

Valuation Questionnaire

Client Name: _____

Business Name, if not the Client: _____

This questionnaire is being completed by: _____
(Name and Title)

Valuation Date: _____

Instructions

1. All listed questions are as of the valuation date unless instructed otherwise.
2. All listed questions need to be answered otherwise this form will be considered incomplete and potentially cause a delay in the completion of our analysis. Some questions may not pertain to your business; if so, please respond to those questions as not applicable (N/A).
3. If sufficient space has not been provided, please attach a separate sheet with your response and include the question number and letter (if applicable).
4. If more than one business is being valued, **this questionnaire will need to be completed for each business.**
5. The first page of the questionnaire is a list of the items documents requested as part of the valuation, not all requests may pertain to your business, so please indicate if the documents do not apply (N/A). **Again, if more than one business is being valued, we will need the requested documents for each business.**
6. Should you have any questions regarding the completion of this questionnaire or regarding the documents requested, please do not hesitate to call us at (317) 745-6411 to clarify these issues.

Business Information

1. Name of Business _____
 - a. Address of business _____
 - b. Telephone number _____
 - c. Fax number _____
 - d. Principle contact at business _____
 - e. Principle contact's e-mail address _____
 - f. Date for which valuation is requested _____
 - g. Date of Marital Dissolution, if applicable _____
 - h. Please list the intended users of the valuation report _____

 - i. Please describe the purpose of this valuation _____

2. Has the Business been valued in the previous 5 years? ____ Yes ____ No
If yes, please provide copies of the valuation report.
3. Please describe the Business. _____

4. Structure and Ownership
 - a. Please indicate the operating structure of the Business (check the one that applies):

_____ "C" Corporation	_____ Sole Proprietorship (Schedule C)
_____ "S" Corporation	_____ Limited Liability Company (LLC)
_____ Partnership	_____ Family Limited Partnership (FLP)
_____ Other (describe _____)	
 - b. Date the Business was incorporated, if applicable _____
 - c. State of incorporation, if applicable _____

d. Number of years the Business has been in operation _____

e. Please list the owners, their ownership at the valuation date, and their relationship to each other on **Schedule A**, which is attached on page 19.

f. Has the ownership changed since the valuation date or anytime in the preceding five years of the valuation date? ____Yes ____No
If yes, please complete **Schedule B**, which is attached on page 19.

g. Please list the board of directors as of the valuation date in the schedule provided below:

Name	Title	Relationship to Business	Years of Service on Board
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

h. If the present board is different than the board at the valuation date, please complete the following schedule:

Name	Prior Title	New Title	Relationship to Business	Date of change
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

i. Please list the officers as of the valuation date in the schedule provided below:

Name	Title	Relationship to Business	Years with the Business
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

- j. If certain officers have changed since the valuation date, please complete the following schedule:

Name	Prior Title	New Title	Relationship to Business	Date of change

- k. Are the officers and key management people in good health? ☐ Yes ☐ No

If no, please explain: _____

5. Equity Structure and Transactions

- a. If the Business is a corporation, is there more than one class of stock? ☐ Yes ☐ No
- b. Are there any stock options, rights, warrants, or similar instruments outstanding?
☐ Yes ☐ No
- c. Is there a legend for stock certificates of the Business? ☐ Yes ☐ No
If yes, please provide a copy.
- d. Does the Business have a buy/sell or stock redemption agreement? ☐ Yes ☐ No
If yes, please provide a copy.
- e. Are there any restrictions on the sale or transfer of securities or equity interests in the Business?
☐ Yes ☐ No
- f. If other than a corporation, are there any options or similar agreements to sell, trade, or offer equity interests? ☐ Yes ☐ No
- g. If the Business is a partnership, does it have a partnership agreement? ☐ Yes ☐ No
If yes, please provide a copy.
- h. Have there been any purchases, sales, or tax-free exchanges of equity interests or major assets of the Business in the past five years? ☐ Yes ☐ No
- i. Have there been any negotiations, inquiries and/or offers to purchase or sell equity interests or major assets of this Business in the past five years? ☐ Yes ☐ No
- j. Has the Business entered into any negotiations and/or offers of equity in another business?
 Yes ☐ No ☐
If yes, please provide closing documents or purchase agreements.

