

SCOTIABANK TRANSITION TOOL

SCRIPTS

HOST ON CAMERA:

Welcome to the Scotiabank Transition Tool.

Together, let's look at how you can get the most out of your business longer term and plan for a successful transition of ownership when you make the choice to exit. We'll guide you step-by-step through the process of thinking about key considerations based on your unique circumstances. The goal is to map out a plan that achieves the best lifestyle and financial outcomes for you and those who are important to you.

Before we start, we suggest you complete our questionnaire. It's not mandatory but it will help us get to know you better so we can point you in the right directions.

The tool has three sections. Succession Planning is a critical step. We will help you look ahead at different transition options, and identify which will best fit your personal and financial goals.

We'll also look at the steps involved in successfully closing the deal - and then at life thereafter. Finally, we'll help you with the steps you want to take right now.

You can hear face-to-face how Scotiabank is helping customers meet their different succession planning needs. Listen right now.

HOST INTRO TO SECTIONS:

1. One-Minute Questionnaire

This questionnaire will help you get started. Don't worry too much about the details right now - you can come back any time to fill in the blanks.

2. Planning

You need to understand your alternatives and make informed decisions as you create a plan that ensures you are ready for the future.

3. Closing the Deal & Life After

Now you've done your prep work, it's time to finalize the deal and start living your future.

4. Now You're Ready! Next Steps

Here's your completed transition roadmap. Print out any of the resources and notes you need and use it as a guide as you plan your discussions with the financial professional who can help you take transition plan to the next level.

CASE SCRIPT: DENTIST

HOST ON CAMERA:

Meet Jeff...he's a dentist, transferring ownership over time. Over to you, Jeff!

DENTIST JEFF ON CAMERA:

I planned on retiring in a few years, but beyond imagining what life would be like without my daily responsibilities to my patients I had no idea how to go about selling the practice. I didn't know where to start.

Luckily, Scotiabank did! They walked me through a process which help me consider my options. Getting a broker, for example, to help find an associate to join the practice with a view to buying me out in a few years time. It was important to me that practice I'd built and the patients who'd come to rely on me would be in good hands.

They also discussed planning strategies to protect and enhance the practice value, so I get the best selling price. Plus they gave me advice on when and how to tell my staff and my patients.

By working with Scotiabanks team of experts we where able to map out an ownership transition plan that considered exactly where I am today financially, clearly identify how I will achieve my personal and business financial goals and ultimately protect my vision of life after ownership practice.

It's been a real plus to work with a bank that has the experience and resources to guide me through the process ... and by the way, they made it easy for Karen, my new associate to find the resources she needed purchase the practice...and fund my new retirement lifestyle!!

CASE SCRIPT: SMALL BUSINESS OWNER

HOST ON CAMERA:

Evelyn's goal was to sell her small business for the best price. Let's hear from you, Evelyn!

SMALL BUSINESS OWNER EVELYN ON CAMERA:

I built my business from scratch. It was all mine. A lot of hard work and long hours went into it over the years so when I decided it was time to sell, I wanted to be sure of getting the best price for it. But you know what? I didn't have a clue what steps I needed to take in order to ensure I got top dollar from the sale.!

Scotiabank came through for me. They showed me how I could identify those things in my business which I could reasonable expect a buyer to pay for. And more importantly how, over time, I could take deliberate steps to ensure that those things where healthy and ready to be transfered to

a new owner. For me, that meant separating myself from the day to day operations of the business and better equipping others to achieve growth that would benefit the buyer.

Scotiabank also helped me understand how to arrive at a realistic sale price. One option was to hire a Chartered Business Valuator – someone who knew the ropes and could give me a realistic evaluation. It proved the right move for me.

Scotiabank also helped me think about how to structure the deal and negotiate an agreement. My Scotiabank Small Business advisor helped me get my lawyer and accountant involved at the right time. I believe it was that combination of the right advisors at the right time that made the difference. They gave me good, solid advice – it helped me get the good price that my business deserved.

CASE SCRIPT: FARMER

HOST ON CAMERA:

Bill is a farmer, planning to give the business to his son. Take it away, Bill!

FARMER BILL ON CAMERA:

I'd been thinking for a while about handing the farm over to my son, but I wanted to be sure...was it the right time? I wasn't certain. I didn't want to make a mistake – after all, we're family. I needed to do it right.

My Scotiabank advisor Ken understood. He said that when a succession plan involves a family member, it's important to carefully consider both the financial reality of providing for a comfortable retirement for my wife and I, but also the family implications of shifting farm ownership to the next generation. It was good advice. Ken helped me understand my options based on his experience with other families. As it turned out, when I was ready to sit down and talk with the family I had already thought things through and could propose some ideas that made sense for our farm and my family. .

I'm glad I did it early. I was surprised to learn that my son Mark had some reservations about continuing in farming. Turns out he wanted to attend agricultural college over the next three years and has some big plans for the place. But he wants to do it on his own terms. I'm fine with that, and both my wife and I have a real sense that we're doing this right.

Scotiabank also got me to think carefully about what I'll do with my life after the deal is finally done – and how I'll make sure I have the money for all I want to do.

We all feel good about this transfer now – and that's important.
Thanks Scotiabank.
