




Business solutions

**Simplified
planning**
to help secure
your family
business



A photograph of an older man with a grey beard and glasses, wearing a red and black plaid shirt, leaning over a table. He is looking at a laptop screen. A younger woman with blonde hair, wearing a dark blue sweater and a grey beanie, is sitting at the table, looking at the laptop. They are in a workshop or garage setting with various tools and equipment visible in the background.

Running a successful business takes time, strategy, and hard work.

You may find yourself designing or manufacturing products, working with vendors, helping customers, or managing employees. No matter what kind of business you run, you have a remarkable capacity for strategy—planning years into the future despite many variables.

Many family business owners simply don't plan for their personal financial future or for the next generation's ownership. Some have kids ready to take over, so they assume the transition will take care of itself. Others simply avoid thinking about the day when they're no longer in control of the family business they've diligently nurtured. Still, others hesitate to jump into an arena they know little about.

You've put in long hours building your business and your legacy, so you can pass it on intact. Because no one knows what tomorrow will bring, now is the time to plan for that transition. Thankfully, you have options. And we'll help you through some simple steps to create a strategy that can help you and your family:

- Live your **best life**.
- **Protect the legacy** you've worked hard to build.
- **Keep peace** in the family.
- Ensure the **continued success** of your business.



Three key areas for planning

Planning to pass down your business, lifestyle, and legacy to the next generation may seem complicated, with delicate decisions to make. But over the years, you've likely held many roles in your business. It's now time to add succession planner to the list. Take a look at these three planning categories designed to help you and your family work together to realize long-term planning goals.



Succession strategies

- Buy-sell plan and funding
- Succession plan and funding
- Key person protection
- Key person retention



Retirement income

- Retirement analysis
- Supplemental income
- Chronic illness protection



Legacy and estate planning

- Wills and trusts
- Inheritance equalization
- Estate taxes
- Gifting techniques



Buy-sell and succession strategies

Some transitions can be anticipated, like a planned retirement. Other events are less predictable, such as a death or disability. Being prepared for both with a formal succession plan increases the next generation's chance of success.

Topics to discuss with your team of advisors:

- How will I transfer my business to the next generation?
- Who will own and control my business?
- How do I minimize transfer taxes?

Steps you can take

- 1 | Talk openly with family and business partners about the future of the business.
- 2 | Determine the value of the business.
- 3 | Select the type of buy-sell agreement.
- 4 | Plan for the expenses of the transition.
- 5 | Document your agreement.

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The most popular succession strategy—and a growing one—is **giving the business to family.***

* Principal Business Owner Insights survey by Dynata using 1,000 online interviews conducted in January 2023.



Retirement income

We get it. Retirement could mean slowing down, not walking away. You'll still be involved, but maybe with a different role. The next generation will be doing more and earning more from the business. Planning ahead can help you buy back your time and do those things you've likely put off (like that vacation you've promised yourself) while you were tied to the day-to-day activities of running your business.

Topics to discuss with your team of advisors:

- What retirement income resources will I have, and how will they fit my needs?
- What is the tax impact to my retirement income from each resource?
- Will my resources meet my retirement income goal?

Steps you can take

- 1 | Discuss expectations with family and business partners.
- 2 | Determine when your role will change.
- 3 | Calculate your retirement income needs.
- 4 | Create a plan to close any retirement income gaps.

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More than
8 in 10 business owners plan to retire during their lifetime.*
Without a plan, will your income be sufficient?

* Principal Business Owner Insights survey by Dynata, using 1,000 online interviews conducted in January 2023.



Legacy and estate planning

Deciding where your assets should go when you're gone is a tough, and important, decision to make. You're the only one who can decide what's fair. But doing it now allows you to gather input, explain decisions, equalize your estate, and leave a plan that's easy to execute without unnecessary tax burdens.

Topics to discuss with your team of advisors:

- How do I protect my assets while I'm alive?
- Do I use a gift, bequest, or discount to reward my successor's efforts?
- How can I be fair to my other heirs?

Steps you can take

- 1 | Talk openly with family and business partners about your intent for the business.
- 2 | Document your plan.
- 3 | Communicate with executors of your estate.
- 4 | Regularly revisit and update your plan.

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24% of family business participants haven't completed any planning other than writing a will. And only 61% have an exit plan.*

*Principal Business Owner Insights survey by Dynata using 1,000 online interviews conducted in January 2023.

When you're ready, we're here to help.

The importance of planning ahead can't be overstated. We understand that what you do on a day-to-day basis isn't just a job—it's a way of life. If you're like most business owners, you've built a legacy you'd like to see carried on for generations. As you prepare your plan, we'll be here to walk you and your family through each step, helping with open communication about tough topics. Soon, you'll look ahead with confidence while you enjoy the everyday.

 [Learn more](#)

Request a business owner solutions proposal from your financial professional today.



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