

# ESOP QUIZ

- 1 Why are you, the owner, considering selling your company?**
  - Retirement / management succession planning
  - Looking for a return on investment for my company
  - Preservation of company legacy and employee reward/jobs
  - All of the above
- 2 What matters to you in your business transition?**
  - Maintaining operational decision making
  - Retaining my employees and company legacy
  - Ensuring continuity of service to customers and maintenance of suppliers and vendors
  - All of the above
- 3 Do you have stable cash flows relative to your industry and/or expect to continue to have stable cash flows in the future?**
  - Yes, we have little variation in cash flows with expectations to continue
  - Yes, over a business cycle we've maintained our revenue and cash flows
  - No, we have not been able to demonstrate consistent cash flows but we are on a proven growth trajectory
  - No, we have not been able to demonstrate consistent cash flows historically and do not anticipate doing so in the future
- 4 Are you looking for immediate cash from a potential sale?**
  - Yes, all cash immediately
  - Yes, need to have partial liquidity on sale
  - No, a little cash at the transaction close would be nice though
  - No, timing of the payments is flexible
- 5 Do you currently have debt on your company's balance sheet?**
  - Yes, we're highly leveraged
  - Yes, we're moderately leveraged
  - Yes, we're only slightly leveraged
  - No, we are debt free
- 6 How many non-union employees do you currently employ?**
  - 1 to 20
  - 20 to 50
  - 50+
  - My employees are unionized

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**What level of involvement would you or the selling shareholder like to have following the sale of the company?**

- A. Want to step away from the company but don't have a management team in place
- B. Want to step away from the company and a management team is in place
- C. Willing to ensure the next management team is prepared to lead through a consultative role
- D. Desire to stay on with the company for the foreseeable future and ensure a management team is developed before departure

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**Pick the description that is most comparable to your current corporate culture:**





- A. Our employees act like owners
- B. Our employees desire to learn and grow
- C. Our employees treat their positions as a job rather than a career
- D. A + B are both true

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**What is your timeframe expectations for your business transaction?**

- A. One to three months to go through the transaction process
- B. Three to six months to go through the transaction process
- C. Six to nine months to go through the transaction process
- D. Nine months+ to go through the transaction process

**Answer Rank**

-  Not suitable for an ESOP
-  Questionable fit for an ESOP
-  May be fit for an ESOP
-  Good fit for an ESOP

**Contact our Weaver ESOP team for further assessment assistance:**

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