

SELLER'S QUESTIONNAIRE

Instructions: This form is made to be filled out on the computer (Each Highlighted field is where you enter your information). Please fill out as much as possible and return to your Broker. The more detailed information you can give us the better we can present your business.

SELLER NAME

SELLER NAME

COMPANY'S LEGAL NAME

DBA

WEBSITE

COMPANY'S STREET ADDRESS

CITY

PC

COMPANY'S PHONE NUMBER

COMPANY'S FAX NUMBER

EXECUTIVE SUMMARY

1. Please describe your company and the products and services offered (sales pitch, purpose, values and goals)?

2. If this is a franchise, please fill out A-H. If not, proceed to Question 3.

A. What is the transfer fee? _____

B. What are the royalties and how often are they due? _____

C. Please explain if there are any other fees associated with this Franchise:

D. Do you expect the royalties to go up anytime in the near future?

E. What kind of training is required by the Franchisor?

F. Where is the training held? _____

G. How long is the training? _____

H. What is the cost to the buyer for training? _____

3. What is the setting like around the business? (Ex. Located next to several hotels, off the main thoroughfare, high traffic area etc.)

4. Please describe and list company highlights, and/or any major accomplishments achieved by the business that made it grow or become well known:

5. Please discuss future growth opportunities, including possible new product additions and/or service expansion opportunities into current and new markets:

6. Please specify the licenses and permits required to run and operate the business and the process of transfer for each:

7. Do you own any other businesses?
any way with this business?

If yes, are the financials combined or affiliated in

8. Who do you bank with? _____
 Do you have a borrowing relationship with them? _____ Do you give us permission to contact them, if needed? _____

Banker's Name: _____ Contact Number: _____

9. Hours of operation (Please fill in hours)

Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday

10. Explain how technology affects your business, the products you sell, and the means you use to market them (In some cases this might be a change in scanning technology, retail point of sale systems, or even video displays. In others, technology changes the nature of the goods or services you sell, such as cell phones or HD TV's).

11. Please list company's primary strengths:

- _____
- _____
- _____
- _____
- _____
- _____
- _____
- _____

12. Please list company's primary weaknesses:

- _____
- _____
- _____
- _____
- _____
- _____

BUSINESS HISTORY

1. Are there any events that have negatively or positively affected the company financials? (This can include moving, capital investments, loss of a major client, etc.)

If YES, explain:

2. Do you have any issues with any regulatory agencies (Canada Revenue Agency, Environment Canada, WCB, Labour Board etc.)? If YES, explain:

3. Have you been involved in any prior litigation? If YES, explain:

4. In order to successfully run and operate your business, what kind of skills and abilities would be helpful for a buyer to have?

5. How much time would it take a new buyer to learn the duties and responsibilities of this business?
____hours/week for____months. How long would you be willing to train the buyer?
____hours/week for____months.

6. What is the average working capital needed per month? \$_____

7. What is your reason for selling?

EMPLOYEES

1. What is the company policy for offering employee benefits and bonuses?
2. Are there any commitments to employees or independent contractors regarding future compensation increases? If YES, please specify:
3. Are there any recent or anticipated changes in management? If YES, please explain:
4. Describe your company's employee turnover and how it compares to your industry:
5. Are there any family members active in the operation and/or on the payroll? If YES, are they willing to stay on?
6. Do any employees know about the sale of the business? If YES, are they willing to stay on?
7. Are there any current employees who would have the capability of replacing the owner and their duties and responsibilities? If YES, please provide information

PRODUCTS & SERVICES

1. Please provide a FULL description of your company's products/services?

2. What problem does your company solve?

3. Please outline the major categories of products/services you provide and the estimated percentage of sales each make up:

Product/Service	Description	% of Sales

4. Specify potential growth and expansion in the products and/or services:

- _____
- _____
- _____
- _____

5. Describe the sales process from start to finish:

6. Are you aware of any future changes to your products/services, competition, market etc., that could impact your business? If YES, please explain:

7. Which trade associations cater to your industry? (Please indicate which associations you are a member of):

MAJOR CUSTOMERS

1. If any one customer makes up more than 10% of sales, please provide the percentage of sales volume for the top ten customers. No names are required:

