

MINORITY OR MAJORITY INTEREST IN A BUSINESS QUESTIONNAIRE

Office of the Chapter 13 Trustee

Reminders:

1. It is imperative that you provide all the required reports and documents. If you do not know how to prepare a report or understand a particular document, it is highly recommended that you seek professional accounting assistance to help you complete this initial stage.
2. Failure to provide all the requested information could result in your case being dismissed.

Thank you!

1. **WHAT CIRCUMSTANCE(S) LED YOU TO FILE CHAPTER 13 BANKRUPTCY?**

2. **DESCRIPTION OF BUSINESS**

- a) Name of the business

- b) Address of where the business is operated

- c) Type of business that you operate

d) Main product and/or service

e) Is your business seasonal Yes No
If yes, specify your good months and poor months.

f) Is the company you work for a:
 sole proprietorship partnership corporation LLC

If your company is a corporation or LLC, provide name and mailing address of the corporation registered agent

g) What is your ownership percentage of the company?

1) What is your dollar value in the company as of the date of filing?

2) How did you determine your dollar value interest in the company partnership?

h) Do you receive annual cash distributions from the company profits? Yes No

1) If yes, are these distributions included in your Schedule I?

i) Does the business you have a minority interest in operate with the help of employees?
 Yes No

1) **If yes, please contact Matt Parker at (616) 454-9638 ext 125 for further instructions and requirements in filing the appropriate paperwork.**

j) On what date (day, month, year) did the current business start operating?

k) If you are unable to obtain financial information because you have a minority interest, please estimate all revenues and expenses from your job on a separate piece of paper. (If this information is readily available, we ask for this later in the questionnaire.)

l) How much do you make from your business on average per week?

m) If you were to sell your portion of interest in the business today, how much would you charge?
a) Please provide tangible evidence that supports your reasoning for the price you would charge. (If you believe there is no value in your business, please provide a detailed explanation as to why you believe this to be true.)

n) Is the business leasing any building, office space, and/or equipment (*ex. furniture, technology, etc.*) or have any loans for which you are personally liable? Yes No

1) If yes, is it your intention to continue with the lease? Yes No

2) **If yes, please provide copies of all leases.**

3) If yes, what is the status of the lease payments? Any arrearages?

o) Are you personally liable for any portion of the company's annual quarterly and annual tax obligations? Yes No

1) If yes, what is the percentage for which you are personally liable?

2) If yes, what is the status of the tax obligations? Current? Arrearage out?

p) Do you have a Partnership Agreement, Articles of Incorporation, or ownership/operating agreement? Yes No

1) **If yes, please provide copies of the agreement and/or Articles of Incorporation.**

3. **ANNUAL STATE AND FEDERAL TAX RETURNS - Business**

a) Provide copies of federal, state, and local tax returns, along with all supporting schedules, for **year prior to filing**. This includes all forms such as W2, W3, 1096, 1099, and schedules.

4. **GENERAL OBSERVATIONS**

a) Name at least three reasons why the owner believes the business will generate enough **cash flow** to pay current operating costs on a timely basis and also make the required plan payments during the life of the Plan?

- b) Name the particular **concerns** the owner has about future operating issues? (i.e., loss of customers, rising costs, labor problems, increased unemployment in area, etc.)

- c) Name the particular **expectations** the owner has about future operating issues? (i.e., new contracts, better products, new sales/personnel, new markets, etc.)

- d) What **other factors** may impact future expectations? (i.e., competition, loss of lease, location, owner's health, weather, etc.)

- e) Are there any prospects of selling the business? If so, explain.

- f) Has anyone offered to purchase your business or your interest in the last two years? If so, what was the offer(s) you received? **Provide copies of the purchase agreements, if available.**

15. PROFIT AND LOSS STATEMENTS

Using the form on the next page, provide:

- a) Six (6) months prior to date of filing your bankruptcy plan
- b) All months in current year prior to Chapter 13 Filing Date in year (e.g., File Date 4/4/13, provide report for 01/01/13 to 3/31/13)
- c) Total twelve (12) months for year prior to filing.
- d) Monthly business budget broken down by revenue and expense **line** items (e.g. Rent, Utilities, Advertising, etc). This business budget must include the same monthly income amount as noted on line 7 of Schedule I. The total monthly expense amount must be the same amount as noted on line 16 of Schedule J.

16. BALANCE SHEET -Business Only (Statement of Assets, Liabilities and Equity) As of the Date of Filing.

MP 12-11-17 Minority or Majority Interest in a Business Questionnaire

K: Business Cases/Business Case Manual/Business Case Questionnaires/ Minority or Majority Interest in a Business Questionnaire

Using the form on the last page, enter:

- a) The amounts of business assets you have **(Must equal those listed on Schedule A and B)**
- b) The amounts of pre-petition business liabilities
- c) The amounts of post-petition liabilities (if it can reasonably be projected. E.g. Purchased \$500 in supplies but did not receive the invoice until after you filed for Chapter 13 bankruptcy. Two other examples are taxes withheld from employees' paychecks and not yet paid to the State/IRS or unemployment taxes not yet paid to the State/IRS. These are three examples of post-petition liabilities known by the debtor at the time of filing their bankruptcy plan.)
- d) The amount of your investment, retained prior year earnings, current year earnings and owner draws.