

Required actions tool

The **Required actions** tool covers the aspects of the business transfer process, irrespective of the transfer scenario you are considering.

The purposes of this tool are to:

- make you aware of the various activities that you must carry out to ensure the success of your business transfer and to protect your estate;
- help you draw a clear picture of what you have to do to complete your business transfer project;
- carry out a specific action plan with clear target dates;
- help you find the people who will assist you with certain activities related to the business transfer project;
- help you follow up, based on the nature of the activities and the transfer stakeholders.

Instructions:

1. Step 1: Review each of the activities listed and checkmark the statements that reflect your current situation;
2. Based on your answers, make a list of activities for which you checkmarked the third and fourth choices.
3. Step 2: Consider the activities for which you selected the third and fourth choices, and then write a target date on which you would like each activity completed, by writing a month and year in the corresponding boxes;
4. Step 3: Write the target dates established in Step 2 and, in the Project Manager box, write the name of the person who will assist you in this activity. In the boxes that list the activities that you have completed or that are ongoing, simply indicate the appropriate status.

You can use the example provided at the end of this tool.

Required actions

STEP 1:

Your positioning in terms of the activities to be carried out as part of your business transfer process

Checkmark the statements that reflect your current situation. The indicators are not in any particular order.

1-Have the value of your business assessed

- I have already done this
- I have taken the first steps
- I plan on doing this at a later date
- I don't plan on doing this

2-Take measures to optimize business value and performance

- I have already done this
- I have taken the first steps
- I plan on doing this at a later date
- I don't plan on doing this

3-Have a due diligence done

- I have already done this
- I have taken the first steps
- I plan on doing this at a later date
- I don't plan on doing this

4-Make a tax plan for the transfer

- I have already done this
- I have taken the first steps
- I plan on doing this at a later date
- I don't plan on doing this

5-Review the legal structure

- I have already done this
- I have taken the first steps
- I plan on doing this at a later date
- I don't plan on doing this

6-Evaluate the legal constraints affecting the division of land and the building of residential housing in an agricultural zone

- I have already done this
- I have taken the first steps
- I plan on doing this at a later date
- I don't plan on doing this

Required actions

7-Review the rental agreements (land and buildings)

- I have already done this
- I have taken the first steps
- I plan on doing this at a later date
- I don't plan on doing this

8-Draft or review the shareholders' agreement

- I have already done this
- I have taken the first steps
- I plan on doing this at a later date
- I don't plan on doing this

9-Review your life insurance needs

- I have already done this
- I have taken the first steps
- I plan on doing this at a later date
- I don't plan on doing this

10-Review your property insurance

- I have already done this
- I have taken the first steps
- I plan on doing this at a later date
- I don't plan on doing this

11-Draft a strategic business development plan

- I have already done this
- I have taken the first steps
- I plan on doing this at a later date
- I don't plan on doing this

12-Evaluate the different financing scenarios for the transfer

- I have already done this
- I have taken the first steps
- I plan on doing this at a later date
- I don't plan on doing this

Required actions

13-Become familiar with the various farming succession assistance programs

- I have already done this
- I have taken the first steps
- I plan on doing this at a later date
- I don't plan on doing this

14-Plan your retirement

- I have already done this
- I have taken the first steps
- I plan on doing this at a later date
- I don't plan on doing this

15-Understand the impacts of your will on your successor(s) and the division of your property

- I have already done this
- I have taken the first steps
- I plan on doing this at a later date
- I don't plan on doing this

16-Write or revise your will

- I have already done this
- I have taken the first steps
- I plan on doing this at a later date
- I don't plan on doing this

17-Write a power of attorney

- I have already done this
- I have taken the first steps
- I plan on doing this at a later date
- I don't plan on doing this

Required actions

STEP 2:

Actions required to consolidate the approach and protect your assets

1- Have the value of your business assessed

– Do you have a specific timeframe or target date? Yes No

– If so, when: month _____ year _____

2- Take measures to optimize business value and performance

– Do you have a specific timeframe or target date? Yes No

– If so, when: month _____ year _____

3- Have a due diligence done

– Do you have a specific timeframe or target date? Yes No

– If so, when: month _____ year _____

4- Make a tax plan for the transfer

– Do you have a specific timeframe or target date? Yes No

– If so, when: month _____ year _____

5- Review the legal structure

– Do you have a specific timeframe or target date? Yes No

– If so, when: month _____ year _____

6- Evaluate the legal constraints affecting the division of land and the building of residential housing in an agricultural zone

– Do you have a specific timeframe or target date? Yes No

– If so, when: month _____ year _____

7- Review the rental agreements (land and buildings)

– Do you have a specific timeframe or target date? Yes No

– If so, when: month _____ year _____

8- Draft or review the shareholders' agreement

– Do you have a specific timeframe or target date? Yes No

– If so, when: month _____ year _____

Required actions

9- Review your life insurance needs

- Do you have a specific timeframe or target date? Yes No
- If so, when: month _____ year _____

