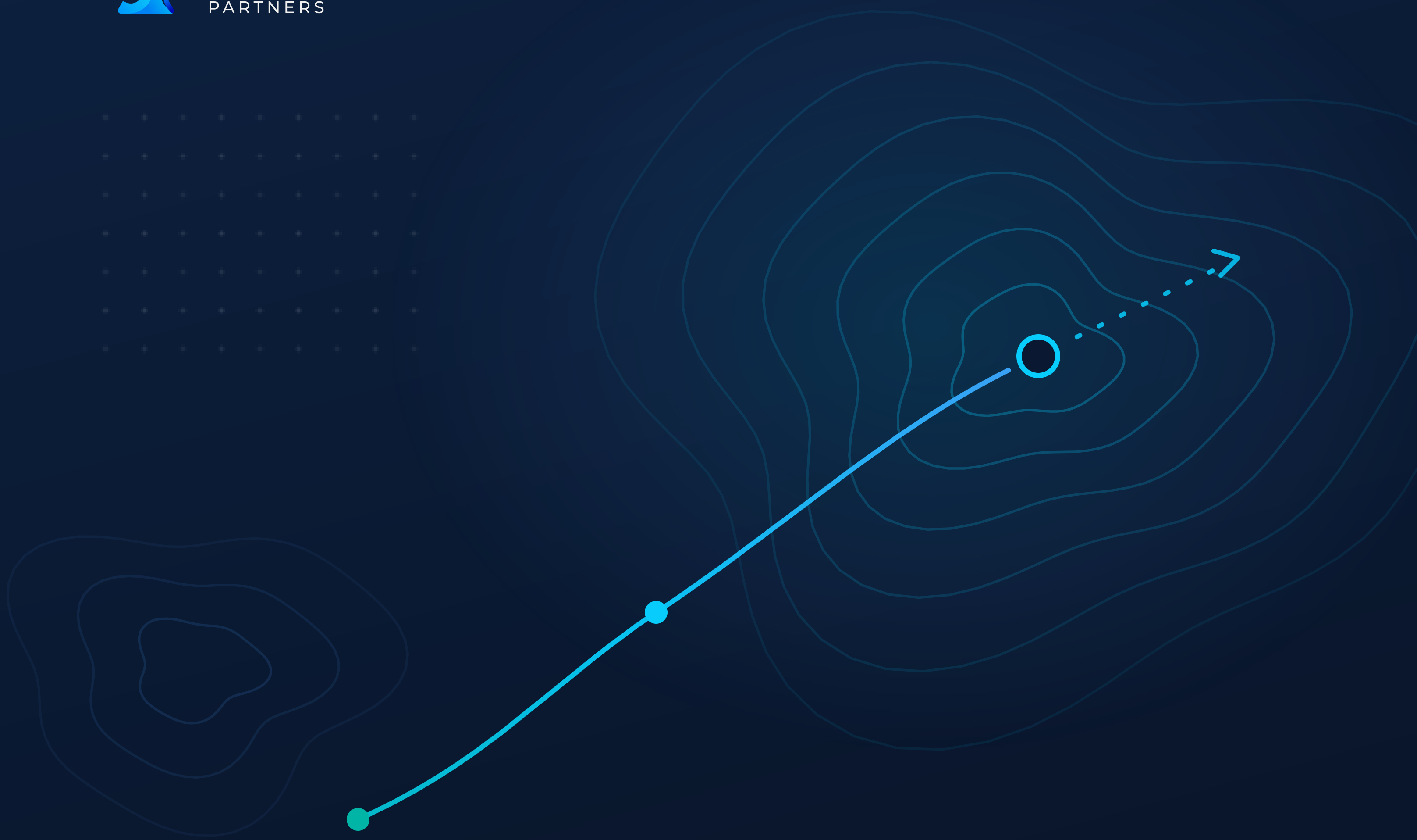
WAYFINDER PARTNERS



EXIT READINESS CHECKLIST

What to strengthen before you sell, even if your exit is years away.

30 minutes
A practical first look at your readiness.

Five areas
That shape value and transferability.

Three priorities
To strengthen before your exit.

