

# Indication of Value and Business Planning Feasibility Questionnaire



## CLIENT CONTACT INFORMATION

Company Name:

Street Address:

City, State, ZIP:

Website:

Business Description/Classification:

SIC/NAICS Code:

Name and Title of Contact:

Phone:

Email:

CEO:

CFO:

CPA/Tax Advisor:

Legal Advisor:

## ADVISOR CONTACT INFORMATION

Name:

Street Address:

City, State, ZIP:

Phone:

Email:

**CORPORATE STRUCTURE**

**Type of Entity**

- "C" Corporation
- "S" Corporation
- Limited Partnership
- Limited Liability Company
- Sole Proprietorship
- Other

**Fiscal Year End:** \_\_\_\_\_ (calendar/other) **Year Established:** \_\_\_\_\_

**Affiliates, Subsidiaries, Holding Companies (whether or not tax returns are consolidated):**

Company Name	Relationship

**Ownership**

Owner Name	% Ownership	Age	Active in Business?	Years of Service	Cost Basis

**Employee Base (# of employees):**

Non Union: \_\_\_\_\_ Union: \_\_\_\_\_

**VALUE INFORMATION**

Approximate Value of the Company:

How is this value determined? Please explain.

- Owner's Opinion
- Offer(s) to buy
- Stock Sales (explain)
- Appraisal (give purpose)
- Other

**EBITDA CALCULATION**

What is the expected annual growth rate of the company for:

a) next 12 months \_\_\_\_\_ b) next 5 years \_\_\_\_\_

What are the Earnings before Interest Taxation Depreciation and Amortization (EBITDA) of the company for the most recent fiscal year end or LTM period?

Are there any adjustments or add-backs for non recurring or non business activities that should be made to EBITDA? Please refer to below table as guidance to what expense types are considered add-backs:

Add-Back	Allowable	Amount for last fiscal year-end?	Amount during last 12 months?
Compensation	Executive/owner compensation in excess of market		
Personal Expenses	Personal Vehicles (lease, gas, insurance, etc.)		
Personal Expenses	Personal Travel & Entertainment		
Personal Expenses	Other (vacation home, non-employee family members on payroll, country club dues, etc.)		
One-time/non-recurring	One-time software / IT implementation		
One-time/non-recurring	One-time employee recruiting services		
One-time/non-recurring	Abnormal fees/penalties above normal levels		
One-time/non-recurring	Supplier / vendor fees above normal annual levels due to uncontrollable circumstances		
One-time/non-recurring	Above normal marketing/advertising costs		
Legal & Professional	Above normal legal fees / non-recurring		
Legal & Professional	Estimated lawsuit settlements		
Legal & Professional	Above normal accounting fees (ie. extra fees besides usual annual / quarterly reports for tax purposes)		
Non-business related	Charitable contributions & donations / personal gifts		
Non-business related	Other:		
Non-business related	Other:		

List any "special circumstances" that may affect the value of the business:

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Please list family members employed at the company. (full time and part time)

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**Real Estate**

Does the business own the land/facility:  Yes  No

Is rent *below* market, *at* market, or *above* market? \_\_\_\_\_

If *below* or *above*, by how much? \_\_\_\_\_

**CORPORATE & PERSONAL OBJECTIVES**

Please prioritize, 1 = most important – list top 3 or 5 only

- \_\_\_\_\_ Cash out one or more shareholders and avoid capital gains tax  
Who (list) \_\_\_\_\_
- \_\_\_\_\_ Sell or merge the company
- \_\_\_\_\_ Retire Immediately \_\_\_\_ Next 5 years \_\_\_\_ 10 years or more \_\_\_\_\_
- \_\_\_\_\_ Sell Company to management group with tax advantages to both buyer and seller
- \_\_\_\_\_ Get equity into the hands of employees with shareholder & company tax benefits
- \_\_\_\_\_ Infuse working capital into the company
- \_\_\_\_\_ Create private market for company stock
- \_\_\_\_\_ Refinance existing debt making both principal & interest tax deductible
- \_\_\_\_\_ Increase employee productivity and thereby increase company profitability
- \_\_\_\_\_ Induce employees to remain with the company
- \_\_\_\_\_ Attract executives to join the company
- \_\_\_\_\_ Improve the effectiveness and reduce the cost of employee benefits, including pensions and profit sharing plans.

