

Conversation starters

How to approach your small business owner clients

Owners need solutions to help them attract, reward and recruit top talent; protect their business investment; and establish a succession plan. Open a discussion with an owner by asking questions about these essential business needs and how they relate to their business.

What should business owners be concerned about?

Retaining, rewarding, recruiting	Key person protection	Efficiently transitioning their business
<ul style="list-style-type: none"> A plan to attract and retain top talent Rewards for exceptional performance Supplemental retirement plans for owners and selected employees Cost-efficient employee incentives 	<p>Protection from the financial impact of your death and/or the death of an essential employee</p>	<ul style="list-style-type: none"> Protection in the event of the death of a partner or co-shareholder A plan for the orderly transition of ownership and management of your business A strategy to obtain a fair price for your business when you want to sell it

Start the conversation questions to ask

Questions	Open up the discussion with these questions	Show how the issue could impact the business	Respond by telling the owner you can help them plan	Review these planning solutions with the owner
Retain, reward, recruit	<p>Are you concerned about losing key employees to competitors?</p> <p>Are you looking for key talent and not able to hire qualified applicants?</p>	<p>Losing key executives costs money and could hurt employee morale and customer relations.</p> <p>Competitors may be better positioned to retain, reward and recruit from the same talent pool.</p>	<p>Key person coverage – See page 4 in the Lincoln Business Life Insurance Solutions Guide (Order code: LIF-BI-BRC001)</p>	<p>See the Lincoln Business Life Insurance Solutions Guide (order code: LIF-BI-BRC001) for</p> <ul style="list-style-type: none"> Executive Bonus strategy – see page 5 Supplemental Executive Retirement Plan (SERP) – see page 7 Loan Regime Split-dollar Plan – See page 6
Protect	<p>How many employees contribute significantly to your profits?</p> <p>What is your estimate of the costs of hiring and training a replacement for you, a co-owner or a key employee?</p>	<p>The death or disability of a key employee could lead to business disruption, loss of profits, and the financial burden of recruiting and training a suitable replacement.</p>	<ul style="list-style-type: none"> To create a source of income to replace lost capital due to a key employee's death To provide funds for recruitment and training efforts to replace their key employee To have access to cash to help settle any loans due, or other expenses or bills incurred as the company transitions 	<p>See the Lincoln Business Life Insurance Solutions Guide (order code: LIF-BI-BRC001) for</p> <ul style="list-style-type: none"> Key person coverage – See page 4

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Transition	<p>What are your plans for retirement?</p> <p>What would happen to your company, your employees or your customers if you or a co-owner should die?</p> <p>Who would take the reins?</p>	<p>Without proper planning, you may not have funding needed when you eventually decide to retire or sell your business interest.</p> <p>If something would happen to an owner, imagine their spouse or heir inheriting their share of the business. This person may not be an ideal co-owner.</p>	<ul style="list-style-type: none"> To provide funds to help transfer their business interest To ensure that a shareholder's portion of the business does not transfer to an unsuitable owner To facilitate continuity for clients, employees and creditors 	<p>See the Lincoln Business Life Insurance Solutions Guide (Order code: LIF-BI-BRC001)</p> <ul style="list-style-type: none"> A Buy-Sell Agreement – See page 3

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