

Business Exit Planning

Are You Prepared for the Biggest Financial Event of Your Life?

OVERVIEW

Every business owner will leave his or her company at some point, voluntarily or otherwise. Planning well in advance is critical to ensure that long-term goals are realized. Three elements are needed for a business to exit successfully:

- **A Roadmap** – Exit planning is a process that helps you choose where you want to go as well as how to get there.
- **Experienced Guides** – You must assemble a team of trained and experienced advisors to guide you toward your unique exit goals as you continue to run your company.
- **Implementation** – Success depends upon a disciplined implementation timetable keyed to your Exit Plan, with advisors experienced in exit planning for a successful exit.

BENEFITS

- Successfully obtain your exit objectives with an Exit Plan design that is time-efficient and a systemized process.
- Take advantage of a proven process used by thousands of business owners who have exited their businesses in style.
- In our role of designing and implementing your Exit Plan, we pay particular attention to minimizing taxes, reducing transaction risk and increasing your after-tax proceeds.
- This ensures that you maintain control of your company until you have attained all of your exit objectives. The Seven Step Planning Process™ will help you to identify your goals, objectives and create a written Exit Plan for implementation.

Seven Step Exit Planning Process™

<p>STEP 1</p>	<p>YOUR EXIT OBJECTIVES</p> <p>Each business owner’s unique objectives drive the creation of his or her Exit Plan. Step One establishes and tests your objectives so that your Exit Plan works to achieve your goals. Your key exit objectives are: (1) your desired departure date, (2) the value that you want or need from the business, and (3) the individuals or entities to whom you want to sell or transfer your business.</p>
<p>STEP 2</p>	<p>YOUR BUSINESS AND PERSONAL FINANCIAL RESOURCES</p> <p>The starting point for reaching your exit objectives begins here: How much is your business worth today? How much cash flow does it currently generate? How much income do your non-business assets produce? We then project future cash flow as well as the future value of your business and non-business assets. Most importantly, the combination of Steps One and Two tells us the extent of value or cash flow increase that is necessary to meet your goals.</p>
<p>STEP 3</p>	<p>BUILD AND PRESERVE VALUE</p> <p>Based on the first two steps, we make specific recommendations to help grow business value, protect existing value from the actions of others, and preserve company value by minimizing income taxes. Based on your needs, these may include installing or updating financial reporting systems, aligning employee performance with your profitability goals or protecting proprietary information through covenants not to compete with key employees.</p>

<p>STEP 4</p>	<p>SELLING YOUR COMPANY TO A THIRD PARTY</p> <p>If you choose to sell your company to a third party, we design strategies to improve the likelihood of a successful sale, minimize the taxes you will pay upon sale, and maximize your sale price and terms. If you choose instead to retain ownership or transfer the company to insiders, you will skip this Step.</p>
<p>STEP 5</p>	<p>TRANSFERRING YOUR OWNERSHIP TO INSIDERS</p> <p>Insiders are children, co-owners or key employees who often do not have the financial resources to pay owners what their companies are worth. If you choose to transfer your company to insiders, in Step Five we create a detailed plan to ensure that you receive the money you desire from your business, minimize the risk of non-payment and ensure that you retain control of the business until you have been fully paid.</p>
<p>STEP 6</p>	<p>BUSINESS CONTINUITY</p> <p>As part of your Exit Plan, we coordinate your business continuity planning with your lifetime objectives. The purpose is to ensure that your goals (such as transferring the company to the successor of your choice and having your family receive full value for your ownership) are met whether you survive to see your business exit or not!</p>
<p>STEP 7</p>	<p>PERSONAL WEALTH AND ESTATE PLANNING</p> <p>In Step Seven, we coordinate your estate plan with your Step One objectives. Our design emphasizes tax efficiency (in the transfer of wealth or of the business to family members or charity) ensures your family receives the amount of annual income necessary to satisfy the financial security goal you set in Step One.</p>

"310,000 business owners - nearly 30% of all the small and medium sized businesses in Canada - will be selling or transferring control of their companies within the next five years. By 2022, those numbers are expected to reach 550,000 owners with \$3.7 trillion in assets." (CIBC World Markets)

Call Us to Learn More About Business Exit Planning

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CONFIDENCE IS POWER

Structured Transitions for Business and Wealth

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