Customer	%	Customer	%

2. Describe your target market:

3. Please provide your typical/targeted customer and the percentage of your total customers they represent:

Customer Type	Description	%

4. How much repeat business vs. new customers in the last three (3) years?

_____ vs. _____

5. Please describe any contractual relationships you have with your clients:

6. What is the percentage of customers conduct business directly with you, the current owner? (These customers have other businesses they could go to but choose you because of a personal relationship) %

COMPETITION AND MARKETING

1. How many direct competitors do you have? _____

2. List your top 3 competitors and describe their services, strengths and weaknesses:

Competitor	Strengths	Weaknesses

3. Describe any competitive trends that may affect your business and/or industry (threats as well as opportunities), short or long term:

4. How are your services and products different from that of your competitors (what makes your company unique)?

5. Describe how you market to potential customers:

6. What strategies have you planned but not yet implemented to expand your business and customer base?

7. List each marketing media used below:

Marketing Media	Description	Annual Cost	% rev. created

8. In your opinion, how could a purchaser improve the sales performance?

9. Does your company have any notable partnerships or alliances? If YES, please provide information:

10. Are your products or services dependent on specific suppliers? If YES, please explain:

FACILITIES

(If more than one location, please attach a separate document with all required information)

1. Land – How many acres: _____, How many square feet: _____, Seating Capacity: _____, Parking Stalls: _____.

2. Is the Real Estate Owned or Leased? If Owned, skip questions 4-7. If Lease, skip question 3

3. If Real Estate is owned, is it available for sale?

- Real Estate Price: \$ _____
- If leasing to the buyer, what are your terms and price?

- Has the tax assessment recently increased? If YES, please explain:

4. When does your current lease expire? _____ Monthly Rent: \$ _____
CAMS: \$ _____ Other: \$ _____

Please be sure to attach a copy of your lease!

5. Is the lease assignable?

6. What are the terms and options of the lease?

7. Have you had, or do you anticipate any disputes with the landlord or problems with the premises the business occupies? If YES, please explain:

8. Is the facility fully utilized?

If NO, what is the percentage available for expansion? _____%

9. Please list any recent additions, such as Heating/Air Units, New Roof etc.

10. Are there any restrictions on the transfer of stock or assets? If YES, please explain

INVENTORY

1. When is the inventory ordered?

2. Who orders the inventory?

3. What is the average amount of inventory held? \$ _____

4. How frequently does the inventory turn?

5. Is there any dead inventory? If YES, what percentage of inventory? _____%

6. Is there any equipment used in the business that is not in good an operable condition, or for which maintenance has been deferred, or is not suitable for the current usage?

If YES, please give details:

ASSET LIST

An asset list is required. This is a list of any and all assets that will sell with the business. A total Fair Market Value of the assets will be needed. Fair Market Value is the amount of money your equipment would sell for, given a fair amount of time to resell your equipment through any channel of sales.

OTHER INFORMATION

This will help us format a marketing profile to advertise your business for sale. Pictures speak 1000 words!! Be sure to include some great shots of the inside and outside of your business. If there are any other items you think would be beneficial to include, please send as a separate attachment. This can be sales literature, copies of advertisements, awards, website traffic (if applicable), business logo, menu of offerings, videos, organizational charts, real estate aerials, etc.

SELLER AFFIRMATION

The Seller(s) submits and affirms the information has been completed from company books, records and information in view of the listing agreement with Sanderson Business Services. Seller(s) understand that the users of such information will assume it is an accurate and fair representation of the operations of the Company and will use the information accordingly. The users of this information are instructed by the Seller(s) to assume any and all unanswered questions as set forth herein are not applicable. Seller(s) agrees to promptly and without any delay inform Sanderson Business Services of any changes to the information contained herein.

The information furnished in this questionnaire and any documents provided or to be provided are materially accurate and completed to the best of my knowledge.

SELLER NAME (PRINT)

SELLER SIGNATURE

SELLER NAME (PRINT)

SELLER SIGNATURE

DATE: _____