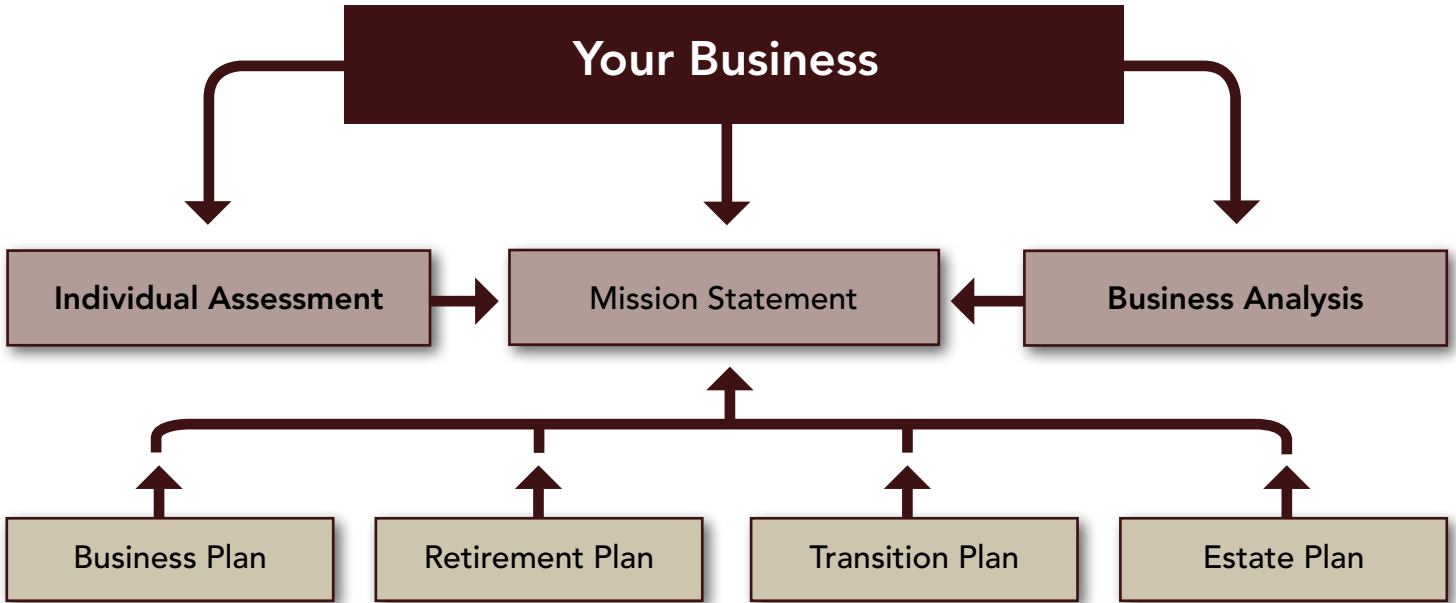


Business Planning Model



Individual Assessment

Personal Goals

1. What are your personal goals?
2. Do you have a trusted financial professional who understands your personal goals?
3. Do you have a personal financial plan?
4. What financial needs do you and your family have?

Business Goals

1. What's the nature and history of your business?
2. Do you have plans to grow your business?
3. What role do you expect to have in the business over the next 5-10 years?
4. Do you have a written mission statement?

Communication

1. What communication strengths do you possess? What do you need to work on?
2. Have you shared your plans for the future with your family? Do they support those plans?
3. What efforts have you undertaken to teach your children about the opportunities and obligations they would face if they took over the business?

Financial Skills

1. Describe your experience in managing the business' financial plan.
2. Describe your experience in managing the business' marketing plan.
3. Have you taken the time to teach your children skills regarding money management and wealth accumulation?

Mission Statement

Sample Mission Statement

A quality mission statement describes present business capabilities along with future aspirations. It should explain your focus on the customer and target market and inspire people to contribute to the organization's overall success.

Example: *The Brown Family Farm produces high-quality crops in ample quantities to provide a good standard of living for our family and full-time employees. We believe the farm is a good environment for raising children and want the farm to remain economically viable for future generations.*

Business Analysis

Managerial Skills

1. How many employees do you have?
2. Does the number of your employees meet your long-term vision for business growth?
3. Do you have job descriptions for each employee?

External Influences

1. Do you seek outside opinions on critical issues, perhaps through a Board of Directors or an Advisory Council?
2. Do you have trusted advisers to whom you turn when faced with critical decisions?

Business Plan

1. Do you have a written business plan?
2. Do you talk openly with your family about your future business plans?
3. Would your company continue to run smoothly if you were incapacitated or died unexpectedly?
4. Have you evaluated different types of business entity structures that may benefit your business?
5. Do you have signed leases for your business property?
6. If you are incorporated, is your corporate minutes book up-to-date?
7. If you are in a partnership, do you have a formal partnership agreement?
8. Do you conduct formal performance reviews and provide annual merit increases for all employees, including family members?
9. Do employees, including family members, have decision-making authority?
10. Have you discussed your borrowing capacity with your lender recently?
11. Does your company provide a retirement plan, health insurance and/or disability insurance for employees?

Retirement Plan

1. Will you be able to afford retirement and support the lifestyle you desire when the time is right?
2. Have you discussed your retirement plans with your professional advisers, family or business successor(s)?
3. Are your investments diversified so that a reasonable amount of your portfolio is outside of your family business?
4. Are you satisfied with the current strategy and performance of your investments?

Transition Plan

1. How do you want your business to be divided among your family?
2. What steps have you taken to accomplish this goal?
3. Have you identified a capable successor and communicated your choice to your family?
4. Describe the business successor's management ability, motivation, educational status and business background.
5. Have you coordinated your business transition plan with your estate plan?

Estate Plan

1. Have you explained the basic terms of your estate and business succession plan to your family?
2. Are your important documents stored in a safe location that your family is aware of and can access if needed?
3. Are your estate planning documents up to date?
4. Do you have a Durable Power of Attorney for Finances, Health Care Directives and a Living Will established?
5. Do you know what factors are used in determining the value of your estate and your projected estate tax obligation?
6. Does your Will or Revocable Trust create A – B Trusts that allow your estate to take advantage of the unlimited marital deduction and the applicable federal exclusion amount (unified credit) to ensure your estate is not subject to unnecessary tax?
7. Do you have an Irrevocable Life Insurance Trust (ILIT) in place to remove life insurance proceeds from your taxable estate?
8. Are you using gifts to reduce your taxable estate?
9. Does your current estate plan include a buy-sell option for the business heir and spell out the terms including: price, payment period and interest rate?
10. Do you have sufficient insurance coverage to fund a buy-sell agreement, pay estate taxes, provide for key person replacement, pay debts and provide income continuation for your family?