QCC and conversation profile

REVIEW DRAFT - Client A / B / Joint: _____ Date: _____

Ages only; no DOB, SSN, account IDs or signatures. Unknown is a valid answer.

01.1 Are you QCC?

Source: Successions21 p3

Qualified: a business-transition question deserves review. Coachable: open to qualified professional guidance. Committed: willing to prepare and follow through. Yes / Not sure yet / Not right now; not an eligibility decision.

01.2 Which business are we discussing, and what does it do?

Source: Successions21 p2

Business name; industry; state of formation; years operating; approximate team size. Fictional case: no real website, contact or tax identifiers.

01.3 Who is joining this conversation, and what would make it worthwhile today?

Source: Successions21 p2

Use Client A, Client B, Joint and roles. Record ages, not birth dates (current user privacy instruction).

01.4 What should a successful transition make possible?

Source: Successions21 p3

Step back/time; support life after business; protect family, employees and continuity; keep options open; unsure.

Owner priorities, timing and limits

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02.1 When might ownership or your day-to-day role change?

Source: Successions21 p3

Within a year / 1–3 years / 3–5 years or longer / unexpected event / unknown.

02.2 If you could protect only two outcomes, which would they be?

Source: Successions21 p6

Time back; income; cash at closing; lower personal risk; continuity; legacy; options. Explain the hardest trade-off.

02.3 What would you like your role to look like after the transition?

Source: Successions21 p6; Feasibility8 Q20 p7

No role / advisory / part-time / governance / unsure. What timing is fixed or flexible?

02.4 What outcome or risk would make you pause or walk away?

Source: Successions21 p7; Supplemental24 p3

Consider control, delayed payments, family conflict, continuing obligations. Include preferred closing liquidity and who must be protected.

Ownership, governance and authority

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03.1 Who owns the business today, and how is it organized?

Source: Successions21 p7; Supplemental24 p5

Owner role, ownership %, voting %, operating role; entity and tax election if known. No EIN.

03.2 Who must agree before ownership, control or major assets can change?

Source: Successions21 p7

Co-owners, relevant spouses/trustees/lenders; reviewer who confirms authority.

03.3 Which ownership or transfer documents exist, and when were they last reviewed?

Source: Successions21 p8

Operating/partnership/shareholder/buy-sell/trust documents and transfer restrictions; reviewer/date; validity not determined here.

03.4 Are there promises, disputes or special arrangements we should flag before planning?

Source: Successions21 p8

Promised ownership, options, deferred compensation, family understandings or pending claims; counsel reviews privately.

Contingency: if the owner cannot come in tomorrow

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04.1 Who would make decisions and keep the business running if you were unexpectedly unavailable?

Source: Successions21 p8

Documented authority and instruction location; no credentials.

04.2 What would happen to your ownership after death, incapacity or an owner disagreement?

Source: Successions21 p9

Client understanding only; attorney confirms triggers, valuation and legal effect.

04.3 How would an unexpected ownership purchase or interruption be funded?

Source: Successions21 p9; Supplemental24 p19

Business cash / insurance / financing / payments over time / none known / unknown. Record obligation, dedicated amount, trigger, owner and recipient separately; do not reuse funds.

04.4 Which critical tasks, licenses, relationships or information currently depend on one person?

Source: Successions21 p9

Choose most urgent dependency and backup person to test; estimate separate disruption/replacement need and dedicated continuity reserve.

Three-year business financial picture

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05.1 What do the last three completed years and current year tell us about the business?

Source: Successions21 p10; Supplemental24 p6

For each period: revenue, reported profit, operating income, interest, depreciation/amortization, business taxes, period end, basis and source. Revenue is not profit or CFADS.

05.2 How are you paid by the business, and which expenses might change when you leave?

Source: Successions21 p10; Feasibility8 Q6 p3

Separate salary, distributions and recurring company-paid benefits; do not add distributions to earnings again.

05.3 Are there unusual income or expense items that need explanation?

Source: Successions21 p10; Supplemental24 p7

Amount, period, recurrence, reason and evidence. Buyer/lender acceptance is not assumed.

05.4 What evidence would make the financial picture credible to another person?

Source: Successions21 p12; Supplemental24 p6

Book preparer/reviewer, closed-through date, financial-statement type, separate personal items, prior valuation or quality-of-earnings work.

Recurring cash flow, working capital and debt

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

Source: Feasibility8 Q8 p4; Supplemental24 p7

Market cost of duties that must continue, not current owner salary. Identify what is already expensed.

06.2 What cash and reinvestment does the business need to keep operating well?

Source: Successions21 p11; Supplemental24 pp7–8

Maintenance CapEx; cash taxes; seasonality; A/R less A/P; inventory; required reserves and working-capital replenishment. Prevent duplicate deductions.

06.3 Which debts, leases, guarantees or commitments could remain after a transition?

Source: Successions21 p11; Feasibility8 Q9 p4; Supplemental24 p8

Each balance, annual principal+interest, maturity, collateral category, guarantor role and payoff/continue status. No account identifiers.

06.4 Adjusted annual cash flow before new debt; desired cushion after debt service.

Source: Supplemental24 p14 (source field labels)

Show reconciliation from recurring earnings through replacement pay, maintenance spending, cash taxes, working capital and continuing obligations. CPA/lender verification pending unless supported.

Value, deal perimeter and real estate

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07.1 What value or price range are you working with, and where did it come from?

Source: Successions21 p11; Supplemental24 p9

Amount/range; valuation, offer, broker opinion or owner expectation; date, author, purpose. If using a multiple, state earnings basis and source; do not invent a market multiple.

07.2 What exactly would transfer, and what would you prefer to keep?

Source: Successions21 p12; Supplemental24 p9

Operating assets/equity; cash, debt, A/R, inventory, equipment, IP, real estate, excess assets; retained liabilities and fees/taxes require review.

07.3 Is real estate part of the picture?

Source: Successions21 p12; Supplemental24 p10

Owner; separate value/debt; market rent, property expenses/reserves; retain/sell/lease preference; do not double-count value or rental income.

07.4 What supports your working view of business value?

Source: Successions21 p5

Professional valuation / advisor or broker opinion or offer / owner estimate or rule of thumb / no reliable starting point. Compare required proceeds with supportable value only after consistent scope and costs.

Transferability: what carries on without the owner?

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08.1 Where do sales and repeat business come from, and what could disrupt them?

Source: Successions21 p13; Feasibility8 Q11–12 p5

Largest customer share; recurring revenue/backlog; contracts, retention and relationship ownership.

08.2 Who finds opportunities, wins business, delivers the work and keeps the operation on track?

Source: Successions21 p13; Supplemental24 p21

Finder/Binder/Grinder/Minder roles, owner dependence and key evidence.

08.3 What makes this business valuable to customers, and how reliably does the team deliver it?

Source: Successions21 p13; Supplemental24 p20

Human, customer, structural and social capital evidence; capability, workforce, systems, contracts, IP and compliance.

08.4 What is one practical change that would make the business less dependent on you in the next 90 days?

Source: Successions21 p14

Accountable person, action, progress evidence and review date. Improvements do not guarantee higher value.

Inside successor: readiness versus capital

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09.1 Who might take over, and have they expressed an interest?

Source: Successions21 p14; Feasibility8 Q16–19 pp6–7; Supplemental24 p11

Role, years with company/industry, current ownership %, interest and permission to discuss; no promised ownership.

09.2 What would they need to learn or demonstrate before carrying the business without you?

Source: Successions21 p14; Supplemental24 p11

Leadership, customers, new sales, operations, statements, pricing, cash/debt, advisors; evidence and development plan.

09.3 How might the purchase be funded, and which parts are still only assumptions?

Source: Successions21 p15; Supplemental24 p12

Buyer cash believed available, comfortable investment, outside net worth/liquidity, income/personal debt, credit, guarantee willingness/collateral. Collect only with permission via secure process; unknown is allowed.

09.4 How would you handle fairness, control and disagreement during the transition?

Source: Successions21 p15

Roles, ownership timing, compensation, milestones, family/non-family expectations, exit provisions; attorney documents terms.

Outside options and comparable economics

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10.1 Which outside paths are worth exploring, and why?

Source: Successions21 p15

Strategic buyer / individual / private equity or financial buyer / other / unsure. No interest assumed.

10.2 Has anyone expressed interest or made an offer?

Source: Successions21 p16

Written/verbal; date, terms, conditions and professional reviewer. Fictional comparison scenarios must say hypothetical, not actual offers.

10.3 Which terms matter beyond the headline price?

Source: Successions21 p16

Cash close, timing, retained ownership, continued work, guarantees, risk and taxes/fees. Compare inside/outside on the same perimeter and time basis.

10.4 Has anyone proposed an earnout or another payment tied to future results?

Source: Successions21 p16

Describe only; legal/tax/lender feasibility pending. Contingent payments are not certain or bankable cash proceeds.

Second Offer: business support and lender conditions

REVIEW DRAFT - Client A / B / Joint: _____ Date: _____

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11.1 Which financing routes have actually been discussed, and with whom?

Source: Successions21 p17

SBA-backed, conventional, seller or other; lender/date/written terms and unresolved conditions.

11.2 What assumptions about cash flow, buyer resources or seller payments need confirmation?

Source: Successions21 p17; Supplemental24 pp12–14

Separate business service capacity from buyer equity, eligibility, guarantee, collateral and lender acceptance. No zero-down entitlement.

11.3 Who will confirm the current rules and application requirements before a financing decision?

Source: Successions21 p17; Supplemental24 p13

Lender documents current SOP/version, application-date applicability, transaction category, ownership history, net worth, liquidity and working capital. Do not reprint the historical October-2026 heading as current law.

