



## CORP.- FIRST REQUEST OF DATA NECESSARY FOR VALUATION

- I Company Industry SIC Code and NAICS code (North American Industry Classification System)
- II Year end **Audited** Financial Statements, which should include: Balance Sheet, Income Statement Cash Flow Statements, including the notes for the **years 20XX-20YY** and Interim Financial Statements for 20ZZ.
- III If necessary:
  - a) Availability to inspect and photocopy of Stockholders Register Book and Minutes.
  - b) Article of Incorporation, bylaws and amendments to either.
  - c) Stockholders Agreements
  - d) Availability tour of the facilities
  - e) Availability for employees interviews
  - f) List of Stockholders and those in management. Please include work starting date for those in management.
- IV. The following **actual** detailed financial schedules and information:
  - 1. Accounts Receivable aging report- (Detailed Aging)
  - 2. Accounts Payable- (Detailed Aging)
  - 3. Actual Detailed Inventory Listing
  - 5. Account receivable –related. Identify related entity and financial information.
  - 4. Payroll- Summaries including executive compensation and Employment contracts
  - 5. Directors and Officers (who are also stockholders) compensations. Include contracts.
  - 7. Detail and evidence of stockholder advances to/from the corporation.
  - 6. Property and Equipment-Subsidiary Listing, including purchase years.
  - 7. All Government reporting and payment requirements such as Income Tax Returns, State Department, Municipality, etc.
  - 8. Long term debts agreements; cash flow/working capital requirements, if any.
  - 9. List of professional services and outsourcing.
  - 10. Rent expense details plus contract photocopies
  - 11. Leasehold Improvements detail.
  - 12. Identify and list discretionary expenses
  - 13. Detail list of Officers, Stockholders and employees' personal expenses paid by the corporation.
  - 14. Detail history of Dividends declared and paid.
  - 15. Detail history of ALL stocks transactions.
  - 16. Identification of Automobiles assigned to owners
  - 17. Schedule of Insurance in force (key-person life, property and casualty, liability)
  - 19 Identify any non-operational assets and liabilities.

**Availability to inspect and produce as needed and if necessary, the General Ledgers and other accounting books, such as check registers, sales and income register, costs subsidiaries, inventory listings, projects cost subsidiary, property and equipment subsidiaries, etc. including access to, if necessary, all accounting supporting evidence.**



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- V Appraisal reports or estimated Fair Market Value of Property and Equipment
- VI. Contractual Agreements- Clients, Suppliers and others  
Lease contracts, Notes Payables  
Expiration dates for any permits & licenses
- VII. Products Markup price policies
- VIII. Breakdown of Sales geographically and by product line. Brochures of the company
- IX. List of sources of information about the business industry such as: Associations, Journals, market and economics studies.
- X. Names, telephone and addresses of **Major Suppliers and Major Clients including any exports clients.**
- XI. Names, telephone and addresses of **comparable competitors** in Puerto Rico
- XII. Information about contingencies and pending litigation.
- XIII. Operating Information. (Please write in "Office Word software").
  - 1. Company History and major historical events
  - 2. What are the principal markets?
  - 3. Brief description of the business, including position relative to competition and any factors that make the business unique.
  - 4. What is the future outlook for growth, or lack of growth?
  - 5. List of Competitors with locations, relative size, estimated sales volume and any relevant factors such as position with others.
  - 6. Describe product differentiation from Competition
  - 7. What are the relative strength and weaknesses of each of these competitors?
  - 8. What are the company major strengths and weaknesses?
  - 9. What are the company's key factors that enable it to operate profitably?
  - 10. What is the company doing or will do that will cause the future to differ from recent history?
  - 11. Who is responsible for advertising?
  - 12. Customers and Main Suppliers (Contractual Agreements and Obligations)
  - 13. How is the trend affecting the future growth outlook?
  - 14. What are the business major accomplishments?
  - 15. Description of duties and responsibilities of Key Administrative employees.
  - 16. Describe market area.
  - 17. Describe Cyclical or seasonal
  - 18. Describe distribution channels
  - 19. What are barriers of Market Entry?
  - 20. Describe and identify in detail exports markets
  - 21. Employees, how many, their years of experience, academic preparation, etc.



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22. Clients description line of businesses and the industry they pertain, how many recurrent and their related sale volumes.
  23. Describe distribution channels
  24. Describe Cyclical or seasonal
  25. List product lines and their description. Please provide any suppliers exclusive contract.
  26. Describe future planned capital expenditures
  27. Describe short financing and long term financing arrangements and any plans to restructure. Has company been denied credit? Describe.
  28. Describe Government and environmental regulations.
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- XIV Please provide any studies of the industry specifically related to company business, if available.
  - XV Environmental restrictions and laws affecting the industry
  - XVI Statistics for the market area, if available.
  - XVII Which are the zoning restrictions?
  - XVIII Is there idle capacity? How much?
  - XIX List of Key personnel, including employee's age, position, compensation, length of service, education and prior experience. Please provide resumé.
  - XX Are written business policies and procedures available?
  - XXI Describe the Internal Controls established.
  - XXI Organization chart.
  - XXII Client Representation Letter (to be signed after all documentation has been produced)
  - XXIII List of governmental agencies to which statistic information is sent every year.
  - XXIV Physical Addresses of Retail Stores.
  - XXV 2005 stock purchase agreement
  - XXVI Employees Pension Plan information
  - XXVII Plan for distribution and/ or sale of common stock, any administrative changes for the future. (Key man)

**Note: This is the first data requirement. More data may be requested if needed**