

THE BIG 3

Family harmony, control, and taxes. The three issues that decide whether a business outlives its owner.

FAMILY HARMONY

Most plans fail on relationships, not documents.

- › Have you heard stories of business families that stopped getting along after the parents passed?
- › Can your family hold a productive business meeting without heightened emotions?
- › What do you think causes parents to make errors in their planning?
- › Have you thought about what is fair between heirs, and what their expectations are?
- › Which family member has the most aptitude for the business?
- › Who is involved in the business today, who is not, and what roles do they play?
- › Would the rest of the family accept the new leader when the time comes?
- › How are the people carrying the load compensated for their efforts?
- › If a shareholder or key person departed, died, or became disabled, what would the effect be on the living beneficiaries, the bottom line, and daily operations?
- › Are you concerned about family conflict in the absence of a complete plan?
- › Could your spouse handle the financial difficulties created by a planning gap?
- › Is your intent to keep the business inside the family bloodline?
- › Are you concerned about creditor protection?

CONTROL

Who holds the keys, when they hand them over, and what happens in between.

- › Are you thinking about liquidation, or about a succession plan?
- › Handing off the business means giving up control. How do you feel about that?
- › If you are thinking about succession, is there a buyout option set up for the next generation?
- › Do you have operating agreements, trusts, and key person coverage in place to fill the gaps?
- › What would happen if one owner chose to step aside?
- › How comfortable are you with your partners' ability to manage the company, physically and financially, after your death or disability? If that comfort is not there, what options do they have?
- › When would you give up control, and to whom? Are they prepared? Are they aware?
- › What governance structure determines how the business continues after you are gone, and to whom authority, responsibility, and assets transfer?

TAXES

Estate taxes place a liability on everything you own, much like a mortgage. Someone has to carry it.

- › How would those taxes be paid, and with what dollars?
- › How would that affect your banking, and your bonding relationships?
- › How would it affect operations and your family's ability to stay in the game?
- › How will income, capital gains, and estate taxes be paid by the shareholders and future heirs?
- › How will your choices affect the business economically and competitively, now and for the generations that follow?
- › Are you trying to avoid taxes, or build a succession plan?

IMPLICATIONS

- › Do you see gaps in your succession or estate plan?
- › What is the concern that causes you the most stress today?
- › What happens if you do nothing? What is the outcome for your family, and for the business?

Do you feel we would be a good fit to work together to close these gaps?

Helping families in business and individuals identify and correct gaps in their financial and estate plans