



WORK \ FINANCE \ LIFE



Would You Buy a \$16 Cup of Coffee?; Ray Dalio Gets Principled; The 10 Best New Power Lunch Spots



Kirsten Gillibrand on Taking Power; What's Next for the Mooch?; Philanthropy for a New Generation



The Breeders' Cup Comes to San Diego; Five Astonishing Performance Cars; *Worth's* Holiday Gift Guide

Worth[®]

THE EVOLUTION OF FINANCIAL INTELLIGENCE



2017 POWER 100

THE MOST POWERFUL MEN AND

WOMEN IN GLOBAL FINANCE



WORTH.COM



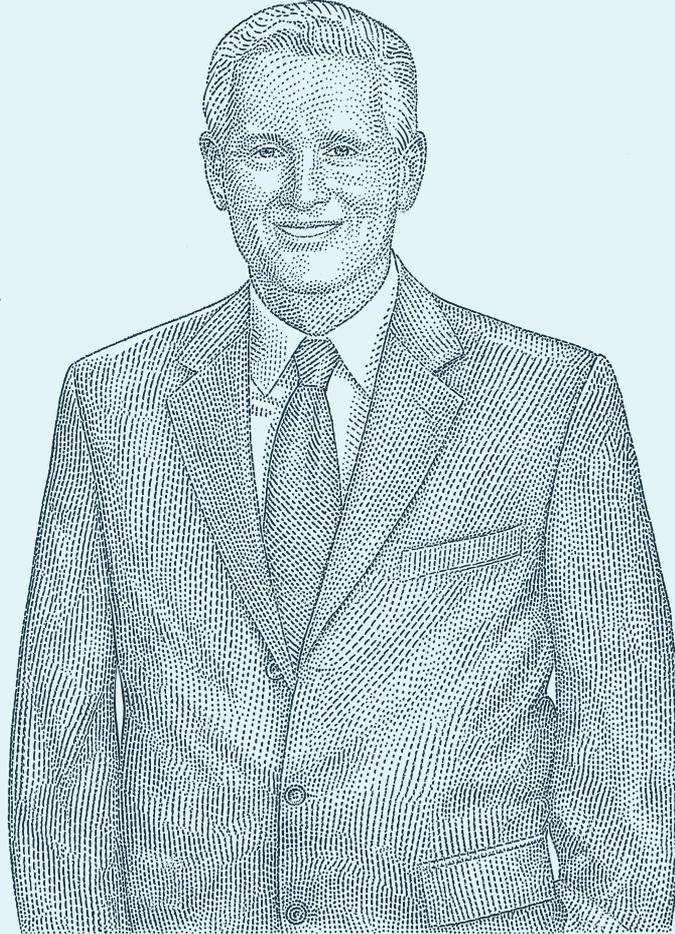
VOLUME 26 | EDITION 04

What are the nonmonetary considerations of selling your business?

BY BROOKS SLAUGHTER

WHAT MAKES A GOOD CLIENT...

Someone who is willing to share his or her problems, goals and aspirations and then partner with a trusted expert to realize those goals.



RICHARD P. SLAUGHTER ASSOCIATES INC.

13809 Research Boulevard, Suite 905, Austin, TX 78750

512.918.0000

FEATURED ADVISOR

Brooks Slaughter, MBA, CFP®,
President and CEO

ASSETS UNDER MANAGEMENT

\$450 million (as of 8/17)

LARGEST CLIENT NET WORTH

Confidential

MINIMUM FEE FOR INITIAL MEETING

None required

MINIMUM ASSET REQUIREMENT

\$500,000 (investment services)

COMPENSATION METHOD

Asset-based and hourly fees

PROFESSIONAL SERVICES PROVIDED

Planning, investment-advisory and money-management services; 3(38) fiduciary advisor

PRIMARY CUSTODIANS FOR INVESTOR ASSETS

Charles Schwab & Co. and TD Ameritrade

ASSOCIATION MEMBERSHIPS

CFA Society of Austin, CFA Institute, Financial Planning Association, The National Association of Personal Financial Advisors

EMAIL

brooks@slaughterinvest.com

WEBSITE

www.slaughterinvest.com

C

ountless articles exist about selling your business—we've written several, ourselves—and most address the financial aspects of that transaction.

However, much more is at stake than the valuations, financing and other economic details.

In short, for anyone who has worked hard to build, then sell, a business, considering the emotional as well as financial aspects of the event is key—and will yield a more successful result.

Here are four observations we've learned from helping owners that can help ease the transition from business owner to semi-retired business guru.

FINDING A NEW FOCUS

We've all seen the images of retired people sitting on a beach and traveling non-stop. However, for most retired business owners, that's not the typical experience.

These are talented people who are used to working hard. Many have also tied their self-worth and sense of purpose to their business, and that mentality doesn't stop just because they've sold their business.

