in the market? _____

Barriers to market entry? _____



11. Business Management Experience & Transition

Seller will train buyer **without charge** for 6 months (1 month - full presence, 1 month - 50% presence, remainder via phone inquiry). Is this transition period acceptable? Yes No

If not, what transition is offered? _____

Given an individual with reasonable skills and little direct knowledge of the business, how long would it take to learn enough about the business to manage it properly? _____ months

If you were to start a business of this type, considering start-up costs, and capital investment, how long would it take to show a profit after deducting a reasonable salary for yourself as a manager? _____ months

What are the skills or licenses required to operate the business?

Other assets included in the sale: _____

Items excluded from the sale: _____

On separate recasting sheet list all **leased** equipment where lease(s) obligations must be satisfied or assumed by purchaser.

On separate recasting sheet list any **debt** that must be cleared or assumed to sell the business.

How long does the fixed asset equipment typically last before replacement _____ (years)

What are the annual fixed assets expenditures (CAPEX): \$ _____

(DOUBLE CHECK: Total Fixed Asset value divided by years should approximately reflect the annual CAPEX)

How much working capital does the business typically require: \$ _____

Is there a bank credit line for working capital? Yes No

If yes, explain: _____

12. Advisor Team Information (Please provide name/ phone /email)

FINANCIAL ADVISOR: _____

ATTORNEY: _____

CPA/Accountant: _____

(NO ENGAGEMENT TO BE ACCEPTED W/O ATTORNEY SELECTION)



What are the expected terms for the sale of the business?

Down Payment: **Proposed at 25%** Agreed? Yes No _____ %

Commercial Financing: **Proposed at 50%** Agreed? Yes No _____ %

Seller Finance/Note: **Proposed at 25%** Agreed? Yes No _____ %

Terms - 5 Years @ 8 %

Seller Consulting Agreement: Yes No If yes, please indicate the fee: \$ _____

Owners Estimated Value Of Business: _____

Estimate based on what? _____

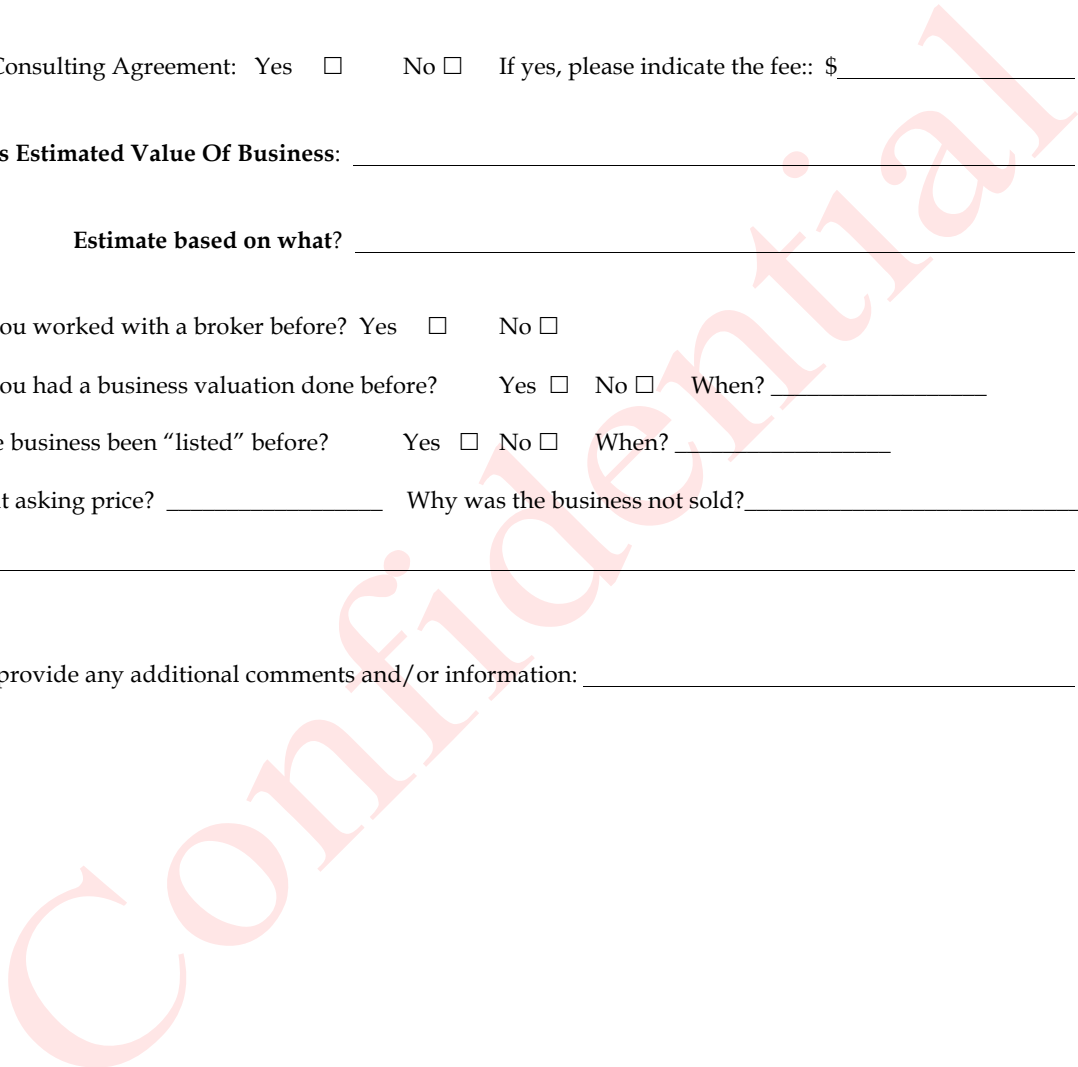
Have you worked with a broker before? Yes No