Additional comments about objectives?  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**INITIAL FINANCIAL DATA REQUESTED**

Please provide the following:

- 1) Completed Questionnaire (as best as possible)
- 2) Three years of financial statements (Balance Sheet and Income Statement, plus any accounting notes if available, plus most current year-to-date if available)
- 3) We DO NOT accept tax returns as part of this process. If there are no other sources of financial data, please inform your contact so that we may discuss if a Calculation of Value can be completed.

PLEASE NOTE: Only electronic submission is available.

***Please email the completed form to the Advanced Markets Team at [advcasedesign@sfgmembers.com](mailto:advcasedesign@sfgmembers.com)***

**CONFIDENTIALITY AGREEMENT RELATING TO THE DISCLOSURE OF FINANCIAL INFORMATION**

In consideration of Marshall Stevens Capital LLC and its affiliates (hereinafter "MSC") and disclosure of information regarding the proposed review of business succession planning and transaction options, the Undersigned agrees to the following terms and conditions.

1. Confidentiality. The Undersigned understands and agrees that any information with respect to the proposed review of planning option furnished to "MSC" is sensitive and confidential and shall be maintained by the "MSC" with the utmost confidence. The term "Information" includes, contact information, financial and operational data and all other information and data pertaining to the company and its businesses and even the fact that the Information has been provided or that the company is considering any planning or transactions related to the business. MSC understands that all information is being furnished solely in connection with its initial planning and options feasibility analysis as a prospective advisor to the "Undersigned".

2. The Undersigned acknowledges that the Information furnished now and in the future to the Undersigned is considered to be trade secrets and as such is integral to the continuance of MSC's business and the businesses of the company. The Undersigned agrees to take steps to ensure that information about the company obtained by the Undersigned or any of the Undersigned's employees, co-workers, corporate officers, agents attorneys, directors, stockholders, financial institutions, or representatives shall remain confidential and shall not be disclosed or revealed to sources not related to the proposed transaction or used in any manner inconsistent with this Confidentiality Agreement. Disclosure or Information shall not be prohibited if such disclosure is required in connection with enforcement or protection of rights with respect to this transaction or if disclosure is required pursuant to any applicable law or administrative or judicial order, rule, or regulation.

This Agreement shall be governed in accordance with the laws of the State of California. A facsimile of a signature on this Confidentiality Agreement shall be legally binding to the Undersigned.

ACCEPTED AND AGREED: ("Undersigned")

By:

<b>Marshall Stevens Capital LLC</b>	<b>Undersigned</b>
Signature:	Signature:
Print Name:	Print Name:
Title:	Title:
Date (mm/dd/yyyy):	Date (mm/dd/yyyy):

**AGREEMENT AND ACKNOWLEDGMENT ON THE USE OF SERVICES FROM MARSHALL STEVENS CAPITAL LLC FOR BUSINESS PLANNING AND OPTIONS ANALYSIS**

By signing below, you agree, understand, and acknowledge the following in connection with the services provided by Marshall Stevens Capital, LLC ("MSC") should you elect to retain them in connection with exploring business planning options:

1. MSC has entered into a separate agreement with Midland National<sup>®</sup> Life Insurance Company ("Company") whereby MSC provides to Company and its agents and sales representatives training and distribution support services.
2. The services described above include determining a range of value and/or identifying situations where implementing a particular business plan or strategy may be appropriate.
3. MSC is an independent organization and is not an affiliate of the Company or any of its employees, agents, representatives, or affiliated companies.
4. If you elect to retain MSC to provide additional valuation or a more in-depth analysis of business planning options beyond what is provided through the Company, you will be responsible for paying for those services. The preliminary valuation and other services MSC will be providing, as described herein, will be paid for by the Company.
5. While you may benefit from the services provided by MSC to the Company, MSC is not an agent or representative of the Company for purposes of any solicitation or ultimate purchase of any Company life insurance policy or other Company financial or insurance products. Any such purchase will be done solely through our appointed life insurance agent or Company representative.
6. You do not receive any individual discounts or benefits in retaining MSC other than those incidental to the services being provided to the Company.
7. In connection with retaining MSC, there are no requirements or conditions to purchasing life insurance or any other financial or insurance product from Company and you should make any life insurance purchase decision only after consulting independently with your business, tax, and legal advisors.
8. Any personally identifiable information or any other information provided pursuant to your engagement of MSC is governed by the included Non-Disclosure Agreement.

Signature of Customer Retaining MSC: