

Business Exit Readiness Checklist



Financial Preparedness

- Clean and up-to-date financial statements (P&L, balance sheet, cash flow)
- Documented 3-year financial history
- Business tax returns organized and accessible
- Clear breakdown of debts, liabilities, and obligations
- Profit margins understood and optimized

Staff & Operations

- Current org chart with defined roles
- Key staff are identified and retained
- HR policies, payroll, and benefits documented
- Job descriptions and SOPs (standard operating procedures) available
- Business can operate with minimal owner involvement

Customer & Revenue

- Diverse customer base (no overreliance on 1–2 clients)
- Recurring or repeat revenue tracked
- Customer contracts or agreements documented
- Marketing strategy and channels outlined
- Customer satisfaction or referral metrics available

Assets & Inventory

- Inventory list with estimated value and turnover rates
- Equipment list (owned or leased), age, and condition
- Facility details and lease terms (if applicable)
- Any intellectual property clearly identified (logos, systems, etc.)

Legal & Documentation

- Ownership documents and business structure clarified

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- Copies of vendor and supplier contracts
- Any pending or past litigation disclosed
- Insurance policies reviewed and active
- Compliance or regulatory obligations documented

■ Transition Readiness

- Exit goals and timeline identified
- Transition plan for staff and customers drafted
- Confidentiality practices in place (NDAs, access controls)
- Willingness to explore flexible or creative deal structures
- Business valuation completed or scheduled

[Midwest Equity Management](#)

Eau Claire, WI

info@midwestequitymanagement.com

(715) 497-2968