

Second Offer Feasibility Questionnaire

A BUSINESS-FIRST SCREEN FOR AN INTENTIONALLY BUILT INSIDE OPTION

Can your business support another path?

This short questionnaire looks at the business first: its transferable cash flow, operating strength, successor potential and available time. It does not ask you to design a transaction.

BUSINESS AND OWNER INFORMATION

BUSINESS NAME

OWNER NAME

WEBSITE

EMAIL

PHONE

BUSINESS CITY AND STATE

PRIMARY INDUSTRY

HOW TO COMPLETE THIS

Check the closest answer. A reasonable estimate is acceptable. Choose "I am not sure" rather than guessing. Unknown information is not a failing - it tells us what must be verified next.

What you will receive

A concise Second Offer Feasibility Snapshot showing whether deeper analysis is warranted, which of the five dials show potential, the first constraint and the next question worth answering.

Section 1 - What Should This Accomplish?

START WITH THE OWNER OUTCOME

A transition is successful only when it produces the outcome you actually need. These answers define timing and priority before any path is compared.

1. Why is it worth looking at your options now?

Choose the two reasons that matter most.

CHOOSE UP TO TWO

- | | |
|---|---|
| ☐ Retirement is getting closer | ☐ I want more freedom |
| ☐ Health or energy has changed | ☐ I want to reward employees |
| ☐ I am considering family succession | ☐ I am concerned about outside-buyer terms |
| ☐ I want to protect jobs or legacy | ☐ I simply want more options |

2. When would you ideally like ownership to change?

Your best estimate is enough.

CHOOSE ONE

- | | | |
|--|--|------------------------------------|
| ☐ Less than 1 year | ☐ 1-3 years | ☐ 3-5 years |
| ☐ More than 5 years | ☐ I am not sure | |

3. If more time clearly improved the financial outcome, would you consider a longer transition?

This does not commit you to staying. It tells us whether Time Capital can be tested.

CHOOSE ONE

- | | | |
|------------------------------|--------------------------------|---|
| ☐ Yes | ☐ Maybe | ☐ No - the timing is fixed |
|------------------------------|--------------------------------|---|

4. Which outcome matters most to you?

Choose the one you would protect if every goal could not be maximized at once.

CHOOSE ONE

- | | |
|--|--|
| ☐ More cash at closing | ☐ Dependable future income |
| ☐ Lower personal risk | ☐ Protect employees and customers |
| ☐ Preserve family or community legacy | ☐ Step away sooner |
| ☐ Keep several options open | ☐ I am not sure yet |

Section 2 - What Can the Business Support?

THE BUSINESS IS THE FIRST BUYER

Revenue shows size. Cash remaining after normal operations, owner replacement, existing debt and required reinvestment begins to show what the business may safely support.

5. About how much revenue did the business produce during its last normal year?

Use a year that reasonably represents normal operations.

CHOOSE ONE

- | | |
|---|---|
| ☐ Under \$500,000 | ☐ \$500,000-\$999,999 |
| ☐ \$1 million-\$2.49 million | ☐ \$2.5 million-\$4.99 million |
| ☐ \$5 million-\$9.99 million | ☐ \$10 million or more |
| ☐ Enter an amount below | ☐ I am not sure |

OPTIONAL EXACT AMOUNT

6. About how much annual economic benefit did the business create for you?

Include salary, distributions and recurring company-paid benefits after normal business expenses, but before personal taxes.

CHOOSE ONE

- | | |
|--|--|
| ☐ Under \$100,000 | ☐ \$100,000-\$249,999 |
| ☐ \$250,000-\$499,999 | ☐ \$500,000-\$749,999 |
| ☐ \$750,000-\$999,999 | ☐ \$1 million or more |
| ☐ Enter an amount below | ☐ I am not sure |

OPTIONAL EXACT AMOUNT

7. What is that economic-benefit estimate based on?

Choose the best description.

CHOOSE ONE

- | | |
|---|--|
| ☐ Tax returns or year-end financial statements | ☐ Current bookkeeping reports |
| ☐ A reasonable estimate from what I normally receive | ☐ Mostly a guess |
| ☐ I am not sure | |

Section 2 - What Can the Business Support?

PROTECT THE OPERATING COMPANY

These questions remove obligations that must be paid before a transition structure is considered. Use annual amounts, not balances owed.

8. If someone replaced your day-to-day role, what would the business need to pay them each year?

Estimate the market cost of the work that must continue - not what you currently pay yourself.

CHOOSE ONE

- | | |
|--|--|
| ☐ Under \$50,000 | ☐ \$50,000-\$74,999 |
| ☐ \$75,000-\$99,999 | ☐ \$100,000-\$149,999 |
| ☐ \$150,000 or more | ☐ Almost none of my role must be replaced |
| ☐ I am not sure | |

9. How much does the business currently pay each year toward loans or fixed business debt?

Use total annual principal and interest. Do not enter the amount still owed.

CHOOSE ONE

- | | |
|--|--|
| ☐ None | ☐ Under \$25,000 |
| ☐ \$25,000-\$49,999 | ☐ \$50,000-\$99,999 |
| ☐ \$100,000-\$199,999 | ☐ \$200,000 or more |
| ☐ Enter an amount below | ☐ I am not sure |

OPTIONAL EXACT ANNUAL AMOUNT

10. In a normal year, how much cash must remain available for required reinvestment or other fixed commitments?

Include recurring equipment, vehicle, property or required capital spending not already reflected above.

CHOOSE ONE

- | | |
|--|--|
| ☐ None or very little | ☐ Under \$25,000 |
| ☐ \$25,000-\$49,999 | ☐ \$50,000-\$99,999 |
| ☐ \$100,000-\$199,999 | ☐ \$200,000 or more |
| ☐ Enter an amount below | ☐ I am not sure |

OPTIONAL EXACT ANNUAL AMOUNT

Section 3 - What Transfers Without You?