WAYFINDERPARTNERS.COM

HOW TO USE THIS CHECKLIST

Before you begin

This checklist helps you look at your business through the eyes of a future buyer, successor, or new owner. It will help you identify what is already working, what may create risk, and what deserves attention first.

Move quickly. Use your best judgment. Score each statement from **1 (not started)** to **5 (in place and documented)**. Unsure? Score it a 1: **uncertainty is useful information.** When you finish, subtotal each section, identify three priorities, and build a simple 90-day Exit Readiness Route.

YOUR 30 MINUTES: YOUR DESTINATION, THEN FIVE AREAS

1. **Define Your Exit Destination**
   5 min PART 1
2. **Review the Financial Story**
   5 min PART 2
3. **Test Owner Independence**
   5 min PART 3
4. **Review Transferability and Risk**
   8 min PARTS 4–6
5. **Build Your Exit Readiness Route**
   7 min PAGES 10–11

This is a planning checklist. It is not a valuation, legal review, tax analysis, or formal readiness assessment.

The scores are yours alone: a way to find priorities, not a grade on the business.

Look for these throughout the checklist.

Four recurring boxes. Each one does a different job.

NAVIGATOR INSIGHT

A perspective shift that helps you interpret what the checklist reveals.

COMMON DETOUR

A mistake owners frequently make when thinking about an exit.

DECISION POINT

A moment where you commit to a conclusion or a priority.

WAYPOINT CHECK

A quick checkpoint to confirm the section is complete.

THE BIG IDEA

A valuable business is not always a transferable business.

A company can generate strong income for its current owner and still be difficult to sell or transfer. Buyers and successors need more than revenue. They need confidence that the earnings are understandable, the customers will remain, the team can operate, and the business will continue without its current owner holding everything together.

Exit readiness is the work of making the company understandable, durable, and transferable before a transaction begins.

WHAT A BUYER IS ACTUALLY BUYING

A TRANSFERABLE BUSINESS

01
FINANCIAL VISIBILITY
A buyer can understand how the company performs.

02
REVENUE QUALITY
Revenue, margins, and cash flow are dependable and explainable.

03
OWNER INDEPENDENCE
The business does not rely on the owner for every important result.

04
OPERATIONAL TRANSFERABILITY
People, systems, processes, and relationships can continue under new ownership.

05
RISK & DEAL READINESS
Major legal, tax, concentration, and documentation issues are understood.

NAVIGATOR INSIGHT

The goal is not to make the owner unnecessary but to make the business **valuable beyond the owner**.

COMMON DETOUR

Waiting until the year you want to sell. The largest readiness gaps often take **several years** to correct.

PART 1 · DEFINE YOUR EXIT DESTINATION

What do you want the exit to make possible?

An exit is a transition from one chapter of ownership to the next, not just a transaction. Before improving readiness, define what you are preparing for. Your destination does not need to be final. A working answer is enough to guide today's decisions.

1 Ideal exit timeline

- ☐ Within 1 year
- ☐ 1–3 years
- ☐ 3–5 years
- ☐ More than 5 years
- ☐ Unsure

2 Preferred transition

- ☐ Full sale
- ☐ Partial sale
- ☐ Family transfer
- ☐ Management or employee transfer
- ☐ Strategic partner or investor
- ☐ Remain involved after the transaction
- ☐ Unsure

3 What matters most?

- ☐ Maximizing proceeds
- ☐ Protecting employees
- ☐ Preserving the company's legacy
- ☐ Reducing personal risk
- ☐ Creating income after the transaction
- ☐ Stepping away completely
- ☐ Maintaining some involvement
- ☐ Other: ____________________

4 What should the exit make possible for you?

Income, time, family, the team, the next chapter. Write in plain language.

____

____

____

____

DECISION POINT · YOUR WORKING EXIT DESTINATION

Our working exit destination is to ______________________________

within approximately ____________________ so that we can ______________________________.

STEP INTO THE ARENA Great plans only matter if you execute them.

Who needs to be part of this conversation before the destination becomes real?

Who needs to know? ____________________ | When will you discuss it? ____________________

COMMIT. ACT. REVIEW. REPEAT.

PART 2 · FINANCIAL VISIBILITY

Can someone understand how the business really performs?