Indeed, former business owners frequently rechannel that drive by finding new projects to consume their time. Others pour time and resources into charities and religious institutions. Whatever they choose, the important thing is finding something enjoyable that allows for a gradual transition into "retired" life.

“

For anyone who has worked hard to build, then sell, a business, considering both the emotional and financial aspects of the event will yield a more successful result.

”

REALIGNING HOME LIFE

Once removed from the office, a retired business owner's home life can be interesting in itself.

Married retirees now share more time with their spouses. Understand, however, that it's not unusual to want your own work area. So, both parties will have to adjust to each other's evolving schedules.

UNTYING PREVIOUS FINANCIAL ENTITIES

Many new retirees spend time unraveling the things they've done during their working years. This includes the complex entities they've built, to save on income taxes or protect assets from business liability.

Often, it is prudent in retirement to start dissolving those entities, in order to pay taxes in a lower bracket and simplify estate plans for other family members. Yet this unravelling can be a multiyear project that is

much more than just a financial exercise. The paperwork and filings require mental and physical energy, and often a team of advisors that includes a financial planner, CPA and attorney.

From our experience, people who have retired from running larger businesses gen-

erally have little trouble with this concept of forming a team to manage complex issues. They have been doing that for much of their careers and usually are quite adept at assembling a good, professional team and delegating job assignments as necessary.

Smaller business owners, on the other hand, often try to take on too much alone. These owners, unlike their counterparts at larger companies, are used to doing things themselves. Once they have moved on from their companies, they feel that because they have extra time, they may as well keep operating, post-career, with that philosophy.

However, these tricky financial maneuvers require professional expertise to realize the best results. Your investments, taxes and estate planning is not a hobby.

FALLING INTO FINANCIAL TUNNEL VISION

Another phenomenon with some business sellers is concentrating their investments.

Typically, they have accumulated sizable wealth from what they see as a single investment, and they consequently view that single-investment mentality as the proper methodology—finding something good and putting a lot of resources into it.

However, some portion of the returns in their business were actually unpaid wages. For example, if an owner also served as CEO, his or her wages for that position were saved.

Additionally, owners will have had much more control in their business than they do in most other investment situations. That's why diversification is the better course.

For all these reasons, a reputable wealth-management advisor can help you prepare for not only the financial ramifications of selling your business, but also the critical nonmonetary considerations, as well. ●

ABOUT US

RICHARD P. SLAUGHTER ASSOCIATES IS A LEADING WEALTH-MANAGEMENT FIRM SPECIALIZING IN DELIVERING TAILORED STRATEGIES AS A FIDUCIARY AND ADVOCATE FOR HIGH NET WORTH INDIVIDUALS, FAMILIES AND BUSINESSES. Slaughter Associates constructs wealth-management strategies around a financial plan, providing active, diversified and conservative asset management through its internal experts. These experts establish a collaborative relationship with clients and all their financial service professionals, helping clients navigate the financial complexities that high net worth individuals and families face.

Founded in 1991 in Austin, Texas, by Richard P. Slaughter, Slaughter Associates is one of the original fee-based firms in the nation. Through its subsidiary, RPS Retirement Plan Advisors, Slaughter Associates works with corporate clients by providing 3(38) fiduciary services, which help mitigate risk for plan sponsors and secure retirement readiness for employees. With offices in both Austin and the Dallas-Fort Worth Metroplex, Slaughter Associates has been recognized by the National Association of Board Certified Advisory Practices as a Premier Advisor and has been awarded Exemplary status for expertise in personal risk management. ●



Brooks Slaughter, MBA, CFP®
Financial Advisor

Richard P. Slaughter Associates Inc.

13809 Research Boulevard, Suite 905
Austin, TX 78750
Tel. 512.918.0000

brooks@slaughterinvest.com
www.slaughterinvest.com



Richard P. Slaughter™
Associates

REPRINTED FROM

Worth®

THE EVOLUTION OF FINANCIAL INTELLIGENCE

Richard P. Slaughter Associates Inc. is featured in Worth® 2017 Leading Wealth Advisors™, a special section in every edition of Worth® magazine. All persons and firms appearing in this section have completed questionnaires, have been vetted by an advisory group following submission by Worth®, and thereafter paid the standard fees to Worth® to be featured in this section. The information contained herein is for informational purposes, and although the list of advisors presented in this section is drawn from sources believed to be reliable and independently reviewed, the accuracy or completeness of this information is not guaranteed. No person or firm listed in this section should be construed as an endorsement by Worth®, and Worth® will not be responsible for the performance, acts or omissions of any such advisor. It should not be assumed that the past performance of any advisors featured in this special section will equal or be an indicator of future performance. Worth®, a publication of the Worth Group LLC, is a financial publisher and does not recommend or endorse investment, legal or tax advisors, investment strategies or particular investments. Those seeking specific investment advice should consider a qualified and licensed investment professional. Worth® is a registered trademark of the Worth Group LLC.