

# SUPPORTING YOUR SUCCESS STORY

Professional legal advice, personal to your family business



**LCF** LAW<sup>TM</sup>  
FAIR +  
SQUARE

CORPORATE | PROPERTY | DISPUTES | PERSONAL

**+** Every family business has its own story to tell. This is what makes family businesses distinctive – but it can give rise to complex legal challenges too.

### What's your story?

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**Multiple generations and shareholders from inside and outside the family create a constantly changing legal environment within the wider lifecycle of the business. The life events of family members can fundamentally impact the running of the business and relationships within it, and vice versa.**

There is so much at stake. Not only can a failure to manage legal matters effectively leave your business affairs open to threat and dispute - it can also lead to painful or even catastrophic rifts within the family.

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## + WHAT WE DO

Our team is made up of specialists across personal, family, corporate, real estate and disputes law, with extensive experience dealing with the diverse range of issues family businesses face.

Whatever your legal needs and concerns, we will take the time to understand your family business's unique circumstances and dynamics, and work with you to identify and deliver the appropriate course of action for the collective best interests of everyone concerned.

Working cooperatively with your other professional advisors, we will take the hassle out of the legal issues and provide you with a highly bespoke, streamlined service.

### Our approach

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**Our mantra is simple: prevention is better than the cure. Where possible, we will help you to formalise your business's set up and aspirations and get all the correct documentation in place to minimise risk and support its continued success.**

We also understand that important legal matters can easily get missed or overlooked. If this has happened to you, we will help you to understand

the options that are available to you. We will work with all parties to seek a mutually beneficial solution, maintaining equilibrium and avoiding costly court proceedings wherever we can.

Where there is existing conflict, we will bring a 'voice of reason' to matters that may be distressing and help you deal with them pragmatically.

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# + HOW CAN WE HELP?



## Planning for life events

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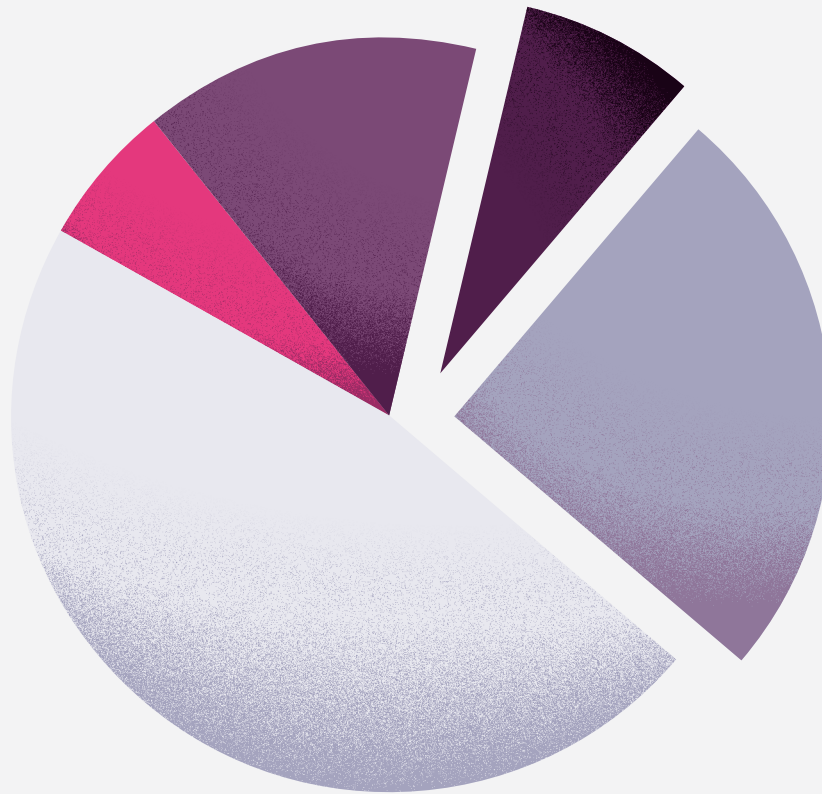
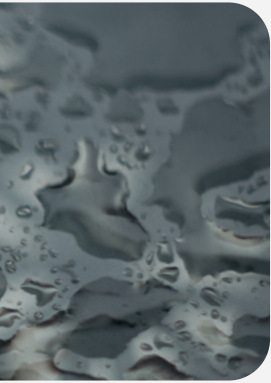
**Many family businesses are built on trust. To futureproof your business, it's important to bear in mind that its continued success hinges on your family's private affairs.**

You should consider the impact that life events such as birth, marriage, divorce, loss of capacity and death may have on your business and make provisions rather than relying on assumptions.