6. Please list the Business's CPA firm, corporate counsel and primary banking relationships: _____

7. Is the Business a party to any outstanding lawsuits? ____Yes ____No
If yes, please explain and provide the business's attorney: _____

8. Please indicate if the Business has any of the following binding agreements. *If so, please provide a copy.*
- | | |
|------------------------------|-------------------------------|
| _____ Loan agreements | _____ Lease agreements |
| _____ Covenants | _____ Purchase/sale contracts |
| _____ Debt guarantees | _____ Employee agreements |
| _____ Service contracts | _____ Warranties |
| _____ Other (describe _____) | |

Information about the Economy

1. What effect does the national economic climate have on the Business's market? _____

2. What effect does the national economy have on the Business's industry? _____

3. Please compare the strengths and weaknesses of the industry in which the Business operates versus five years ago.
- a. Industry strengths today: _____

- b. Industry strengths five years ago: _____

- c. Industry weaknesses today: _____

- d. Industry weaknesses five years ago: _____

4. Please compare the strengths and weaknesses of the Business today versus five years ago.
- a. Business strengths today: _____

- b. Business strengths five years ago: _____

- c. Business weaknesses today: _____

- d. Business weaknesses five years ago: _____

Industry Information

1. Please provide a detailed description of the industry in which the Business operates. _____

2. Please list what industry organizations the Business belongs to in the schedule provided below:

Name	City/State Location	Telephone	Contact (if known)	Active member?
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

3. What industry publications does the Business receive? Please list in the schedule provided below:

Name	Publisher	Location of Publisher City/State

4. What substitute products or services are available for the Business product line? _____

5. Please describe important Business relationships that significantly influence sales. _____

- a. In relation to the above question, have any such relationships been discontinued during the last five years? If yes, please explain: _____

Information about Revenues/Customers

1. Please provide a percentage breakdown of the Business's yearly revenues:

_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
_____	_____ %
Total Revenues	100.00%

2. Are revenues seasonal? ____Yes ____No

If yes, please explain seasonality: _____

3. How does the Business sell or market its products or services? _____

4. Have there been any current financial projections or Business plans developed? ____ Yes ____ No
5. What is the Business's method(s) of advertising? _____

6. Please detail standard sale terms, discounts offered, and return and allowance policies: _____

7. Are maintenance agreements included in the sales terms for product manufacturers or distributors?
____ Yes ____ No
If yes, please explain: _____

8. Are express or implied warranties offered in the sales terms? ____ Yes ____ No
9. Any sales on consignment? ____ Yes ____ No
10. Does the Business have inventory? ____ Yes ____ No
If yes, does it warehouse its inventory? ____ Yes ____ No
11. Please describe a typical customer. _____

a. Why do you feel these customers select the Business? _____

b. Are current customer relationships good, bad, or fair? Please explain: _____

c. As of the valuation date, please list the five largest customers in the schedule provided below:

Customer Name	City / State	Annual Sales Volume	Years as a customer
(1)			
(2)			
(3)			
(4)			
(5)			

- d. Has the Business lost any revenues from an important customer in the past five years?
 ___Yes ___No (If yes, please complete the following schedule provided below):

Customer Name	Year Lost	Annual Sales Volume	Reason Lost
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

- e. Will any of these previous customers listed above affect future operations? _____

- f. Please list any significant customers that have been added in the past five years in the schedule provided below:

Customer Name	Year Added	Annual Sales Volume
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

12. Please describe the credit rating of the Business's principal customers as one of the following:

Strong _____ Fair _____ Weak _____

- a. Please list details of the Business's bad debt for the past five years in the schedule below:

Year Ended	Bad Debt Expense	Sales Returns / Allowances
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

