



guidant
FINANCIAL

7 QUESTIONS TO ASK A ROBS PROVIDER

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Secure your Business Financing

and Your Peace of Mind



Choosing the right financing firm to help you complete a Rollover for Business Start-up (ROBS) arrangement can seem overwhelming. But by doing your homework early on, you can identify the provider that will support you and your business before, during and even after the process.

Here are 7 questions you should ask every potential ROBS provider before making your final decision:

1

How experienced is your firm?

You want a ROBS provider you can count on to provide accurate and efficient results. Aside from the number of ROBS transactions the firm performs each year, you should also assess their business history to ensure they have a solid reputation. The firm should have a 10+ year track record of ROBS success and be recognized as a leader in the industry (look for awards and honors they've received to back them up).

INSIDER'S TIP:

The best firms perform more than 1,000 rollovers per year and employ subject-matter experts who can provide advice based on their past experience working with entrepreneurs.

2

What are your costs?

You shouldn't encounter any surprises when working with a ROBS provider, so look for transparency in pricing. Make sure the firm provides audit protection, as well as in-house legal, business valuation and recordkeeping services as part of their costs.

Don't forget — you get what you pay for. Do you want a firm to only complete the transaction, or do you want more support for your business? If you decide to pay less upfront, the cost to your business could be steeper in the end.

Average Setup Cost	Average Monthly Maint. Fee
\$5,000	\$120



3

What's your ROBS process and timeline? Can the process be expedited?

The firm you choose should detail their ROBS process upfront, provide a reasonable timeline and complete the transaction on time. They should also be able to review state filing timetables and be familiar with how your current 401(k) custodian could affect the schedule. Most rollovers take about three to four weeks, but an efficient firm will rush the process if needed.



INSIDER'S TIP:

Firms that claim they can complete the ROBS process in 10 days may sound enticing, but they often aren't able to follow through on that promise.

4

Have any of your ROBS transactions been audited by the DOL or IRS? If so, what was the outcome?

INSIDER'S TIP:

A firm with no history of audits may sound preferable, but it could be a warning sign of inexperience.

A trustworthy firm will stand behind their clients in the case of an audit. They'll pay for their client's legal representation if an audit does occur and will have a spotless audit record (meaning no taxable event has ever occurred as a result of a ROBS arrangement).

5

Am I allowed to work with external legal counsel during the rollover process?

Investing part or all of your nest egg into a small business is a big decision – and not one to take lightly. Look for a ROBS firm that encourages you to seek outside legal representation that can provide unbiased advice. Better yet, seek a firm that offers this outside counsel as part of their rollover package.



6

Will you help me with ongoing maintenance of my 401(k) plan?

The ROBS arrangement requires monthly maintenance to keep your new business compliant. Most firms offer recordkeeping services, but look for one that employs an in-house recordkeeping team, in addition to an on-site compliance crew and attorneys. Having these teams in-house means a much better customer experience and faster response times.



7

Do you provide additional funding solutions besides ROBS?

You want a ROBS firm that can support you as your business grows. Make sure your provider offers funding solutions that can be utilized throughout the lifecycle of your business, including the ability to combine funding programs to increase buying power.

OTHER FUNDING SOLUTIONS:

A computer monitor with a blue screen and a black bezel, sitting on a silver stand. The screen displays the text "SBA" in white, bold, sans-serif font.

SBA

A computer monitor with a blue screen and a black bezel, sitting on a silver stand. The screen displays the text "UNSECURED" in white, bold, sans-serif font.

UNSECURED

A computer monitor with a blue screen and a black bezel, sitting on a silver stand. The screen displays the text "WORKING CAPITAL" in white, bold, sans-serif font, with "WORKING" on the top line and "CAPITAL" on the bottom line.

**WORKING
CAPITAL**

Trust Your Gut

Above all, the company you choose to help you complete your ROBS transaction ought to leave you feeling confident. They should provide exceptional customer service and be available to answer your questions quickly and thoroughly.

Your peace of mind is important; now that you know more about choosing the best ROBS provider for your business or franchise, you'll be one step closer to realizing your dreams with a company you trust behind you.

Ready to get started?

Call us 888.472.4455



Sources

Best Rollover as Business Start-up Providers, FitSmallBusiness

Alternative Financing Avenue Allows You to Tap Into Retirement Funds, Entrepreneur.com