TRANSFERABILITY CREATES OPTIONS

A buyer does not merely buy revenue. They buy confidence that the revenue, people and operations can continue after the owner steps away.

11. Does any one customer account for more than 20% of total revenue?

A reasonable estimate is acceptable.

CHOOSE ONE

- ☐ No ☐ Yes ☐ I am not sure

12. How much of next year's revenue already has a reason to return?

Think repeat customers, service agreements, recurring billing, backlog and ongoing relationships.

CHOOSE ONE

- ☐ Very little ☐ Some ☐ About half
☐ Most ☐ I am not sure

13. Can someone besides you run daily operations and make normal decisions?

Think about an ordinary week - not a major emergency.

CHOOSE ONE

- ☐ Yes ☐ Mostly ☐ Partly ☐ No

14. Are the essential ways you sell, deliver, bill and manage documented outside your head?

We are looking for usable processes, not a perfect manual.

CHOOSE ONE

- ☐ Mostly documented ☐ Some are documented
☐ Very little is documented ☐ I am not sure

15. If you stepped away, what would probably break first?

Choose the first area that would create a meaningful problem.

CHOOSE ONE

- ☐ Customer relationships ☐ Sales and new business
☐ Employee leadership ☐ Daily operations
☐ Financial decisions ☐ Technical knowledge or quality control
☐ Nothing obvious ☐ I am not sure

Section 4 - Could an Inside Successor Work?

READINESS CAN BE DEVELOPED

The right person does not need to be fully ready today. The question is whether the gaps can be identified, developed and financed in time.

16. Who inside the business could potentially grow into ownership?

You are identifying a possibility - not promising the business to anyone.

CHOOSE ONE

- | | |
|--|---|
| ☐ A manager | ☐ A key employee |
| ☐ A family member working in the business | ☐ A current partner |
| ☐ More than one possibility | ☐ No one is identified yet |

17. How ready does that person appear today?

Use the strongest potential successor if more than one person exists.

CHOOSE ONE

- | | |
|---|---|
| ☐ Could lead now | ☐ Could lead with support |
| ☐ Promising but untested | ☐ Interested but not ready |
| ☐ Ownership has not been discussed | ☐ I am not sure |

18. Which responsibilities can this person already handle without you?

Select everything they control today.

SELECT ALL THAT APPLY

- | | |
|---|--|
| ☐ Leading employees | ☐ Managing customer relationships |
| ☐ Sales and business development | ☐ Daily operations |
| ☐ Pricing | ☐ Financial decisions |
| ☐ Major purchases | ☐ Vendor relationships |
| ☐ None of these yet | ☐ I am not sure |

Important: Successor readiness and buyer financing are not the same question. This free screen identifies leadership potential. Detailed buyer and lender underwriting belongs in the paid Options and Value Report.

Section 4 - Which Dials May Be Available?

DO NOT DESIGN THE DEAL YET

These final questions identify whether certain planning tools deserve analysis. They do not commit you to a structure or set legal, tax, lending or payment terms.

19. Does the potential successor currently own any part of the business?

This helps identify which transaction rules may need to be tested, including the October 1, 2026 SBA framework.

CHOOSE ONE

- | | | |
|--------------------------------------|---|--|
| ☐ No | ☐ Less than 20% | ☐ 20%-49% |
| ☐ 50% or more | ☐ More than one owner or successor | ☐ I am not sure |

20. Could you remain involved temporarily if a clearly defined role improved the transition?

Any future role would require real duties, reasonable compensation and professional approval.

CHOOSE ONE

- | | | |
|------------------------------|--------------------------------|---|
| ☐ Yes | ☐ Maybe | ☐ No - I need a clean exit |
|------------------------------|--------------------------------|---|

21. Would you consider receiving part of the business value over time if the total outcome and protections made sense?

This only tests whether Seller Capital is a dial worth modeling. It does not ask you to accept risk or choose terms.

CHOOSE ONE

- | | |
|---|---|
| ☐ Yes | ☐ Maybe - after seeing the economics and protections |
| ☐ No - I require cash at closing | ☐ I am not sure |

The five dials this questionnaire screens

- | | |
|--|---|
| <ul style="list-style-type: none">● Transferability
What continues without the owner● Senior Capital
What the business may safely support● Seller Capital
Whether value over time can be explored | <ul style="list-style-type: none">● Legacy Capital
Whether a defined transition role may help● Time Capital
Whether runway can improve readiness and economics |
|--|---|

Final Review - Label What You Know

ESTIMATES ARE USEFUL WHEN THEY STAY ESTIMATES
 For each financial answer below, check the source that best describes it. This protects you from having an estimate silently treated as a verified fact.

FINANCIAL ANSWER	OWNER EST.	RECORD BASED	VERIFIED	UNKNOWN
Q5 Revenue	☐	☐	☐	☐
Q6 Owner economic benefit	☐	☐	☐	☐
Q8 Owner replacement cost	☐	☐	☐	☐
Q9 Annual debt service	☐	☐	☐	☐
Q10 Required reinvestment / commitments	☐	☐	☐	☐

ANYTHING ELSE WE SHOULD KNOW?

Before you submit

☐ I answered with the best information reasonably available.
☐ I labeled estimates and unknowns honestly.
☐ I understand this is a preliminary feasibility screen, not a valuation, loan approval or transaction recommendation.

OWNER SIGNATURE

DATE

NEXT: RECEIVE YOUR SECOND OFFER FEASIBILITY SNAPSHOT