13. Has the Business ever experienced product/service liability problems? ___Yes ___No

If yes, please explain: _____

14. Does the Business lease any of its products to customers? ___Yes ___No

15. Does the Business have any foreign business? ____Yes ____No

16. Are any new products planned or anticipated? ____Yes ____No

If yes, please explain: _____

17. Are there any existing products/services that plan to be discontinued? ____Yes ____No

If yes, please explain: _____

18. Is the Business dependent on one or a few vendors? ____Yes ____No

If yes, please list the vendor and supply/service performed: _____

Competitor Information

1. Please complete the following schedule about the Business's top competitors:

Company Name	Location	Market Share	Please explain if the Competitor makes the Business's products/services obsolete or less competitive.
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

2. What is the largest similar business within the Business's industry? _____

3. What is the largest similar business within the Business's market region? _____

4. Please list up to five publicly held businesses which you consider comparable to the Business:

- (1) _____
- (2) _____
- (3) _____
- (4) _____
- (5) _____

Personnel Information

1. How many total employees do you have? _____
 - a. Of the total listed above, please list how many are full time, part time, and seasonal below.
Full time: _____
Part time: _____
Seasonal: _____
2. Briefly describe past and current employee relations (contentious, harmonious, strike, etc.). _____

3. What is the Business's employee turnover rate? _____

4. Are any employees unionized? ____ Yes ____ No
5. Executive Compensation
 - a. Please list the requested information on the attached Schedule C for each officer, shareholder, and/or equity owner.
 - b. Is compensation paid to any related party who is not an officer or shareholder? (For example, spouse, parent, child, etc.) ____ Yes ____ No
If yes, please list the name, relationship, and compensation: _____

 - c. How are bonuses determined? _____

 - d. Are there any deferred compensation arrangements between the Business and its owners/officers? ____ Yes ____ No
If yes, please list the owners/officer's name and the deferred compensation amount: _____

 - e. Please list the types of fringe benefits received by an officer/equity owner. _____

 - f. Do officers/equity owners have employment contracts? ____ Yes ____ No
 - g. Is life insurance carried on the officers, directors, or equity owners? ____ Yes ____ No

6. Please list the ten highest paid non-officer employees in the schedule provided below:

Name	Position	Annual Compensation

7. Does the Business have any retirement plans? ☐ Yes ☐ No

a. If yes, please list the type of retirement plan (Keogh, profit sharing, etc.): _____

- b. If yes, is the retirement plan a defined benefit plan? ☐ Yes ☐ No

i. If yes, is the defined benefit plan overfunded or underfunded? And by what amount?

8. Are there any deferred compensation arrangements between the Business and its employees or independent contractors? ☐ Yes ☐ No

If yes, please list the name and the deferred compensation amount: _____

9. Do any employees have employment contracts? ☐ Yes ☐ No

10. Are any employees members of a Union? ☐ Yes ☐ No

If yes, please provide a copy of the contract and fill out the following the schedule:

Union Name	Contract Date	Employees Covered

Related Party Information

1. Does the Business lease office space or equipment from/to related parties? ____Yes ____No
2. Has another individual or business guaranteed any liability of the Business? ____Yes ____No
3. Has the Business guaranteed debts of another individual or business? ____Yes ____No
4. Please explain any other related party transactions, contracts, etc. and whether these items are at current market rates. _____

5. Please provide details of any related party loans in the schedule provided below:

Lender Name	Grant Date	To whom	Amount	Interest Rate	Maturity Date

Financial Statement Information

1. Were there any material unusual or non-recurring items in income or expense during the past five year period? (i.e. settlement of lawsuit) ____Yes ____No
2. List all locations of the Business (office, plants, etc.) and whether that location is owned or leased. _____

3. Have any appraisals of land, buildings, or equipment been performed within the past five years? ____Yes ____No
4. Please name all the Business's subsidiaries, operating investments and affiliated companies. _____

5. Does the Business own rights to any patents, copyrights, or trademarks? ____Yes ____No

6. Please list any assets or liabilities not recorded on the book, if applicable, in the schedule provided below:

Description	Fair Market Value at valuation date	Appraisal (Yes or No)
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

7. Please list any non-operating assets of the Business in the schedule provided below (i.e. boats, art, real estate investments, or any other assets not primarily used in the operation of the Business):