A buyer will not value financial results they cannot understand or trust. Clean, timely, explainable reporting gives a future buyer confidence, and it gives you time to improve the business before a transaction begins.

STATEMENT	FILL ONE CIRCLE PER ROW · UNSURE COUNTS AS 1	1 NOT STARTED	2	3	4	5 IN PLACE
1	We receive accurate monthly financial statements on a consistent schedule.	○	○	○	○	○
2	Our balance sheet accounts are regularly reconciled and explainable.	○	○	○	○	○
3	We can produce at least three years of reliable financial records and tax returns.	○	○	○	○	○
4	Personal, discretionary, unusual, and one-time expenses are clearly identified.	○	○	○	○	○
5	We understand gross margin by major product, service, customer type, or business line.	○	○	○	○	○
6	We can explain significant changes in revenue, margin, expenses, and cash flow.	○	○	○	○	○
7	We understand the working-capital needs of the business.	○	○	○	○	○
8	We maintain a realistic forecast or operating plan and compare actual performance to it.	○	○	○	○	○
9	The financial records do not contain unresolved loans, owner transactions, tax issues, or accounting surprises.	○	○	○	○	○
10	Another financial professional could review the records and understand the company without relying entirely on the owner's memory.	○	○	○	○	○

SECTION SUBTOTAL: ADD YOUR TEN SCORES ______ / 50

WAYPOINT CHECK

Which financial issue would create the most uncertainty for a buyer or successor?

____

NAVIGATOR INSIGHT

Strong financial reporting will not create value by itself, but it makes the value already in the business **visible and credible**.

PART 3 · OWNER INDEPENDENCE

What stops when you step away?

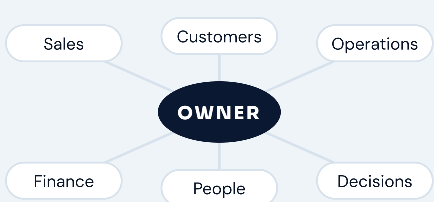
A business that depends on the owner for sales, decisions, customer relationships, and problem-solving may produce income but still be difficult to transfer. You do not need to remove the owner overnight. Start by reducing the number of critical outcomes that depend on one person.

	STATEMENT · FILL ONE CIRCLE PER ROW · UNSURE COUNTS AS 1	1 NOT STARTED	2	3	4	5 IN PLACE
1	The company can operate for at least two weeks without the owner handling daily decisions.	○	○	○	○	○
2	Important customer relationships belong to the company, not only to the owner.	○	○	○	○	○
3	New sales do not depend entirely on the owner's personal relationships or reputation.	○	○	○	○	○
4	Key employees have clearly defined authority and decision-making responsibility.	○	○	○	○	○
5	The company has at least one person who can lead day-to-day operations.	○	○	○	○	○
6	Important knowledge, pricing decisions, and operating methods are documented.	○	○	○	○	○
7	Employees know how performance is measured and who is accountable for results.	○	○	○	○	○
8	Vendors, lenders, and other partners maintain relationships with more than one person in the company.	○	○	○	○	○
9	The owner's compensation, perks, and responsibilities can be clearly separated from normal business operations.	○	○	○	○	○
10	The company's reputation and brand can continue without the owner remaining the public face indefinitely.	○	○	○	○	○

SECTION SUBTOTAL: ADD YOUR TEN SCORES ______ / 50

OWNER DEPENDENCY MAP

Circle the **TWO** *areas most dependent on you.*



COMMON DETOUR

Delegating tasks while keeping every decision. A transferable company requires **distributed authority**, not merely more assistants.

WAYPOINT CHECK

The area most dependent on the owner is

____

• PART 4 · OPERATIONAL TRANSFERABILITY

Can the business continue under new ownership?

A transferable business does not need perfect processes, just enough structure that another capable owner or leadership team can understand **how the company delivers value**.