Have you had a business valuation done before? Yes No When? _____

Has the business been "listed" before? Yes No When? _____

At what asking price? _____ Why was the business not sold? _____

Please provide any additional comments and/or information: _____





12. Facilities & Real Estate

(Listed on the recasting spreadsheet)

Building Type: _____

Address: _____

City: _____ State: _____ Zip: _____

Property Size (ac): _____ Building Size (sqft) _____ Construction Date : _____

Property: Leased Owned If owned, in a separate entity? Yes No

If yes, what is the name of the entity? _____

Annual Lease Amount _____ Annual Insurance, Taxes, CAM _____

Cost Per Square Feet: \$ _____ What is the market rate? _____

Lease expiration date? _____ Lease Options? _____

Can the lease be assumed by buyer? Yes No Landlord consent required? Yes No

Is this a corporate lease or personal lease? _____ Personal guarantee required? Yes No

Was an environmental assessment conducted (i.e. Phase 1 or Preliminary Assessment)? Yes No
(HEAVY INDUSTRY OPERATIONS NEED TO HAVE THIS IN PLACE BEFORE A SALE)

12b. Facility Usage

Does the business need the entire facility space Yes No

If not, how much space does the business truly need? _____ At what cost \$ _____

12c. Future Lease Terms:

If current business seller owns property and wants to lease it to the new business owner:

Monthly Lease Payment: \$ _____ /month

Monthly Est. Cost for Insurance, Maintenance. Taxes: \$ _____ /month

Estimated Total Annual Cost: \$ _____ /year

12d. Proposed Purchase Terms:

Asking Price: \$ _____

Monthly Est. Cost for Insurance, Maintenance. Taxes: \$ _____ /month

Was the value established by appraisal? Yes No If Yes, when? _____

Will owner agree to finance? Yes No If Yes, amount? \$ _____

Terms of owner financing: Number of years _____ Interest rate _____ %

(PREPARE THIS SHEET FOR EVERY PROPERTY THAT BUSINESS OCCUPIES



13. Owner Reason for Selling

What is the #1 reason for selling the business? What do you most want to accomplish by selling the business?

What are you looking forward to most after selling? What does life look like after selling the business? Do you know how you will fill your daily time after selling? What activities?

What will you miss the most about the business after selling?

What is your greatest concern about selling the business? Do you think this selling process will be painful?

Who are the ultimate decision makers in the sales process? Who will you consult with during this process? IS your spouse involved?

(FORM NEEDS TO BE SIGNED-OFF BY SELLER BEFORE SUBMISSION)



14. Recasting Questions - to be filled out on Recasting Spreadsheet

Balance Sheet

- What is average monthly A/R?
- What is average monthly inventory?
- What is the street value of furniture and fixtures?
- What is the street value of business equipment?
- How many vehicles and what is street value?
- What is monthly A/P?
- What is total bank debt (not personally guaranteed)?
- Any other assets or liabilities of note?
- What is current backlog or work in progress?

Equipment List

- Available in spreadsheet format?

Cash Flow Analysis

- How does ownership get paid (W2, 1099 or distribution)?
- Is there cash extra to ownership?
- Are there any non-working or “overpaid” family members?
- Personal vehicle expenses (leases, gas, maintenance, insurance)?
- Personal health insurance?
- Personal life or disability insurance?
- Pension plan, profit sharing, 401k or Simple IRA?
- Travel and entertainment?
- Cell phones & supplies?
- Property expenses and repairs?
- Rent overpaid or underpaid?
- Unusual expenses (boats, second homes, business coach, tuition, etc.)?
- One-time expenses (law suits, audits, natural, etc.)?
- Any other personal items paid for by the business?
- What is projected annual revenue growth rate?