

Section 22 Questions

Does the product depend on the sales of another product? (As the audio cassette depends on the sale of tape players)

Yes, completely	1	2					
Yes, partially	3	4	5	6	7	8	
No, not at all	9	10					

Does the product depend on outside suppliers for critical materials, components, or sub-assemblies which must be purchased from only one supplier?

Yes	1	2					
No, can buy from two different sources	3	4	5				
No, can buy from three sources	6	7	8				
NO, not at all	9	10					

If your product will depend on only one supplier for a critical material, component or subassembly, will the supplier agree to purchase and pay for a performance bond, to be placed on their company, to assure they deliver as agreed?

No	1	2					
Possibly	3	4	5				
Probably	6	7	8				
Yes	9	10					

If your product will depend on only one supplier for a critical material, component or subassembly, will the supplier agree to allow a performance bond to be placed on their company, if you pay for the bond, to assure they deliver as agreed?

No		1	2				
Possibly	3	4	5				
Probably	6	7	8				
Yes	9	10					

If the product interfaces with, attaches to, is used with, or depends on the sale of another product, how much control do you have over the production and sales of the other product?

None, it is produced and sold by an unrelated Company	1	2		
I have verbal agreements with the producer and seller of the other product	3	4	5	
Contractual control, have a written agreement with the producer and seller of the other product	6	7	8	
Total control, my company produces and sells the other products	9	10		

If the product depends on another company to supply a critical material, component, or subassembly, and you have a contractual agreement with the producer and seller of the product(s), does your agreement include (1) strict delivery or availability time tables to assure your product will be adequately supported in a timely manner, (2) the right to manufacture and sell the other product(s) if the other party fails to live up to the terms of the agreement?

My agreement does not include penalties for non-performance	1	2		
My agreement includes only (1)	3	4	5	
My agreement includes only (1) and (2)	6	7	8	
Yes, my agreement includes (1), (2) and (3)	9	10		

If your product will depend on the support of a computer software company, or on a company which is supplying components protected by trade secrets, and the supplier appears the least bit flaky, will the supplier agree to a third party escrow of any and all materials, trade secrets, source codes, or other information upon which your company or project depends for survival?

No				
Possibly	2	3	4	5
Probably	6	7	8	
Yes	9	10		

If you will buy any material or components from outside vendors, what percent of their gross annual sales in dollars will your purchases represent?

Over 25%	1	2	
11% to 25%	3	4	5
6% to 10%	6	7	8
1% to 5%	9	10	

Have you checked the financial statements of all suppliers of critical parts and components to be sure they are not close to bankruptcy?

No not yet	1	2	
Only a couple of them	3	4	5
Yes, most of them	6	7	8
Yes, all of them	9	10	

Does the product have to fit into any existing holes, or spaces?

Yes it must fit into an existing mounting hole	1	2	
Yes, it must fit into a space	3	4	5
No, it is mounted on its own brackets	6	7	8
No, it is free standing	9	10	

If the product has to fit an existing hole or space, have you calculated how many of the "host" units have been sold?

No, I haven't checked yet	1	2	
Yes, installed market size is small	3	4	5
Yes, installed market size is small but growing	6	7	8
Yes, market is substantial and growing	9	10	

Will sales of your product depend on interest rates remaining low?

Yes	1	2	
Probably	3	4	5
Possibly	6	7	8
No	9	10	

Will sales of your product be dependent on low inflation rates?

Yes	1	2	
Probably	3	4	5
Possibly	6	7	8
No	9	10	

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