



PRIVATE CLIENT

Transition Planning Checklist: Process and Strategies

CONSIDERATIONS

STRATEGIC	FINANCIAL	TAX	OWNER & SHAREHOLDER
PREPARATION PHASE			
<ul style="list-style-type: none"> <input type="checkbox"/> Determine business and personal goals <input type="checkbox"/> Identify the ideal transition timing <input type="checkbox"/> Assemble a capable management advisory team <input type="checkbox"/> Prepare a management succession plan <input type="checkbox"/> Establish a solid governance structure <input type="checkbox"/> Analyze ownership transition options, both internally and externally <input type="checkbox"/> Assess your wealth allocation across liquid and illiquid assets <input type="checkbox"/> Outline a clear vision for your legacy and business <input type="checkbox"/> Update related technology 	<ul style="list-style-type: none"> <input type="checkbox"/> Establish a treasury-management function for working capital <input type="checkbox"/> Commission an audit or review of your financial statements <input type="checkbox"/> Prepare budget and forecast, or five-year forecasts <input type="checkbox"/> Secure a business valuation <input type="checkbox"/> Establish a personal financial plan <input type="checkbox"/> Consider the cost of outsourcing services, such as expense reporting 	<ul style="list-style-type: none"> <input type="checkbox"/> Review or establish your estate plan <input type="checkbox"/> Plan for estate, long-term income, and gift taxes <input type="checkbox"/> Structure your assets to align with your business and personal interests <input type="checkbox"/> Revisit or validate the tax efficiency of the entity structure for divestiture 	<ul style="list-style-type: none"> <input type="checkbox"/> Identify and leverage a peer network <input type="checkbox"/> Manage internal and external risks <input type="checkbox"/> Consider establishing a business advisory board for your business if it isn't already in place



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TRANSITION PHASE			
<ul style="list-style-type: none"> <input type="checkbox"/> Select and execute an ownership transition option <input type="checkbox"/> Carry out sell-side due diligence and data room preparation <input type="checkbox"/> Hire an investment banker to assist with transaction marketing documents and prospective buyer lists <input type="checkbox"/> Establish a post-merger plan 	<ul style="list-style-type: none"> <input type="checkbox"/> Work with your business advisory board to establish financial transaction goals <input type="checkbox"/> Create a pro forma adjusted financial model 	<ul style="list-style-type: none"> <input type="checkbox"/> Reevaluate transition options <input type="checkbox"/> Create a plan for outlining your post-merger integration or separation strategy 	<ul style="list-style-type: none"> <input type="checkbox"/> Understand the personal and familial impacts of a transition—emotional, financial, and otherwise <input type="checkbox"/> Assess the goals of all owners and family members tied to the business and determine agreed-upon objectives <input type="checkbox"/> Structure philanthropic planning <input type="checkbox"/> Manage multigenerational estate and wealth planning <input type="checkbox"/> Tailor family office planning
POST-TRANSITION PHASE			
<ul style="list-style-type: none"> <input type="checkbox"/> Execute post-merger integration plan in the event of a partial divestiture <input type="checkbox"/> Implement management succession plan 	<ul style="list-style-type: none"> <input type="checkbox"/> Modify pro forma adjusted financial model as necessary <input type="checkbox"/> Monitor financial results in the event of earn-out clauses or partial divestiture <input type="checkbox"/> Establish banking relationships, including accounts for assets <input type="checkbox"/> Execute ownership transition plan if internal transition option is selected 	<ul style="list-style-type: none"> <input type="checkbox"/> Set aside into a separate investment account the taxes that will be due from business sale proceeds 	<ul style="list-style-type: none"> <input type="checkbox"/> Execute family office vision and process <input type="checkbox"/> Establish risk profile and long-term investment goals <input type="checkbox"/> Determine your long-term business role, if any, and personal goals