

# RISK BAROMETER

*Directions: For each "NO" answer, copy the number to the left of the question in the space provided.*

## Mistake #1: "I know what my business is worth."

- 4 – Have I ever had the business value appraised by an outside resource \_\_\_\_\_
  - 3 – Have I had the appraisal reviewed within the last three years? \_\_\_\_\_
  - 5 – Do I have a formal buy/sell agreement? \_\_\_\_\_
  - 4 – Is my buy/sell agreement funded? \_\_\_\_\_
  - 5 – Does my buy/sell agreement adequately protect my heirs, my business, and my partners? \_\_\_\_\_
  - 4 – Has my buy/sell agreement been reviewed within the last three years? \_\_\_\_\_
  - 3 – Do I know where my buy/sell document is kept? \_\_\_\_\_
- Please total your NO points for SCORE #1** \_\_\_\_\_

## Mistake #2: "I'm too busy running the company."

- 5 – Do I have a will and is it up to date? \_\_\_\_\_
  - 4 – Do I have a living will? \_\_\_\_\_
  - 4 – Do I have a plan to retain key employees if something happens to me? \_\_\_\_\_
  - 3 – Have I had my Trust & Estate Plan reviewed in the last three years? \_\_\_\_\_
  - 4 – Are my assets protected from potential litigation? \_\_\_\_\_
  - 5 – Have I identified and written down my trusted advisors? \_\_\_\_\_
- Please total your NO points for SCORE #2** \_\_\_\_\_

## Mistake #3: "That'll never happen to me."

- 3 – Do I have a formal succession plan prepared and on file? \_\_\_\_\_
  - 5 – Does my succession plan have a provision for disability? \_\_\_\_\_
  - 4 – Have I involved both key employees and family members in my succession planning? \_\_\_\_\_
  - 4 – Have I identified and written down who I want to run the company? \_\_\_\_\_
  - 4 – Do my family and my employees know who is going to run the company? \_\_\_\_\_
  - 5 – Do I have disability buy-sell or overhead expenses coverage? \_\_\_\_\_
  - 3 – Do I have contribution protection for my retirement account if I become disabled? \_\_\_\_\_
- Please total your NO points for SCORE #3** \_\_\_\_\_

## Mistake #4: "There's plenty of time for that."

- 3 – Do I know when I want to retire? \_\_\_\_\_
  - 5 – Do I know how much income I will need in retirement? \_\_\_\_\_
  - 4 – Do I want to be running my company full-time, five years from today? \_\_\_\_\_
  - 3 – Do I know how much control in the business I must maintain in order to secure my retirement? \_\_\_\_\_
  - 4 – Have I explored financing opportunities for key employees to buy the company in the future? \_\_\_\_\_
- Please total your NO points for SCORE #4** \_\_\_\_\_

## Mistake #5: "My business is my retirement."

- 5 – Do I have investments other than my business? \_\_\_\_\_
  - 4 – Will my business assets account for less than 25% of my retirement planning? \_\_\_\_\_
  - 3 – Have I created income from more than four sources outside my business? \_\_\_\_\_
  - 4 – Do any of my retirement assets have guaranteed returns? \_\_\_\_\_
  - 4 – Have I had my retirement income projected / analyzed to identify shortfalls? \_\_\_\_\_
  - 5 – In the past year, have I spent more than one hour planning for retirement? \_\_\_\_\_
- Please total your NO points for SCORE #5** \_\_\_\_\_

## Mistake #6: "You can't beat Uncle Sam."

- 5 – Have I determined my financial goals? \_\_\_\_\_
  - 4 – Am I proactively planning to deal with changes in the tax laws? \_\_\_\_\_
  - 3 – Do I have a financial expert(s) working with me? \_\_\_\_\_
  - 3 – Will any sources of my retirement income be received tax-free? \_\_\_\_\_
  - 5 – Do I have an exit plan for my business, and is it written down? \_\_\_\_\_
- Please total your NO points for SCORE #6** \_\_\_\_\_

### Add Scores 1 - 6 for your Total Score:

Score #1 \_\_\_\_\_ + Score #4 \_\_\_\_\_  
 + Score #2 \_\_\_\_\_ + Score #5 \_\_\_\_\_  
 + Score #3 \_\_\_\_\_ + Score #6 \_\_\_\_\_  
**= YOUR TOTAL SCORE** \_\_\_\_\_

### Interpreting your Risk Barometer Score. If you scored between:

- **130-145** then you are in good shape!
- **115-129** then we need to take a quick look at your business and future expectations.
- **100-114** then we need to plan today!