Description	Cost	Book Value	Estimated Fair Market Value	Associated Debt Outstanding	Annual Net Income/Loss
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

8. Does the Business own rights to any patents, copyrights or trademarks? ____Yes ____No

9. Please list other facilities owned or leased by the Business in the schedule provided below:

Location	Land Value	Building Value	Existing Appraisals? (yes/no)	If leased, is it at market value?
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

10. Please list the Business's future annual capital spending needs for the next five years below:

Year 1 \$ _____
 Year 2 \$ _____
 Year 3 \$ _____
 Year 4 \$ _____
 Year 5 \$ _____

11. Does the Business have any current substantial capital needs? If yes, please explain: _____

12. What is the overall condition of the Business's equipment? _____

13. Does the Business have any inefficient or obsolete equipment? ____Yes ____No

If yes, please explain: _____

14. What is the likelihood the Business's machinery or equipment will need major repairs within the near future? _____

15. Have there been any dividends paid during the past five years? ____Yes ____No

If yes, please complete the following schedule:

Year dividends declared/paid	Dividend Amount
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

16. Please complete the following if the Business has any deferred charges:

Nature of Deferral	Amount	Real Value
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

17. Please detail the Business's insurance coverage (liability, property, etc.): _____

18. Does the Business have any future plans for expansion? If yes, please explain: _____

19. Have there been any current strategic plans, long-range plans or business plans developed?

____Yes ____No

20. Have there been any current year budgets prepared? ____Yes ____No

If the Business uses cash basis reporting, please provide the following information (Questions 21-26)

21. Accounts receivable balance as of the valuation date: \$_____

a. What percentage is uncollectable? _____%

b. Will any additional work need to be completed before any of these receivables are collected?
____Yes ____No If yes, please explain (including estimates of cost to complete)_____

22. Account payable as of the valuation date: \$_____

23. Inventory balance as of the valuation date: \$_____

24. Equipment, furniture and fixtures as of the valuation date:

a. Book value \$_____

b. Fair market value (estimated) \$_____

25. Work-in-process amount (if applicable) as of valuation date: \$_____

26. Liability amounts as of valuation date:

a. Other current liabilities:

Description	Amount
_____	_____
_____	_____
_____	_____
_____	_____

b. Current portion of long term debt as of valuation date: \$_____

c. Long term liabilities:

Description	Amount
_____	_____
_____	_____
_____	_____
_____	_____

Contingency Information

1. Has the Business been audited by the IRS, OSHA or any federal or state agency in the past five years?
___Yes ___No
2. Has the Business had any environmental or hazardous waste studies, audits, investigations, etc. in the past five years? ___Yes ___No
3. Does the Business have difficulty complying with environmental regulations? ___Yes ___No
4. Is there any material litigation pending against the Business? ___Yes ___No
5. Is there any legislation pending or recently enacted which could have a material effect on the Business's operations? ___Yes ___No

If yes, please explain: _____

Other Information

1. Is there any additional information you feel is useful in valuing the Business?
Please explain in the space provided.

This image shows a single sheet of white paper with horizontal blue or grey ruling lines. The lines are evenly spaced and run across the width of the page. There are approximately 20 lines visible. The paper appears to be a standard notebook page or a sheet of stationery.

Schedule A
List of Owners

Owner Name	Position/Title	Birth Date	% Owned	# of shares owned	Years of Service or Involvement	Relationship

Schedule B
Changes in Ownership

Date of Ownership Change	Current Owner	Previous Owner	# of Shares Transferred	Nature of Transaction

Schedule C
Executive Compensation

	Name	Birth Date	Title	Salary	+	Bonus	+	Other Compensation	=	Total Compensation
Year 1					+		+		=	
					+		+		=	
					+		+		=	
					+		+		=	
Year 2					+		+		=	
					+		+		=	
					+		+		=	
					+		+		=	
Year 3					+		+		=	
					+		+		=	
					+		+		=	
					+		+		=	
Year 4					+		+		=	
					+		+		=	
					+		+		=	
					+		+		=	
Year 5					+		+		=	
					+		+		=	
					+		+		=	
					+		+		=	