

Qualified Small Business Stock (QSBS) Questionnaire

The stock does not meet the Federal requirement for Qualified Small Business Stock if the answer to any of the presented questions is No.

	YES	NO
1. Is the issuing corporation a domestic C corporation?	_____	_____
2. Was the stock issued after August 10, 1993 for money, other property (not including stock), or as compensation for services (other than underwriter services)?	_____	_____
3. Did the aggregate gross assets of such corporation (or any predecessor thereof) not exceed \$50,000,000 at any time between August 10, 1993 and the time immediately following the issuance of the stock?	_____	_____
4. Since the date of issuance of the stock, has at least 80% (by value) of the assets of the corporation been used in the active conduct of one or more qualified trades or businesses? (See Note A below)	_____	_____
5. Since the date of issuance of the stock, has no more than 10% of the value of the corporation's assets consisted of real estate not used in the active conduct of its qualified trades or businesses?	_____	_____
6. Has the corporation held stock or securities, other than subsidiaries, with a value no more than 10% of its net assets (assets in excess of liabilities) since the date of issuance of the stock?	_____	_____
7. Has the corporation <u>not</u> engaged in a "significant redemption," which if the corporation, within a two-year period beginning one year before the issuance of the stock, redeems stock with an aggregate value exceeding 5% of the aggregate value of all the corporation stock (2% de minimis exception applies)?	_____	_____
8. Has the corporation <u>not</u> made redemptions of more than a de minimis amount of its own stock from investors in the two years prior to issuance and two years since issuance (2% de minimis exception applies)?	_____	_____

Date stock was acquired **(See Note B below)**: _____

Note A. Qualified Trade or Business: Any trade or business **other than:**

- Any trade or business involving the performance of services in the fields of health, law, engineering, architecture, accounting, brokerage services, consulting, performing arts, athletics, actuarial sciences, or any trade or business where the principal asset of such trade or business is the reputation or skill of one or more of its employees
- Any banking, insurance, financing, leasing, investing, or similar business
- Any farming business (including the business of raising or harvesting trees)
- Any business involving the production or extraction of products of a character with respect to which a depletion deduction is allowable for oil, gas, mines, wells, or other natural deposits
- Any business of operating a hotel, motel, restaurant, or similar business

Note B. Holding Period: Stock must be held for more than 5 years to qualify for gain exclusion.