
Business Succession Readiness

A questionnaire for business owner clients

Name: _____ Date: _____

HOW TO INSERT LOGO: 1) Open your logo in Microsoft Word or PowerPoint.
2) Right-click logo and select copy. 3) On PDF, left-click area above directions, select paste image. Drag to center or resize image.

ADD COMPANY NAME: Delete all instructions above and type your COMPANY NAME.

UPDATE ADDRESS: 12345 Street, City, ST ZIP
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Business and Industry Snapshot

1. Registered Business Name _____ d.b.a. _____
2. Type of Business Sole Proprietorship C-Corp S-Corp LLP Partnership Joint Venture
3. What is the nature of the business?

4. Are there affiliated entities? *If yes, complete chart below.* Yes No

SUBSIDIARIES	REAL ESTATE PARTNERSHIPS	OTHER

5. Provide a brief history of the company.

6. What is the industry or profession outlook in the future? *(i.e. Is the market increasing in the next year, five years, etc.?)*

7. How do you intend to exit from the business?
 Sell the business Align internal buyers (i.e. staff or family) Sell to existing principals/owners Liquidate Not certain

8. Is there a buy-sell in place? Yes No
If yes, what type/form of buy-sell and who are the parties of the buy-sell? _____
- a. Is the buy-sell funded? Yes No
If yes, and it is funded by life insurance, is it term or permanent? Term Permanent
If permanent, what is the death benefit, cash values, and premium? _____
If funded by disability insurance, what is the business overhead and buyout? _____

9. Are there any executive compensation plans in place for owner and/or key persons? Yes No
If yes, what are they? _____

10. Who are the key personnel in the business?

CURRENT TITLE	EMPLOYEE NAME	YEARS IN THE BUSINESS	FAMILY MEMBER (relation)	FUTURE ROLL
Officers				
Directors/ Key Managers				
Other Family in the Business				

11. Who are your outside advisors?

	NAME	COMPANY	CITY, STATE
Accountant			
Attorney			
Banker			
Investment Manager			
Insurance			

- 12. Is there an industry standard business valuation procedure or formula?** Yes No
- 13. Have you performed a business valuation recently?** Yes No
If yes, was the valuation conducted internally or externally? Internal External

Future of the Family in the Business

- 1. If family members are involved in the business, what roles will they play?**

- 2. Will a family member be able to take on ownership of the business?** Yes No
- 3. Do you fear that they may be inexperienced and possibly interfere with management?** Yes No
If yes, please explain. _____

Treatment of Children/Heirs

- 1. Are there children who are not involved in the business?** Yes No
a. How would you like to treat children who are not in the business? Have you considered ways to do this?

- 2. Would you like to treat children in the business equally?** Yes No
If yes, does this include children from previous marriages? Please explain. _____

- 3. Have you discussed the treatment of children with your spouse?** Yes No
If yes, are you in alignment, and what is his/her desire? Please explain.

- 4. Do you have a will?** Yes No
If yes, please explain. _____

Impact from the Exit Plan

- 1. What will happen to the business when you leave?

- 2. What will become of the employees under new ownership or, worse yet, if the company is moved or functions outsourced?

- 3. Have you indentified potential buyers for the business? (*children, some key employees, business partner, outside buyer, etc.*) Yes No
If yes, who are the buyers and are they internal or external? _____

Retirement Plans

- 1. When would you like to retire? (age or date) _____
 - a. Would you like to maintain your current lifestyle at that time? Yes No
 - b. Do you feel you have ample funds to continue your lifestyle? Yes No
- 2. Have you identified how you will spend your time during retirement? If so, what types of activities will you engage in?
 - a. Daily Activities _____
Special Occasions/Needs/Vacations _____
 - b. How much money will these activities require? \$ _____
- 3. Is your retirement "nest egg" dependent on payments from the business? Yes No
If yes, what happens if the company runs into financial problems? _____
- 4. Does your retirement plan require additional capital, such as another venture? Yes No
If yes, please explain. _____

Taxes

- 1. Have you established a plan for your family to handle your estate taxes? Yes No
If yes, please explain. _____
- 2. Do you have grandchildren? Yes No
If yes, do you want to leave anything for them? College Fund Trust Fund Other No
- 3. Do you have family property or other legacy interests that you want to protect? Yes No
If yes, please explain. _____
- 4. What have you done to plan for your qualified plan assets? Did you know they will be subject to income tax and potentially estate taxes, with as much as 70% going to the government?

Charitable Endeavors

- 1. Do you have charitable endeavors? Yes No
If yes, what are you currently sponsoring? _____
- 2. Have you made promises to charities you want to see fulfilled? Yes No
If yes, please explain. _____