

TEN QUESTIONS FOR PROSPECTIVE BUSINESS VALUATION ENGAGEMENT

1. Entity to be valued
 - a. Name
 - b. Business/Industry
 - c. Type of entity
2. Interest to be valued
 - a. Percentage interest or number of shares
 - b. Capital structure
 - c. Controlling or minority
3. Purpose of valuation
 - a. Type of engagement
 - b. Timing of report
4. Valuation date
 - a. Tax return deadline
 - b. Discovery deadline
 - c. Trial date
5. Fiscal year
 - a. Current financial information available
 - b. Interim information available
6. Documents available
 - a. Financial statements & level of service
 - b. Income tax returns, prior gift tax returns
 - c. Shareholder agreement, operating agreement, partnership agreement
 - d. Previous valuations
 - e. Previous sales of stock
 - f. Recapitalizations
7. Related parties
 - a. Parent/subsidiary
 - b. Brother/sister
 - c. Landlord
 - d. Supplier
8. Financial profile
 - a. Annual Revenue/Sales
 - b. Profitability
 - c. Bank or other financing
 - d. Appreciated assets (real estate, securities, machinery)
9. Client
 - a. Relationship to entity being valued
 - b. Financial responsibility/source of payment
 - c. Authority to engage
10. Fee expectations
 - a. Other quotes
 - b. Estimates provided by accountant or attorney
 - c. Previous valuations