



Exit
Planning
Institute™

SET FOR LIFE QUESTIONNAIRE

AN EDUCATION COMPANY COMMITTED TO PROVIDING TOP PROFESSIONAL
ADVISORS THE BEST INDUSTRY CONTENT, ONGOING PRACTICE SUPPORT, AND
OWNER EDUCATION RESOURCES

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INSTRUCTIONS:

Step 1: Answer all questions for each category.

Step 2: Rate each of your answers with Common Sense Scoring.

Common Sense Scoring:

1- Bad/ Nonexistent

2- Needs Improvement

3- Slightly Below Average

4- Slightly Above Average

5- Best-in-Class

6- In a Class of One

Step 3: Add your ratings together and put your total in the TOTAL RATING section for each category

Step 4: Divide your TOTAL RATING by the MAXIMUM RATING for each category to get your category ATTRACTIVENESS SCORE.

STEP 5: Add all TOTAL RATING scores together and divide by the total MAXIMUM RATING score to find your business ATTRACTIVENESS SCORE



	Answer	Score
1. Do you have an estate plan? a. No b. Yes, but it is over 5 years old c. Yes, my estate plan is current	_____	_____
2. Do you have a succession, exit or transition plan defining your eventual exit from the business? a. Yes, a plan is in place b. Yes, but the plan is incomplete c. No plan	_____	_____
3. Do you have a comprehensive tax strategy that integrates your long-term goals and objectives with your eventual exit? a. No b. Yes, but the plan is incomplete c. Yes	_____	_____
4. Have you ever had a formal business valuation completed for your business? a. No b. Yes, within the last year c. Yes, but over a year ago	_____	_____
5. Do you know how much you need, not want, to net, if and when you exit your business? a. Yes b. No c. Yes, but analysis incomplete	_____	_____
6. Do you have a contingency plan in case you become Incapacitated? a. No b. Yes, but is incomplete c. Yes, plan is complete	_____	_____
7. Are your partners and/or family in agreement with your long-term plans and objectives for the business? a. Yes, all partners/family members fully agree b. No, some disagreement but I have voting control c. No, there are unresolved disagreements d. Unknown, the issue has never been discussed	_____	_____



	Answer	Score
8. Do you have a strong management team in place? a. Yes, team capable of running business without me b. Yes, but there are gaps in management c. No experienced management team in place	_____	_____
9. Does the business have customer concentration? a. Top 5 customers under 10% b. Top 5 customers 10-20% of sales c. Top 5 customers 20-50% of sales d. Top 5 customers over 50% of sales	_____	_____
10. Do you have a strategic business plan? a. Yes b. Yes, but is incomplete or not updated c. No, only have an annual budget d. No plan or budget in place	_____	_____
11. Are your products/services threatened by obsolescence or global competition? a. Yes, global competition b. Yes, product obsolescence c. No product obsolescence or global competition	_____	_____
12. Is equipment up to date and in good working condition? a. Equipment in good working order b. Need minor expenditures to replace or update c. No, need significant capital expenditures to replace, expand or update	_____	_____
13. Are your offices or buildings adequate to serve the needs of the business? a. Yes, our office and/or building(s) are adequate b. Yes, but additional space will be needed in the next several years c. No, the business needs additional space now	_____	_____



	Answer	Score
14. <i>Is the industry/market in which you compete growing?</i> a. <i>Declining</i> b. <i>Flat market</i> c. <i>1-3% growth per year</i> d. <i>4-9% growth per year</i> e. <i>10% or more growth per year</i>	_____	_____
15. <i>How competitive is your marketplace?</i> a. <i>Few competitors</i> b. <i>Somewhat competitive</i> c. <i>Very competitive</i>	_____	_____
16. <i>Do you have significant market share or a protected niche in the market?</i> a. <i>Small market share and/or no protected niche</i> b. <i>Small market share but a protected niche</i> c. <i>Significant market share but no protected niche</i> d. <i>Significant market share and a protected niche</i>	_____	_____
17. <i>Are your profit margins in line with industry norms?</i> a. <i>Yes, margins are better than the industry</i> b. <i>Yes, margins are in line with industry benchmarks</i> c. <i>No, margins are somewhat below industry standards</i> d. <i>No, margins are significantly below the industry standards</i>	_____	_____



18. Does the company have a consistent record of sales and profit growth?

- a. Growth record has been consistently positive
- b. Sales growth flat or down but profit growth up
- c. Sales growth up but profit growth flat or down
- d. Sales and profit growth flat or down

Answer

Score

19. Is the company's business seasonal?

- a. No seasonality
- b. Minor seasonality
- c. Company is very seasonal

20. What was the company's pre-tax profit in 2019?

- a. Less than \$1 million
- b. \$1 million to \$2 million
- c. \$2 million to \$5 million
- d. Over \$5 million

21. Are your financial statements audited?

- a. Yes, financial statements are audited
- b. No, financial statement are reviewed
- c. No, financial statements are compiled
- d. No, financial statements generated internally by Quickbooks or other



	Answer	Score
22. Is your company organized as an “S” corporation? a. No b. Yes, but “S” election occurred after 2009 c. Yes, election prior to 2009 d. Yes, company has always been an “S” corporation	_____	_____
23. Has your company had any material lawsuits? a. No b. Yes, but lawsuit was settled over 5 years ago c. Yes, company was sued in the last 5 years d. Yes, company is currently a defendant in a minor lawsuit e. Yes, company is currently a defendant in a major lawsuit	_____	_____
24. Does the company have sufficient business insurance to cover Potential liabilities? a. Yes, company has sufficient insurance b. Yes, but insurance analysis has not been performed in the last 3 years c. Yes, company has some coverage but has known gaps d. No insurance coverage	_____	_____
25. Has your company ever had an environmental audit? a. Yes, completed audit in the last 3 years b. Yes, completed audit over 3 years ago c. Yes, but there are outstanding environmental issues d. No, environmental audit is not applicable in our business e. No, never had an environmental audit	_____	_____



TOTAL RATINGS

Personal _____ / 42

Operations _____ / 36

Market & Industry _____ / 24

Financial _____ / 24

Legal & Regulatory _____ / 24

TOTAL COMBINED RATING _____ / 150



ATTRACTIVENESS SCORE

Take your **TOTAL COMBINED RATING / 150** to get your **ATTRACTIVENESS SCORE**.

0 - 17% : *Poor or Non-Existent*

18 - 33%: *Needs Improvement*

34 - 50%: *Slightly Below Average*

51 - 67%: *Slightly Above Average*

68 - 83%: *Best in Class*

84 - 100%: *Industry Leader “The Standard”*