

2022



YEAR-END CHECKLIST

FOR BUSINESS OWNERS, LEADERS AND
THEIR FAMILY MEMBERS

WE INVITE YOU TO USE THIS
CHECKLIST TO TAKE CARE OF
THE RECOMMENDED ANNUAL
"HOUSEKEEPING" TO KEEP YOU,
YOUR BUSINESS AND YOUR
FAMILY WELL POSITIONED FOR
A SUCCESSFUL NEW YEAR.

WegmanHessler
+ THE ART OF LAW



PERSONAL MATTERS

- Read your will... again.**

Both relationships and personal assets evolve over time. There may be some updates necessary to ensure your last will and testament wishes reflect the current situation. Read over what you've prepared and make sure it still reflects your wishes. If you don't have a will, get in touch with an experienced estate planning attorney to have one prepared.
- Prepare an emergency envelope.**

Don't make your loved ones or EMS teams hunt for your legal paperwork in the event of an emergency. Inside include details (name, cell phone, address, email and relationship) of your emergency contacts. Also include current prescriptions you're taking as well as your living will and medical power of attorney documents. Having copies of your paperwork accessible can help ensure your wishes are followed.
- Prepare a Power of Attorney (POA) and Medical POA for your young adult children.**

Once your child turns 18 years of age, privacy and other laws limit your ability to advocate on their behalf, or manage their affairs, should they be incapacitated or hospitalized. Consider having a power of attorney and medical power of attorney paperwork in place to allow for your involvement should you need to support them through medical or personal challenges.
- Confirm your life insurance policies are adequate.**

As part of your estate planning, be sure to review and audit your life insurance policies to ensure your policies are adequate for your needs. Note that life insurance is also an effective tool to take advantage of certain estate tax exemptions.
- Schedule a review of your estate plans.**

Changes to the tax code by the Biden administration may significantly impact an individual's ability to pass wealth to future generations. We recommend exploring legal solutions to help protect what you've earned. Make time to schedule an estate plan review to keep your plans and documents up to date.
- Prepare for changes in your relationships.**

Thinking about getting married again? Protect your bright future from unexpected storms with a prenuptial agreement as well as an updated estate plan. In addition to outlining expectations in the event of divorce or separation, having your will up to date including trusts for your children can help to make sure your wealth is distributed accordingly.
- Update your beneficiaries after divorce or loss.**

Review and update your life insurance and investment beneficiaries. If you've ended a marriage or are widowed, check your accounts to make sure the right beneficiaries are in place and updated for each of your assets.

CORPORATE MATTERS

- Audit and review insurance policies and lines of credit.**
Be sure you have the appropriate level of property and business insurance coverage. Analyze your exposure to risk due to any lack of insurance, especially for new threats and over-exposure from unnecessary lines of credit.
- Update your corporate records.**
Changes are coming to federal tax laws, along with new requirements regarding the disclosure of corporate ownership. Be sure to tend to your incorporation records and business filings. We recommend that you request your business lawyers to audit what you have in place currently. Have them review and update of your corporate record books and board meeting minutes to make sure you stay current.
- Audit and review insurance policies and lines of credit.**
Be sure you have the appropriate level of property and business insurance coverage. Analyze your exposure to risk due to any lack of insurance, especially for new threats and over-exposure from unnecessary lines of credit.
- Review your lease agreements.**
Review your signed lease agreements and any amendments, especially when leasing space that is essential to your business operations. Look for language on expectations that you are either unaware of or that you haven't been actively performing as agreed. Failure to comply to any requirements - even those you agreed to years ago - can give your landlord the leverage they need to kick you out against your will. When in doubt, have an attorney review your existing agreements and facilitate any necessary addendums or revisions to protect you.
- Do a quick lien search.**
Look up your property to see if there are any outstanding liens you may be unaware of. Individuals and businesses, such as contractors, landlords, or service providers, can file to attach a lien for payment against you. Many times, these liens are not discovered until there is a transfer of ownership - long after the lien was originally placed, making it more difficult to challenge.
- Review your business' succession plans.**
Have a plan in place for the transfer of company ownership, including details and arrangements to maintain business continuity. Such plans include: a planned transfer of equity; establishing the worth of shares; how to transition shares in the event of a death of sudden retirement of a majority shareholder; and so on.
- Review your office overhead and expenses.**
With an increasingly remote workforce, changes in office use (including space and equipment needs) should be reevaluated to determine whether certain costs may be cut to meet current usage.

CORPORATE MATTERS

- Update your shareholder agreements.**
Shareholder agreements outline the terms of selling and transfer of shares of ownership. Review the current terms and expectations of your company's agreement. What if three vested members retire in the same calendar year? Is the calculation of buyout amounts clearly outlined? Are payments staggered over a specific timeline? Have an experienced business attorney review and provide any recommendations.
- Schedule an audit of current insurance coverage.**
Insurance companies offer sophisticated ways to protect you and your business on multiple fronts. Review insurance and other tools to support transfer of ownership. Consider insurance to cover the unanticipated exit of a key player so the expense does not significantly damage the business.
- Review and update your employee handbook, and employment agreements.**
As COVID-19 has changed the way many businesses operate, those changes should be reflected in your company and employee documentation and agreements. From office policies and remote work to Zoom meeting etiquette, corporate dress and BYOD (bring your own device) expectations, all should be outlined and updated in your employment guides and handbooks. Be sure clearly communicated policies are in place to manage and protect your business and its employees.
- Confirm that your business' intellectual property is secure.**
Check to see that your trademarks and service mark registrations are up to date. Also confirm that all valuable brand and trade names used by your business are properly protected. Schedule time to discuss IP strategy and docket management with our IP attorneys. Not only can a patent lawyer help with registrations, our IP team can also administer the payment of annuities (patents) and renewals (trademarks) to ensure you stay up to date across your IP portfolio both domestically and internationally.
- Use IP as competitive strategy.**
Once IP assets are protected by patents and trademarks, use those marks as part of an overall strategy. Our IP team can help address ongoing IP-related non-prosecution matters (e.g., cease and desist letters, potential infringement, validity claims, clearance opinions, patentability opinions, etc.), monitor the IP filings of competitors and to help anticipate future actions by competitors in an increasingly competitive market to continue to protect your advantage.
- Schedule time with your lawyer.**
It is difficult to put a value on a cost you did not incur because you had good advice. Make time to connect with your legal team to run smarter in the new year.