

EPISODE 2: INCAPACITY OF THE OWNER OR OPERATOR

Presented by Lawvex, LLP
California Business Succession
Planning Attorneys
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Why This Matters

As a business owner, what happens if you can't make decisions tomorrow? Whether it's a health emergency, accident, or unexpected event, a sudden incapacity could leave your business—and your family—vulnerable.

This checklist will help you assess how prepared you are to keep your business running smoothly if you become incapacitated.

OWNERSHIP & LEGAL AUTHORITY

- ☐ My business ownership (shares or LLC interest) is held in my **revocable living trust**
- ☐ My trust includes **successor trustees** who can act immediately
- ☐ I have a **durable power of attorney** for business and financial decisions
- ☐ My operating agreement/bylaws **permit my trustee/agent to act**
- ☐ I've reviewed these documents in the last **3 years**

OPERATIONAL CONTINUITY

- ☐ I have a **written emergency plan** for leadership handoff
- ☐ A **designated person** can step into my role operationally
- ☐ That person has **training, access, and authority**
- ☐ I've appointed a **temporary replacement** formally
- ☐ My key team members are **aware of the plan**

ACCESS TO CRITICAL INFO

- ☐ Someone I trust can access:
 - ☐ Business bank accounts
 - ☐ Payroll & vendor platforms
 - ☐ Customer systems
 - ☐ Passwords/logins (secured)
- ☐ I keep a **business continuity folder** (hard copy or digital)

FINANCIAL & LEGAL READINESS

- ☐ My business debt **won't default** if I'm incapacitated
- ☐ I have **disability buyout** or **key person disability** insurance
- ☐ I've reviewed **business interruption coverage**
- ☐ Financial/ownership documents are **organized and accessible**

COMMUNICATION PLAN

- ☐ I've created a **communication protocol** (for staff, clients, vendors)
- ☐ My **family knows what to do and who to contact**

YOUR RESULTS

20-24

BOXES CHECKED

Excellent – You're well prepared.

13-19

BOXES CHECKED

Moderate Risk – Some planning in place, but gaps remain.

0-12

BOXES CHECKED

High Risk – Your business may be vulnerable to disruption.

What's Next?



Download this checklist and complete it with your team or family.



Book your free 15-minute **Welcome Call** with Gary Winter, Managing Attorney at Lawvex, to review your results.



Schedule at: www.lawvex.com or call (888) 308-7003

About Lawvex

We're a California-based law firm helping small business owners plan for the unexpected and protect their legacy through estate, trust, and business succession planning.

Offices in Clovis, Madera and Solvang

Trusted by over 1,000 families and business owners across California.