

## Buy-Sell Agreement Conversation

Three Key Questions you want to ask all of your business owner clients who have partners

1. Do you have a written buy-sell agreement?
2. If so, is it funded? If it is funded, how?
3. If there is an agreement, when was the last time it was reviewed?

### **If they don't have an agreement**

#### *Option 1*

"I would recommend that we have a brief conversation about yours and your partners' goals for the transition of your business should something happen to either one of you. I know that this is not the type of thing you want to have to think about but I also know that the last thing you want is to be in a position where you are doing all of the work and sharing the profits with the family of someone who is no longer working in the business with you. When would be a good time for us to spend 15 or 20 minutes on the phone or in person with one of our business planning specialist to evaluate your options?"

#### *Option 2*

"Many of our clients have found it helpful to spend a few minutes brainstorming with one of our business planning specialists to get a better idea of what strategies are available to make sure that they have done everything possible to make sure their business has a good plan in place. Does that seem reasonable? When would be a good time for us to spend 15 or 20 minutes on the phone or in person with one of our business planning specialist to evaluate your options?"

*If they agree, call Michael Hall at The Milner Group to find a time to have the discussion with your client.*

### **If they have an agreement and it is funded**

"I would recommend that you allow my team to do a review of your Buy-Sell agreement to make sure it is up to date. While most of our clients know that these things are important they are typically too busy with work and family obligations to devote the time and energy needed to handle them appropriately. In addition we find that most of our clients gain value in having this done because there are typically strategies and options available to them that are extremely beneficial and that they were not previously aware of. Does that seem reasonable?"



*If they agree just tell them you need to get a copy of their buy-sell agreement and some information on the life insurance policies they have.*

*If they agree and you want to make it quick and easy, tell them you will follow up with the information needed to help and then call The Milner Group and ask us what to do next.*

**If they have an agreement and it is not funded**

*"I would recommend that we take a look at putting some insurance in place to make sure that the things the buy sell agreement obligates you to do are funded with discounted dollars. The cost of insurance is significantly less than being forced to buy out your partner's wife with the profits you earned with your hard work."*

*If they agree and want to proceed with purchasing the life insurance then ask us for a quote on the amount of insurance the client needs. If they are unsure about the value of their business, call The Milner Group and ask how we can help you estimate a dollar amount using our informal business valuation tool.*

**If they have a buy sell agreement that has been in place for a number of years**

*"I would recommend that you allow my team to do a review of your Buy-Sell agreement to make sure it is up to date. While most of our clients know that these things are important they are typically too busy with work and family obligations to devote the time and energy needed to handle them appropriately. In addition we find that most of our clients gain value in having this done because there are typically strategies and options available to them that are extremely beneficial and that they were not previously aware of. Does that seem reasonable?"*

*If they agree just tell them you need to get a copy of their buy-sell agreement and some information on the life insurance policies they have.*

*If they agree and you want to make it quick and easy, tell them you will follow up with the information needed to help and then call The Milner Group and ask us what to do next.*

*How many of your clients would say no if you offered them the opportunity to have their Buy-Sell reviewed by team of tax attorneys to make sure it was up to date and addressed all of the issues they intended it to?*

**Here is an example of a low key introduction to the topic if the above language makes you feel uncomfortable.**

It is as simple as starting with a hypothetical: "Bill, while we are talking about your benefits, liability coverage, workers comp, etc."



“I wanted to make you aware of a service that many of our other business owner clients are finding particularly relevant and valuable. We have access to a team of tax attorneys that do Buy-Sell agreement reviews for free. They are tax and business specialist and they do a great job of giving you the strengths and weaknesses of your current agreement. Do you think that would be helpful to you and your partners?”

*The language we have included is geared towards creating a low key professional way to introduce the buy-sell discussion into your conversations with your business owner clients that have partners. If you have questions about this or would like some help personalizing this language to your process please call Michael Hall at The Milner Group for help at (800) 926-9206 ext. 130 or (706) 461-5236.*

## Business Continuation Planning Conversation

For your clients that do not have partners the goal is to start the conversation on business succession, or business continuation planning in a low key professional manner.

### Key question

1. Do you have a written business continuation plan?
2. If so, when did you put it together?

### **If they do not have a written plan**

“Many of our clients have found it helpful to spend a few minutes brainstorming with one of our business planning specialists to get a better idea of what strategies are available to make sure that they have done everything possible to make sure their business has a good plan in place. While most of our clients know that these things are important they are typically too busy with work and family obligations to devote the time and energy needed to handle them appropriately. Our clients tell us they really appreciate someone helping them think through the best ways to protect the business they have worked so hard to build. When would be a good time for us to spend 15 or 20 minutes on the phone or in person with one of our business planning specialist to evaluate your options and to see if it makes sense to continue talking about this?”

*If they agree, schedule a time to discuss the details with Michael Hall at The Milner Group.*

### **If they do have a written plan in place (but it is an old plan)**

“I am really glad to hear you have already taken these steps because we find that most of our clients in your situation have not done this planning yet. Our clients who have tell us they really appreciate a brief conversation with one of our business planning specialist to make sure that they are aware of all the options and strategies that are available to them. They typically tell us that they find value in a brief phone call or face to face meeting because they usually learn something and even if they do not make any changes to their plan it is helpful to know what is out there in case they ever decide to review it. Does that seem reasonable? When would be a good time for us to spend 15 or 20 minutes on the phone or in person with one of our business planning specialist to evaluate your options and to see if it makes sense to continue talking about this?”

*If they agree, schedule a time to discuss the details with Michael Hall at The Milner Group.*

*Michael Hall can be reached at (800) 926-9206 ext. 130 or (706) 461-5236.*