



Having “the Talk” – Family Financial Planning

Being transparent about your intentions is key to maintaining a healthy family and successful business



Featuring **Tony Salgado**, Director, Business Transition Planning, CIBC Financial Planning & Advice

Tony Salgado is an Estate and Tax Planning Accountant with the CIBC Financial Planning & Advice team. He works closely with CIBC advisors to support their business-owner clients, and provides tax and estate consultation to help clients better understand effective planning solutions along with understanding their business transition (i.e., “keep or sell”) options. Tony is quoted in the national media as an expert on taxation and financial planning. He is also a regular guest on BNN.

Including your family in your financial planning conversations seems like common sense, but not all business owners take this important step. Often, they build a plan, get their documents in order and then leave it at that.

As a business-owner, and in order to maintain both healthy family relationships and effective business continuity, important financial planning conversations should be inclusive – not exclusive – of your family members. While that may seem daunting or uncomfortable, it doesn't have to be. Below is a step-by-step process you can follow to ensure your conversations are productive.



“To keep business owners and their families united, the best medicine is prevention.”

– Tony Salgado, Director, Business Transition Planning, CIBC Financial Planning & Advice

The Plan

Step 1: Schedule the talk

Sometimes the hardest part is taking the first step. So, treat your first financial planning conversation with your family like an important meeting that everyone must attend.

Why it is important to have the meeting:

- Ensures healthy family relationships
- Preserves business continuity
- Safeguards your wishes from misunderstandings

Step 2: Bring in a third party

Independent professionals have seen this before! Although each family dynamic and business is unique, a professional third party can share best practices with you and your family. They can also act as a guide during your financial planning conversations. Along with being your business transition planning expert, CIBC can provide wealth specialists, estate planning specialists and other experts to help you create the right plan.

Expert opinions will help you:

- Manage expectations
- Find the right experts
- Guide you through the process

The Talk

Step 3: Be open and honest

The most important part about having a financial planning conversation with your family members is that you will be able to clearly share your intentions ... and be prepared to listen.

What you'll talk about:

- The needs and opportunities of the business
- The potential value of the business
- Future vision of ownership and management
- Structuring from a tax and legal perspective

The Future

Step 4: Detail next steps

While it is likely you will cycle through the previous steps more than once, it is important that everyone involved knows what they need to do next.

After the talk, you'll likely:

- Begin to meet with a broader team of experts
- Update important documents, such as a Shareholders' Agreement
- Ask family members to think more about their wishes

Step 5: Keep an open mind to change

You'll want to stay nimble, as family dynamics tend to change over time. Achieving new milestones, some of which might be unexpected, will require you to re-examine your plans.

You need to stay agile because your:

- Family may grow or shrink depending on marriages, births, deaths, etc.
- Business demands and opportunities may change
- Family members may change their perspectives

Do not leave the future of your business to chance. Instead, bring your family members to the table and have a transparent financial planning conversation that fully explores your intentions... and those of your family.

Speak to your CIBC advisor for more information on how the Business Transition Planning Team and CIBC Financial Planning & Advice can help.

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