10- Review your property insurance

- Do you have a specific timeframe or target date? Yes No
- If so, when: month _____ year _____

11- Draft a strategic business development plan

- Do you have a specific timeframe or target date? Yes No
- If so, when: month _____ year _____

12- Evaluate the different financing scenarios for the transfer

- Do you have a specific timeframe or target date? Yes No
- If so, when: month _____ year _____

13- Become familiar with the various farming succession assistance programs

- Do you have a specific timeframe or target date? Yes No
- If so, when: month _____ year _____

14- Plan your retirement

- Do you have a specific timeframe or target date? Yes No
- If so, when: month _____ year _____

15- Understand the impacts of your will on your successor(s) and the division of your property

- Do you have a specific timeframe or target date? Yes No
- If so, when: month _____ year _____

16- Write or revise your will

- Do you have a specific timeframe or target date? Yes No
- If so, when: month _____ year _____

17- Write a power of attorney

- Do you have a specific timeframe or target date? Yes No
- If so, when: month _____ year _____

Required actions

STEP 3:

Tracking tool

Business name: _____

Owner(s)' name(s): _____

Account manager's name: _____

ACTIONS AND FACTORS TO CONSIDER FOR YOUR BUSINESS TRANSFER	PROJECT MANAGER	TARGET DATE
Have the market value of the business assessed <ul style="list-style-type: none"> • Business valuation specialist 		
Take the necessary measures to optimize the value of your business <ul style="list-style-type: none"> • You and your team 		
Have your due diligence done <ul style="list-style-type: none"> • Various experts Analyze the different roles in the business (finance, products, services, production, etc.)		
Make a tax plan in view of the transfer, to reduce the tax implications of the transfer <ul style="list-style-type: none"> • An agricultural tax specialist 		
Review the legal structure <ul style="list-style-type: none"> • An agricultural tax specialist • A notary 		
Evaluate the legal constraints affecting the division of land and the building of residential housing in an agricultural zone <ul style="list-style-type: none"> • Agricultural lawyer 		
Review the rental agreements (land and buildings) <ul style="list-style-type: none"> • Agricultural lawyer 		
Draft or revise the shareholders' agreement <ul style="list-style-type: none"> • Attorney or legal advisor 		
Protect your assets (general insurance) <ul style="list-style-type: none"> • A Desjardins financial planner • A general insurance advisor 		
Protect your assets (life insurance) <ul style="list-style-type: none"> • A Desjardins financial planner 		
Draft a strategic business development plan <ul style="list-style-type: none"> • You and your team 		

Required actions

ACTIONS AND FACTORS TO CONSIDER FOR YOUR BUSINESS TRANSFER	PROJECT MANAGER	TARGET DATE
Evaluate the different financing scenarios for the transfer <ul style="list-style-type: none"> • Your Agri-account manager 		
Become familiar with the various farming succession assistance programs <ul style="list-style-type: none"> • Your Agri-account manager • You and your team 		
Plan your retirement <ul style="list-style-type: none"> • A Desjardins financial planner 		
Understand the financial and tax effects of your will on your successor(s) and the division of your property <ul style="list-style-type: none"> • A tax specialist and a notary 		

Required actions

Example of a tracking tool

Business name: Couverture Jean René (fictitious)

Owner's name: Jean René Brisebois (fictitious)

Account manager's name: Yves Pelletier (fictitious)

ACTIONS AND FACTORS TO CONSIDER FOR YOUR BUSINESS TRANSFER	PROJECT MANAGER	TARGET DATE
Have the value of your business assessed <ul style="list-style-type: none"> Business valuation specialist 	My accountant	Done
Take the measures necessary to improve the business results <ul style="list-style-type: none"> You and your team 	Myself, my management team and my farm management consultant	Within 12 months
Do your due diligence <ul style="list-style-type: none"> Various experts Analyze the different roles in the business (finance, products, services, production, etc.)	Myself	Within 6 months
Reduce the tax implications of the transfer <ul style="list-style-type: none"> Tax specialist 	My tax specialist	Ongoing
Protect your assets <ul style="list-style-type: none"> A Desjardins financial planner 	My financial planner	Ongoing
Evaluate the different financing scenarios for the transfer <ul style="list-style-type: none"> Your Agri-account manager 	My Agri-account manager	Ongoing
Draft a strategic business development plan <ul style="list-style-type: none"> You and your team 	My team and me	First meeting scheduled for March 20
Write a will <ul style="list-style-type: none"> A notary 	My notary	Meeting scheduled for April 15
Write a power of attorney <ul style="list-style-type: none"> A notary 	My notary	Meeting scheduled for April 15
Draft or revise the shareholders' agreement <ul style="list-style-type: none"> Attorney or legal advisor 		Done
Plan your retirement <ul style="list-style-type: none"> A Desjardins financial planner 		Ongoing
Understand the financial and tax effects of your will on your successor(s) and the division of your property <ul style="list-style-type: none"> A tax specialist and/or a notary 	My notary	To be planned