

Business Continuity | Start with the decision

Decision question. If an owner could not act, died, disputed a decision or exited, who could act - and how would commitments be funded?

Who this is for. For business owners and their attorneys - one owner or multiple owners, with a separate personal estate review where relevant.

Why it matters. Continuity connects the legal arrangement, ownership evidence, decision authority, transfer terms and usable funding. An entity label or an insurance policy alone does not answer these questions.

Scope. Educational coordination review. No legal adequacy score, eligibility verdict, entity recommendation or agreement drafting. Use state-, jurisdiction- and entity-specific attorney review.

Readiness and decision path

Readiness 1. I can identify the legal entity and its formation jurisdiction, or flag them for verification.

Readiness 2. I can distinguish the entity from its federal tax classification or election.

Readiness 3. I can gather governing agreements and current ownership records.

Readiness 4. I can identify incapacity, death, dispute and exit questions for counsel.

Readiness 5. I can identify valuation and funding assumptions, or mark them unknown.

Readiness 6. I am prepared to coordinate attorney, tax and financial review.

How to use these questions. Yes supports preparation. No / Not sure identifies a review item, not a denial of service or a suitability result. The checklist remains available without cash calculations.

Decision tree

1 | Establish the review question. Choose the individual/family path, the business-owner path, or both. Business ownership does not replace a personal estate review.

2 | Gather evidence. If a record is not available, mark it Not provided / Unknown and take that question to counsel. Do not infer that the document does not exist.

3 | Separate documents from dollars. Continue the coordination checklist even when cash estimates are unknown. Calculate only when every amount is explicit, nonnegative and assigned to the same time window.

4 | Resolve, then revisit. A calculated gap identifies a discussion, not an automatic product recommendation. No gap is not a legal pass. Counsel and the advisor confirm next steps, responsibility and a review date.

Coordination checklist - structure and authority

Legal entity is not tax election. Record the state-law entity separately from federal tax treatment. For example, an LLC can have different federal tax classifications; an S election concerns federal tax treatment. C-corporation tax treatment and S election status are not interchangeable with the underlying entity. Ask the tax professional to verify actual status. No entity or election is recommended here.

Governing agreements. Locate applicable operating, partnership or shareholder agreements, bylaws and amendments. Ask counsel which govern control, voting, transfer limits and dispute resolution. Why: the applicable records depend on the entity and jurisdiction; not every business needs every listed agreement.

Authority at a disruption. Ask who can sign, access accounts, manage operations, appoint successors and make reserved decisions during incapacity or after death. Ask how disputes and deadlocks are addressed. Why: ownership, management and signing authority may not be identical.

Coordination checklist - ownership, transfer and funding

Ownership and restrictions. Reconcile ownership ledger or capitalization records, certificates where relevant, transfer restrictions and estate-plan ownership. Why: unclear records can frustrate a planned transition. Counsel and tax professionals should review any S-election implications of transfers.

Buy-sell and exit terms. Locate any buy-sell arrangement and ask about trigger events, buyer and seller, payment timing, approvals and dispute procedures. Why: death, incapacity, retirement, voluntary exit and conflict may have different consequences. This review does not draft or validate an agreement.

Valuation method. Ask which valuation method, valuation date and update process the agreement uses, and how disagreements are resolved. Why: a planning estimate is not a business valuation or proof of an enforceable price.

Funding and insurance, if relevant. Match cash reserves, financing and any insurance to the intended obligation, owner, beneficiary, recipient, amount and timing. Verify policy terms and availability with qualified professionals. Why: coverage is not proof that proceeds arrive on time or reach the obligated buyer; insurance is not automatically the right solution.

Impact - cash timing, not an agreement verdict

Fictional 6-month illustration. Illustrative contractual payment due \$300,000 + transition costs \$60,000 + separately supplied tax estimate \$0 = \$360,000 of estimated needs. Unrestricted cash \$100,000 + separately verified financing assumed available \$150,000 = \$250,000. Illustrated gap: \$110,000; resources above needs: \$0.

What the illustration cannot show. The payment is a fictional supplied amount, not an interpretation of a buy-sell agreement. Tax is explicitly assumed zero, not determined. No insurance proceeds are assumed. Financing availability, covenants and payment terms need verification.

What to consider and why. Test each due date against the actual recipient and legally available funding. Keep working capital needed for operations separate from funds committed to a buyout. A six-month total can conceal a shortfall next week.

Resolve legal and financial questions together. Counsel reviews triggers, authority, terms and state/entity-specific requirements. The tax professional reviews classification and tax effects. The advisor evaluates cash timing and funding alternatives without deciding legal adequacy.

Comprehensive review - next step

Coordinate the meeting. Arrange a comprehensive review with your attorney and a CEPA-credentialed, Q4-trained financial advisor. Include your tax professional when tax classification, estimates or transfer consequences are involved. The attorney evaluates legal documents and state-specific requirements; the advisor helps coordinate cash flow, funding and financial priorities. No professional endorsement or completed legal review is implied.

Bring evidence, not assumptions. Use a private professional channel for actual records. Do not enter names, health information, account numbers or client documents into this demo. No forms, uploads, email or data storage are included.

Record status, not a score. For each checklist item use: Available for review / Not provided / Unknown / Not applicable pending counsel review. Available does not mean legally adequate. Identify an owner and next review date privately.

Primary sources and limits. Sources below support educational distinctions, not the completeness of this checklist. California court material is a jurisdiction example only. Professional and editorial review remain pending.

Sources and review boundaries

IRS: LLC legal entity and federal tax classification:

<https://www.irs.gov/faqs/small-business-self-employed-other-business/entities/entities-3>

IRS: S-corporation election, Form 2553: <https://www.irs.gov/forms-pubs/about-form-2553>

SBA: business structure and partnership considerations:

<https://www.sba.gov/counseling/launch-your-business/>

SBA: ownership transfers and sales agreements:

<https://www.sba.gov/counseling/manage-your-business/>

Reviewed October 23, 2026. This is a discussion aid, not a jurisdiction-specific legal checklist or assurance that any attorney has approved it.

Tool 15 has two report paths within the existing 18-tool collection. Personal estate planning and business continuity can both apply to the same owner.