



2024 Client Update & Checklist

FOR BUSINESS OWNERS,
LEADERS AND THEIR
FAMILY MEMBERS

We invite you to use this update and checklist to keep you, your business and your family well positioned for success in 2024.

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NEW 2024 REQUIREMENTS

The Corporate Transparency Act Is Now in Effect

As of New Year's Day 2024, Corporate Transparency Act disclosure requirements are now in effect for newly created business entities. For existing business owners, those regulations go into effect at the end of this year. Gathering the data required to meet the new requirements of these regulations is expected to be a time-consuming process. Avoiding it poses the risk of hefty fines for those who do not comply.



RECOMMENDED ACTION: Get your entity details in order now.

Get your business incorporation details in order in the first quarter of this year. Have your business attorney assist you on the new requirements. This can include a review of ownership agreements, incorporation documentation, corporate record books and board meeting minutes, and the required details of all beneficial owners as defined to meet the new requirements before the deadline.



Significant Changes to Employee Handbook Rules

In August 2023, the National Labor Relations Board (NLRB) introduced a significant change regarding employer policies related to employees engaging in protected activities, such as unionizing. This change affects almost all employers, regardless of union membership. For employers, it is important to review current policies and consider the legitimate business justifications behind each rule. Can the rule be more narrowly tailored?



RECOMMENDED ACTION: Ensure your employee handbooks are in compliance.

- **Review Policies:** Schedule time to thoroughly review your current policies and procedures. Evaluate each policy to determine if there is a legitimate business reason to justify it, especially if under scrutiny from the NLRB.
- **Narrowly Tailor Rules:** Consider whether each company rule can be more narrowly tailored to avoid unnecessarily restricting employee rights.
- **Consider Economic Dependency:** Recognize the economic dependency of your employees and how they may interpret the rules as being coercive in any way. Avoid overly broad rules that employees may misunderstand or that may deter them from engaging in protected activities.
- **Seek Legal Counsel:** Schedule time to confirm the compliance of your policies with the new NLRB regulations and for guidance on how to navigate the new standard. Our HR legal specialists can provide you with advice tailored to your business.

CORPORATE MATTERS

- ☐ **Review all supplier agreements.**
Locate all agreements for your top suppliers and customers. Are they current? Is a hand-shake deal in place instead of a binding contract? Have an experienced business attorney look through your contracts carefully, including terms and conditions, to ensure your interests are protected and your agreements are fully enforceable under law.
- ☐ **Use 2023 numbers to improve 2024 spend.**
Use your 2023 year-end numbers to explore opportunities to adjust expenses by renegotiating contracts. Check for redundancies or unnecessary spending to trim.
- ☐ **Revisit your business' succession plans.**
Review the plans you have in place for the transfer of company ownership, including details and arrangements to maintain business continuity. Are all situations addressed? Are assumptions captured? Such plans include: a planned (scheduled) transfer of equity; establishing the worth of shares; how to transition shares in the event of a death or sudden retirement of a majority shareholder; and so on.
- ☐ **Prepare for the unexpected.**
Update business emergency, continuity and contingency plans to address disruptions caused by leadership transitions, recession, inflation, labor shortages, or supply chain issues.
- ☐ **Find out about legal strategies to protect your wealth.**
Explore business consolidation and restructuring to improve cash flow, minimize taxes, and protect your family's long-term wealth, using legal discipline to improve ownership structure and strategies.
- ☐ **Improve your employee handbook and employment agreements.**
Follow Ohio labor laws on issues like overtime, minimum wage, breaks, discrimination, and family leave. Stay current on changes. Any newly adopted work arrangements (such as remote work or service animal policies) should be reflected in your employer-employee documentation and agreements. In addition to compliance with new NLRB rules mentioned earlier, updates can include office policies on political speech, video meeting etiquette, corporate dress and digital device expectations. Be sure all policies in place are accessible and clearly communicated.
- ☐ **Confirm that significant intellectual property assets are 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 across marketplaces. Schedule time to discuss IP strategy and docket management with our IP attorneys. Our IP team can help with registrations as well as managing the payment of annuities (patents) and renewals (trademarks) to ensure you stay up to date across your IP portfolio domestically and internationally.

PERSONAL MATTERS

- ☐ **Consider the economy in your estate plans.**
Ask your estate attorney about utilizing generation-skipping trusts and other vehicles to maximize wealth preservation through periods of high inflation. Also, assess life insurance needs and coverage gaps in light of evolving estate values and new economic challenges.
- ☐ **Read through your will and estate plans... 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.
- ☐ **Deploy trust strategies to protect business and real estate assets.**
For valuable illiquid assets like real estate or a business, consider the use of legal instruments, such as trusts or limited partnerships, to retain control while minimizing tax impacts. You can also address estate tax exposure through techniques like the marital deduction, strategic gifting, life insurance trusts, and other strategies. Schedule time with our Trust and Estates team to learn more.
- ☐ **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 family relationships.**
Thinking about getting married again? Are your children marrying the right partner? Protect family wealth from unexpected storms by updating your estate plan. In addition to outlining expectations in the event of divorce or separation, updates can include comprehensive wills and living trusts customized for your unique circumstances and wishes, as well as creating trusts for your children. This can help to ensure a smooth transfer of wealth according to your wishes.
- ☐ **Update your beneficiaries after divorce or loss.**
Review and update your beneficiary designations. 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.

LITIGATION MATTERS

- ☐ **Update shareholder agreements to avoid lawsuits.**
Review the current terms and expectations of your company's ownership agreements. What if three vested members retire in the same calendar year? Is the calculation or timeline of each buyout clearly outlined? What if your leadership team wants to get rid of someone who happens to be a shareholder? Have an experienced business attorney review and provide recommendations.
- ☐ **Run a tight ship to avoid litigation risks.**
Proactively take steps to avoid litigation, including drafting robust contracts, resolving disputes early, having processes in place for operational consistency, and maintaining insurance to cover any issues that may come up.
- ☐ **Prepare for success.**
If litigation is likely, engage counsel early for optimal strategic planning and execution. Address issues before they escalate. This includes preserving documents, data, records, and other evidence completely.
- ☐ **Choose your battles by taking a strategic path forward.**
With counsel, evaluate the merits of potential claims or defenses and make smart decisions on pursuing or defending litigation. Explore cost-effective alternatives to litigation, like settlement talks, mediation, or arbitration. Above all, weigh the business impacts. If you do decide to move forward, stick to the legal strategy and focus on the business priorities rather than emotions.
- ☐ **If you are accused of or are being investigated for a federal crime, call us ASAP.**
The best time to get a criminal defense lawyer is as soon as you become aware of the federal investigation. In many cases, the federal prosecutor (referred to as an Assistant United States Attorney) and the FBI or DEA will investigate for many months before charging someone with a federal crime. It is during this time that a criminal defense lawyer can help most. Whether it is a federal drug crime, or a white-collar crime such as bank fraud or embezzlement, the federal court uses federal sentencing guidelines to guide the judge on the sentence. Understanding how to reduce the sentencing within the guideline is critical.
- ☐ **Schedule time with your lawyer.**
It is difficult to put a value on a cost you did not incur because you had good advice. Schedule time now with your legal team regarding any of the above matters.



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