

AMERICAN BUSINESS APPRAISERS™

Certified Business Valuations and Machinery / Equipment Appraisals

Request for Documents & Information

Appraisal Assignment: _____

Date of Request: _____

Request Sent By: _____

Request Made to: _____

Valuation Date (as of): _____

1. **Financial Statements:** Copies of the full set of financial statements for the **five** most recently completed accounting years, **if available**. Also, **if available**, the financial statements for any *interim period since the end of the most recent full year*, together with a copy of the financial statements for the same interim period portion of the prior year.
 - 1.1 **Supporting Schedules:** Each of the financial statements should include a schedule of:
 - 1.1.1 for the **balance sheet**: a) other assets; b) any investment type assets; c) deposits and prepaids if significant; and d) "other liabilities."
 - 1.1.2 for the **income statement**: a) cost of sales; b) any other income; c) any other expenses; and d) the more common line items expense breakdown.
2. **Income tax returns:** For the same years as above (if available).
3. **Accumulated Depreciation:** Unlike the schedules under 1.1, we need this schedule only as of the most recent balance sheet. A schedule of the accumulated depreciation broken down by category of depreciating assets with the aggregate equal to the total of the accumulated depreciation on the balance sheet. (Simply providing the depreciation schedule does not satisfy this request.)
4. **Related Party Activities:** A copy of any loans, leases or other agreements between the business and any of the owners/shareholder(s) or entities in which any shareholder(s) are principals.
5. **Ownership Agreements:** Copies of any agreements among or between the owners/shareholders of the business, or between owners/shareholder(s) and non-owner/shareholders. Including, but not limited to, buy-sell agreements, options, and right of first refusal.

Provided

Yes No

Yes No

Yes No

Yes No

Yes No

Yes No

Yes No

- | | <u>Provided</u> |
|---|--|
| 6. Operating Agreements: Copies of any operating agreements; including, but not limited to: (i) franchise/licensing agreements; (ii) leases on buildings, fixtures, equipment or vehicles; (iii) other loan agreements that contain any special conditions limiting the rights of the owners/shareholders to operate the business as they wish; (iv) agreements with customers or suppliers obligating either to purchase or sell a certain quantity of goods or services; (v) an overview of any profit sharing/pension type plans, including who is covered, whether the amount paid is voluntary or obligatory, and if unfunded pension amounts are due, management's plan for paying same; (vi) any employment contracts with employees. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 7. Aging Reports on Receivables and Payables: As with the above schedules, this should be as of the appraisal date or the closest date prior to the appraisal date. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 8. Other Appraisals: Copies of any other appraisals of the business or its assets. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 9. Nonoperating Assets: A schedule of nonoperating assets. These are not assets, which are in disrepair or malfunction but assets owned by the business, which are not necessary to its operation. Assets that could be removed without disadvantaging the business, as they do not contribute to the generation of sales or profits. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 10. Conflicts: An explanation, including copies where appropriate, of any current or pending conflicts; including but not limited to, litigation, licensure, regulatory compliance (OSHA, EPA, IRS, etc.) and contractual breach or interference. If litigation, have your attorney prepare an assessment of the case for you to include. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 11. Intellectual Assets: Explanation of any: (i) intangible assets owned by the business; and (ii) any intellectual assets, including but not limited to, patents, copyrights, etc. For any intellectual assets please include copies of the patent/copyright registration, cost for you to create and a schedule of any income, expenses and profits directly attributable to the item. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 12. Questionnaire: Our supplied questionnaire completed as of the appraisal date. | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 13. Other: Any other information with which we should be informed. | <input type="checkbox"/> Yes <input type="checkbox"/> No |

Unless the documents provided stipulate to the contrary, we will deduce the business is in full regulatory compliance, in all respects, at all levels, and that there are no legal, tax or contractual entanglements or restrictions on transferability. And, further that the answer to any of the above not otherwise answered is "none", whether or not so stated. It is possible, following our review of the above; we may need to request some additional information.

Should you have any questions, please contact us.