	STATEMENT — FILL ONE CIRCLE PER ROW · UNSURE COUNTS AS 1	1 NOT STARTED	2	3	4	5 IN PLACE
1	Core operating processes are documented and followed consistently.	○	○	○	○	○
2	Roles and responsibilities are clear across the company.	○	○	○	○	○
3	Key performance indicators are reviewed on a regular schedule.	○	○	○	○	○
4	Customer delivery does not rely on undocumented knowledge held by one employee.	○	○	○	○	○
5	Pricing, quoting, purchasing, scheduling, and approval processes are understandable.	○	○	○	○	○
6	Important systems, software, licenses, domains, and accounts belong to the company.	○	○	○	○	○
7	Contracts, customer records, vendor information, and operating documents are organized.	○	○	○	○	○
8	The company can maintain quality and service when volume changes.	○	○	○	○	○
9	Key employees are likely to remain through a transition.	○	○	○	○	○
10	The company has a credible plan for replacing or retaining critical talent.	○	○	○	○	○
	SECTION SUBTOTAL: ADD YOUR TEN SCORES					/ 50

PEOPLE + PROCESS + INFORMATION + SYSTEMS = TRANSFERABLE OPERATIONS

NAVIGATOR INSIGHT

A buyer is purchasing a business that can **continue producing results**, not the owner's effort.

WAYPOINT CHECK

The operating capability that most needs to be documented, delegated, or strengthened is

____

PART 5 · REVENUE QUALITY AND CONCENTRATION

How durable is the revenue?

Two companies with the same revenue and profit may carry very different levels of risk. Buyers pay attention to where revenue comes from, how predictable it is, and how much of it could disappear during a transition.

	STATEMENT — FILL ONE CIRCLE PER ROW · UNSURE COUNTS AS 1	1 NOT STARTED	2	3	4	5 IN PLACE
1	Losing one customer would not threaten the survival of the company.	○	○	○	○	○
2	Revenue is not excessively dependent on one product, service, industry, geography, or channel.	○	○	○	○	○
3	A meaningful portion of revenue is recurring, contracted, repeatable, or otherwise predictable.	○	○	○	○	○
4	Customer retention and repeat-purchase behavior are measured.	○	○	○	○	○
5	The sales pipeline is visible and does not rely entirely on referrals or the owner.	○	○	○	○	○
6	Customer contracts are documented and transferable where appropriate.	○	○	○	○	○
7	Gross margins are reasonably stable and explainable.	○	○	○	○	○
8	The company understands which customers, products, and services create the most value.	○	○	○	○	○
9	Pricing is intentional and is not based solely on historical habits.	○	○	○	○	○
10	Revenue quality would remain credible if the owner reduced personal involvement.	○	○	○	○	○

SECTION SUBTOTAL: ADD YOUR TEN SCORES ______ / 50

CONCENTRATION CHECK

Check where the business is most concentrated, then answer below.

- ☐ CUSTOMERS
- ☐ OFFERINGS
- ☐ INDUSTRIES
- ☐ CHANNELS

What would happen if that source declined?

____

____

COMMON DETOUR

Treating all revenue as equally valuable. Predictable, diversified, profitable revenue usually carries less risk than revenue concentrated in a few relationships.

WAYPOINT CHECK

Our greatest revenue-quality risk is

____

PART 6 · RISK AND DEAL READINESS

What could surprise a buyer?

You do not need a perfect data room years in advance. You need to find problems early enough to correct them, **before they become negotiating leverage for someone else**.

	STATEMENT — FILL ONE CIRCLE PER ROW · UNSURE COUNTS AS 1	1 NOT STARTED	2	3	4	5 IN PLACE
1	Ownership of the company and its legal entities is clear and documented.	○	○	○	○	○
2	Corporate records, operating agreements, and ownership documents are organized.	○	○	○	○	○
3	Tax filings, payroll obligations, licenses, and regulatory requirements are current.	○	○	○	○	○
4	Important customer, vendor, lease, debt, and employment agreements can be located.	○	○	○	○	○
5	Intellectual property, domains, trademarks, and proprietary materials are owned by the correct entity.	○	○	○	○	○
6	There are no unresolved legal, environmental, employment, compliance, or tax issues that could materially disrupt a transaction.	○	○	○	○	○
7	Related-party transactions and owner arrangements are clearly documented.	○	○	○	○	○
8	Key employees have appropriate agreements, incentives, or retention plans where needed.	○	○	○	○	○
9	The company can assemble core diligence documents without depending on one person's inbox or memory.	○	○	○	○	○
10	The owner has identified the likely legal, tax, wealth, transaction, and financial advisors needed for an eventual exit.	○	○	○	○	○

SECTION SUBTOTAL: ADD YOUR TEN SCORES ______ / 50

NAVIGATOR INSIGHT

Problems discovered early are planning issues. Problems discovered during diligence become **price reductions, delays, or broken deals**.