11.4 Illustrative loan amount; illustrative rate / term; illustrative annual debt service; preliminary coverage ratio.

Source: Supplemental24 p14 (source field labels)

State modeled assumptions, existing-debt treatment, lender underwriting differences and source. A cash-flow PV is not purchase price or approved financing.

Seller capital, time and qualified-plan review

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

Source: Feasibility8 Q21 p7; Supplemental24 p15

Principal exposure, rate/term, payment start, reliance for retirement, subordination and protections; no assumed lender acceptance.

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

Source: Feasibility8 Q3 p2; Supplemental24 p16

Runway, annual cash potentially redirectable, responsible role/compensation and what trade-offs are acceptable.

12.3 Current retirement plan; current annual owner contribution; owner age / compensation; eligible employee count / payroll.

Source: Supplemental24 p16 (source field labels)

TPA and review date, census status, employer cost constraints; no contribution limit or tax saving invented.

12.4 Model enhanced qualified-plan design?

Source: Supplemental24 p16

Yes / maybe / already optimized / no / unknown. TPA/actuary must verify eligibility, contributions, employee costs, annual commitments and timing; reserve cash separately from acquisition capacity.

Personal fit: lifestyle, wealth gap and value gap

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13.1 What does life after the business need to support?

Source: Successions21 p18; Supplemental24 p4

Desired and essential annual after-tax spending; dependable annual income by source; before/after-tax basis; start dates and source quality.

13.2 Which resources or obligations outside the business could change the plan?

Source: Successions21 p18; Supplemental24 p17

Client A / Client B / Joint assets, broad tax character, value and liquidity; retirement assets, debt, home excluded from spending unless monetization modeled; no account IDs.

13.3 Expected major one-time needs (amount and timing); what should remain for heirs, charity or legacy?

Source: Supplemental24 p4 (source field labels)

Separate goals and reserves from annual spending. Beneficiary names limited to first name + last initial.

13.4 Has life after the business been connected to the transition plan?

Source: Successions21 p5; Supplemental24 p4

Review outside assets + net exit proceeds against capital/lifestyle needs. Define wealth gap and required business-value gap consistently; multiples/rates are assumptions, not guaranteed value or returns.

Estate, insurance and coordinated protection

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14.1 Which protection, estate or tax-planning questions should be reviewed before choosing a path?

Source: Successions21 p19; Supplemental24 pp18–19

Death/disability/LTC, key-person and buy-sell arrangements, ownership/beneficiary/trigger matching, separate dedicated funding; do not infer coverage adequacy.

14.2 Document and beneficiary audit.

Source: Supplemental24 p18 (source label)

Will; trusts; financial POA; health documents; retirement/insurance/annuity beneficiaries; succession directions: current coordinated / exists needs review / missing / unknown. No forged signature.

14.3 Have your investment, insurance, tax, legal and business professionals reviewed the same plan together?

Source: Successions21 p18

Who covers each area, last review, completed work and open questions; distinguish planning from implementation.

14.4 Protection gaps or conditions that could derail the transition.

Source: Supplemental24 p19 (source label)

Coverage purpose, insured, owner/beneficiary, benefit, premiums/term and status; matching document review and current policy evidence required.

Evidence and professional validation roadmap

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15.1 Which documents can you make available for the review?

Source: Successions21 p19; Supplemental24 p23

A available / R requested / M missing / N not applicable: ownership, 3-year financials/returns, debt, value/offer, contracts, insurance, real estate, estate/X-Ray, employee census/plan, successor evidence.

15.2 Who should coordinate the workstreams and keep assumptions aligned?

Source: Supplemental24 p22

CPA; transaction/estate attorney; independent valuer; CEPA; comprehensive financial advisor; specialized acquisition lender; insurance professional; TPA/actuary. Record assigned/needed, not an implied engagement.

15.3 Immediate professional questions that could change the answer.

Source: Supplemental24 p22 (source label)

Assign evidence, professional owner and review status for cash flow, valuation, equity/credit, taxes, legal terms, protection and plan funding.

15.4 What did we learn, and which three questions matter most now?

Source: Successions21 p20

Separate client-stated facts, estimates, records supplied and professional verification pending. Observation is not recommendation.

Planning only; not valuation, loan approval or advice. Verify with qualified professionals.

Executive next steps and follow-through

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16.1 Who will do what before the next conversation?

Source: Successions21 p20

Up to three priorities: action, owner, evidence, target date. Writing here does not accept a task or book an appointment.

16.2 What should we review next, and when?

Source: Successions21 p20

Proposed review date/method and material to bring; confirm separately with the appropriate professionals.

16.3 What would tell us in 90 days that the plan is moving forward?

Source: Successions21 p21

Progress measure, accountable reviewer, next 90-day check and annual review target.

16.4 Final questions, priorities or facts not captured elsewhere.

Source: Supplemental24 p24 (source label)

Prepared by role/date only. Fictional example: mark illustrative, no signature. Any actual authorization/contact consent belongs in a separate approved process.