

40 Point Business Assessment Checklist

1. Please provide a detailed description of the business.
2. Provide the adjusted EBITDA for the past 3-5 years and forecasted for 3 years. Included should be items such as excess owner's compensation, expensed items that could be capitalized, owner's benefits paid for by the business, etc.
3. What are the company's principal products and services?
4. What is the normal mix of products and services on each job? How is the profitability of each?
5. What is the type and approximate number of customers?
6. What percentage of gross revenues do the top ten customers represent? How does this change from year to year?
7. To what extent is the business seasonal?
8. Describe specialized products, services or processes.
9. Please provide a list of any patents, trademarks, licenses, and distribution agreements.
10. Are there any effects of environmental, safety and health laws?
11. How is the business organized as a legal entity (e.g. corporation, partnership, etc.)?
12. Please provide a short paragraph for each of the key employees and management describing his or her qualifications and the number of years each has been with the company.
13. Please describe the extent to which functions of the business are outsourced to independent contractors or other companies.
14. Describe the benefits (e.g. vacation, holidays, insurance, 401k, etc.) the company offers its employees.
15. Provide a description of the industry in which the company operates. Is it expected to grow over the next 5 years?

National Business Search, Inc. – www.BusinessMergers.com

7901 Seminole Blvd., #1306, Seminole, FL 33772 -- Phone: 727-544-7655; Fax: 727-360-4786

16. Describe the Company's customer base.
17. Please give a brief history of the company. Where and when was the company incorporated? What were its initial business activities and significant developments? Who were the founders, and were there any subsequent changes?
18. Describe the Company's sales and marketing activities.
19. Who are the significant competitors, and what are their relative advantages/disadvantages.
20. Provide the location and give a brief description of plants, warehouses, divisions, subsidiaries, related entities and offices.
21. Provide a summary of lease obligations.
22. Provide a description of all real property that may be included in the sale.
23. Are there any legal proceedings against the business?
24. Please list any companies or buyers that you think might be interested in purchasing the company. List any industries or segments that you think would be a potential source of buyers. Also list any companies that have contacted you that were interested in purchasing the company.
25. If available please provide an organization chart of employees by area or function.
26. Are there any unions? Is there any threat of unionization?
27. Please provide a description of the company's plans for the future and other opportunities going forward.
28. Please provide a sales history and forecast.
29. Please provide copies of advertising that the company has done.
30. If there are any articles about the company in any publication please provide the publication.

31. Please send samples of direct mailings and brochures.
32. Please provide copies of awards that the company has received, or any awards for quality from a good customer, that kind of thing.
33. Please list all of your web sites. How does the web site function in your business?
34. What are the reasons for sale?
35. What level of involvement, support or assistance will the current owner provide after the sale, and for how long? Will the management team stay?
36. Please list all locations of the company.
37. What debt does the company carry, and what are the reasons for the debt?
38. Have there been any major changes over the past year, or planned for the near future, in the way the business is run?
39. Has there been any recent expenditure to develop new products or services (e.g. research and development)?
40. What is the best email and phone for our ongoing communications?