WAYPOINT CHECK

The issue most likely to create a surprise during diligence is

____

• PUT THE CHECKLIST TO WORK

What should you strengthen first?

Focus on the gaps that could **materially reduce value, prevent transfer, or take the longest to correct**.

1 Score check: bring your subtotals forward

Copy each subtotal from Parts 2–6, then read the bands. Your numbers are **a conversation starter, not a valuation or a verdict.**

PART 2	PART 3	PART 4	PART 5	PART 6
Financial story	**Owner independence**	**Transferability**	**Revenue risk**	**Deal readiness**
______ / 50	______ / 50	______ / 50	______ / 50	______ / 50

10–24 EARLY MILES
Foundational gaps. Start here. These fixes take years.

25–39 UNDERWAY
Strengthen the lowest rows before a deal finds them.

40–50 NEARING THE WAYPOINT
Refine, document, and de-risk what remains.

2 Place your gaps on the map

Transfer up to **EIGHT** *low-scoring statements (your 1s and 2s) from Parts 2–6 into the quadrant that fits. Shorthand is fine.*

LOW URGENCY → HIGH URGENCY

CLEAN IT UP LOWER IMPACT · HIGH URGENCY	**ACT NOW** HIGH IMPACT · HIGH URGENCY
MONITOR LOWER IMPACT · LOWER URGENCY	**BUILD THE PLAN** HIGH IMPACT · LOWER URGENCY

LOW VALUE IMPACT → HIGH VALUE IMPACT

3 Our three exit-readiness priorities

PRIORITY 1	PRIORITY 2	PRIORITY 3
______	______	______

DECISION POINT · WHERE YOU BEGIN

The single issue we should address first is ______________________

because ______________________.

STEP INTO THE ARENA Great plans only matter if you execute them.

What is one action you can take this week to begin? ______________________

Owner: ______________ | Date: ______________

COMMIT. ACT. REVIEW. REPEAT.

MY EXIT READINESS ROUTE

A practical first route toward a more transferable business

Transfer your answers from Parts 1–6 below. Then commit to three priorities and one first action for the next 90 days.

BUSINESS NAME ______________________ DATE ____________

1 EXIT DESTINATION — FROM PART 1

Our working exit destination is to ______________________

within approximately ____________ so that we can ______________________.

2 FINANCIAL STORY — FROM PART 2

The financial issue we need to strengthen is ______________________.

3 OWNER INDEPENDENCE — FROM PART 3

The area most dependent on the owner is ______________________.

4 TRANSFERABILITY — FROM PART 4

The operating capability that most needs attention is ______________________.

5 RISK — FROM PARTS 5–6

The issue most likely to reduce value or disrupt a transaction is ______________________.

6 THREE PRIORITIES FOR THE NEXT 90 DAYS

PRIORITY 1	PRIORITY 2	PRIORITY 3
____________	____________	____________

7 FIRST ACTION THIS WEEK

______________________ Owner: ____________

8 SUCCESS MEASURE + REVIEW DATE

We will know we are making progress when ______________________.

We will review this route on ________ / ________ / ________.

WAYPOINT CHECK

Read your Exit Readiness Route aloud. If every line is understandable to someone who was not in the room, the route is ready. Put the review date on your calendar before closing the checklist.

WAYFINDER PARTNERS

COMMIT. ACT. REVIEW. REPEAT.

WAYFINDER
PARTNERS

YOUR NEXT WAYPOINT

You know what needs attention. Now build the route in detail.

An **Exit Waypoint Session** is a working conversation with a Wayfinder advisor about your business, your timeline, and the gaps you identified in this checklist. Bring your completed Exit Readiness Route. Together, we'll test your priorities, identify the financial decisions that matter most, and determine whether a deeper Exit Readiness Assessment would be useful.

Book your Exit Waypoint Session →

Scan with your phone camera