

## Information Needs List for the Business Valuation of a Multi-Location Retailer



**For Questions Regarding this List Contact:**  
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**Note: Please provide information in PDF format (not password protected). We have a secure server to which this information can be uploaded easily from your computer (information encrypted during transmission to our server) and is easier and more secure than by email. Please email the names and email addresses of parties who will have access to submitting or retrieving information from the server and we will establish password protected accounts for them.**

### **Company:**

### **Valuation Date (Value as of):**

1. Last five years of detailed annual financial statements (accrual), including balance sheets, income statements, statement of cash flows, accompanying accountant notes to statements.
2. Last five years federal corporation income tax returns and any associated amendments.
3. Year-to-date financial statements (to valuation date), including detailed balance sheet and income statements, and for same year-to-date period of prior year.
4. List of subsidiaries, parent or affiliates, if any, along with relevant financial statements for the last five fiscal years, along with current interim and year-to-date financial statements up to the valuation date. Also include consolidated and consolidating financial statements of the Company and its subsidiaries, along with inter-co. eliminating entries.
5. Equipment list and depreciation schedule.
6. Current detailed accounts receivable aging as of valuation date.
7. Unusual or non-recurring costs, by year, each of the last five fiscal years. Personal, non-business related expenses paid by Company, by year, each of the last five fiscal years.
8. Provide a detailed, itemized breakdown, for each officer who is a shareholder, each shareholder, and director and their associated family members of the following by year for the last five fiscal years:
  - Annual compensation, director fees.
  - Life insurance premiums.
  - Schedule of any deferred compensation
9. Amount of compensation paid by year by individual, each of last five fiscal years, to persons noted working in the business day-to-day (other than prior employees on disability).
10. Copies of management letters prepared by the Company's public accounting firm, if any.
11. Budgets, forecasts or business plans or projections of any kind, if any.
12. Dividend/S distribution policy presently and any anticipated changes, if any.
13. Following store related information:
  - Rent roll summary of stores and their lease terms. Please note those that are leased from related parties and from whom.
  - Number of stores at valuation date and location (city, state). Date opened.
  - Stores planned for closure. Store openings planned.
  - Number of stores closed in each of last five years.
  - Summary P&L results (not full P&L) by store location, each of the last 5 fiscal years.
14. Purchases by supplier (in dollars), latest fiscal year, five largest.
15. Summary of financing arrangements and terms (if not already contained in notes to financial statements in item 1).
16. Copies of the following:
  - Distributorship agreements.
  - Employment agreements.

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- Covenants-not-to-compete.
  - Supplier and/or franchise agreements.
  - Customer agreements and contracts.
  - Royalty agreements.
  - Equipment lease or rental contracts.
  - Labor contracts.
  - Joint venture agreements.
  - Contracts to purchase or sell assets or stock
17. Schedule of life insurance in force, with the following information on policies covering shareholders or officers:
- Face amount of policy.
  - Ownership of policy.
  - Beneficiary.
  - Cash value, if any, at the valuation date.
  - Amount of annual premiums paid by the Company.
  - If valuation is for estate tax return purposes provide the amount of life insurance proceeds paid (or payable) to Company as a result of the decedent's death.
18. Full and complete copies of Company documents including:
- Articles of incorporation (Articles of Organization if LLC).
  - Bylaws (Operating Agreement if LLC).
  - Any amendments to the foregoing.
  - Corporate minutes.
  - All corporate documents of any kind.
  - Shareholder or buy/sell agreements.
  - Options to purchase or sell stock, rights of first refusal.
  - Trust agreements.
  - Other documents affecting the ownership rights of the interest being valued
19. List of stockholders (members if LLC) as of the valuation date, including the number of shares (membership interests if LLC) held by class (voting, non-voting, common and preferred).
20. Information on all prior transactions in the Company's shares for consideration (not gifts), including terms, purchase price, any written contracts.
21. Information on any past, current or potential future offers, plans, or consideration given to (even if highly preliminary and not acted upon):
- Buy or sell part or all of the Company's shares (or membership interests) or assets.
  - Undertake a public or private offering of the shares (or membership interests).
  - Establish an Employee Stock Ownership Plan.
  - Offer stock options.
  - Sell the Company (either stock, membership interests, or assets, in whole or in part).
  - Undertake joint venture arrangements with others.
  - Solicit or obtain venture capital.
22. Information on any offers made or discussion (even if no offer materialized) concerning the possible sale, acquisition or, or merger with the Company, even if general, or highly preliminary, currently or historically.
23. Brief written history, if available
24. List of key competitors. Please make a notation besides those that are publicly held
25. List of current managerial and key employees, with the following information:
- Start date with Company.
  - Position
  - Annual compensation

Provide information on any reasons why the Company would or would not be able to continue to successfully operate in the event of the death, disability or termination of employment of any of these key employees.

26. Organizational chart, resumes of top officers.
27. Consulting studies prepared for the Company, if any. Business plans, if any.
28. Information on any related party transactions of any kind whatsoever, including but not limited to the following:

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- Leases of real or personal property.
  - Management or service fees.
  - Loan guarantee fees.
  - Purchases or sales of goods or services.
29. Any contingent or off-balance sheet assets or liabilities of any kind whatsoever, such as:
- Pending or threatened lawsuits.
  - Regulatory compliance requirements.
  - Warranty or other product liability.
  - Hazardous waste or other environmental.
  - ERISA claims or problems. OSHA problems.
  - Letter of credit liabilities.
  - Liens or judgments of any kind.
  - Guarantees by the Company of any obligations.
  - IRS liens, payroll, sales or other tax liens- payment status of all of these items.
  - Status of any current or past IRS audits.
  - Any current, pending or threatened default on bank loan agreements or acceleration of loans.
  - Off balance-sheet assets or liabilities not showing on the latest balance sheet provided Banister.
  - Exposure on self-insurance programs and degree to which reinsurance partially or fully covers the anticipated liability.
  - Exposure under phantom stock ownership plans.
  - Any other material contingency or liability of any kind whatsoever.
30. Information on:
- Any recent, pending or possible future loss of a key product line, distributorship right, customer or supplier that might materially impact the business.
  - Any recent, pending or possible future addition of a key product line, distributorship right, customer or supplier that might materially impact the business.
  - The recent loss of key employees that might harm the business, whether through a loss of revenues, result in the establishment of a competing company, or any other material impact on the business.
  - Pending or possible acquisitions or purchases of other companies or assets, product lines, etc.
  - Any factor of any kind that might have a material impact, positively or negatively, on the Company's financial or operating performance, or value.
31. Copies of any existing indicators of asset values, including latest property tax assessments and any appraisals that have been prepared including real and personal property appraisals
32. Please provide a list of all assets and liabilities that are not used in the day-to-day business. For example, non-operating assets might include marketable securities, cash value of life insurance, investment or excess real estate, assets held for sale or for personal use.
33. Copies of patents, trademarks, trade names, service marks.
34. Any other factor or issue that materially (or might) impacts the Company, its' operating or financial results, investment performance or value not previously listed.