An informal arrangement may work well for a time but having plans in place can help to prevent changes in circumstances from having potentially destructive impact. By preparing for these events in advance, the family isn't forced to make decisions in difficult circumstances and is less likely to have to resort to legal action.

We can help you engage with family members involved in the business to draw up, review and adapt your family constitution. This documents your business aspirations and plans for future success, with provision for different life events, through the use of company articles of association, shareholder agreements, trusts, prenuptial agreements and lasting powers of attorney, to enable the smooth running of family affairs. It considers these events within the wider context of the business, such as its:

- Guiding principles, e.g. vision, mission and values
  - Roles and responsibilities, e.g. ownership, control, leadership and decision making
  - Plans for succession, e.g. inheritance, wills and probate
  - Financial plans, e.g. tax, income and rights to distribution
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## Protecting your assets

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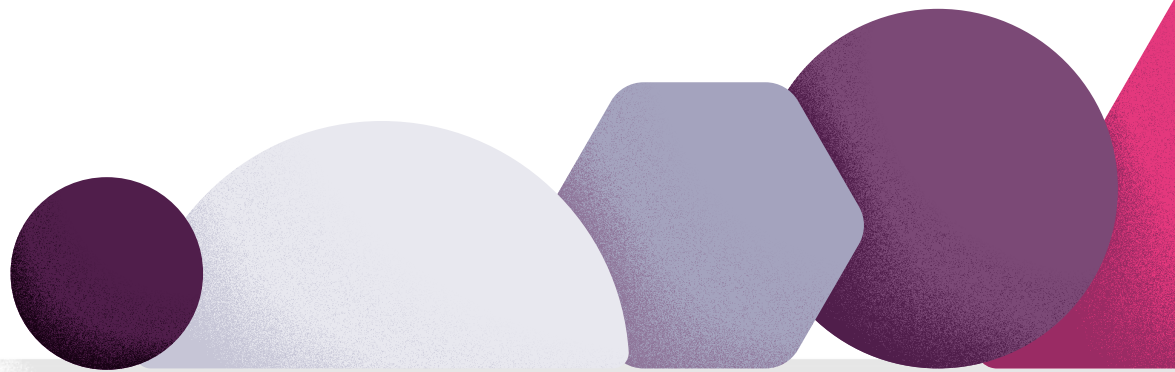
**Ownership and management of a family business's property can be highly complex, with members of the family and often non-blood relatives holding different shares.**

Life events can bring about significant change, causing assets to be redistributed among spouses, junior members of the family and others with a stake in the business. Failure to have the correct mechanisms in place could open your business up to significant problems in the future.

To avoid potential fallout, it is important to define how a property asset is to be divided up on sale, how it is managed during the period of ownership both financially and legally, who makes the decisions and how the ownership or sale proceeds are divided if, for example, a family owning member has children, marries, divorces or passes away.

We can support your family with its financial planning and help you develop a strategy for shares and trusts to ensure that the ownership and management of the businesses assets sit with the best people for the job and that they will pass into the right hands in the future.

We can support all parties as things change by updating documentation, facilitating conversations and providing coaching to younger family members to ease these transitions.



## Working together

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**As your business grows and more people get involved, its prospects increase but so do the risks.**

As with every business, it's important to determine who your key players are and define their roles. You will need to reward them fairly so that you can retain them where possible and have steps in place to replace them with the right people when the time comes.

These matters can become especially challenging where different family members have differing interests, skills and levels of involvement, and when people from outside the family are brought into the business. We can work together with your family and senior team to agree and formalise the structure of the business and make provision for future reorganisation.

We can review or help you to develop employment contracts to ensure that they communicate employees' roles, responsibilities and rights clearly and protect both employer and employee legally and financially. We can also provide guidance on all areas of the employment relationship including leadership management, monitoring employees' conduct and performance and keeping records, and can support you to take appropriate action when employees are not doing what they should be.

Where the succession of the business no longer suits the needs of your family, we can guide you through the process of selling it, advising on all aspects from the tax implications to employment issues and considering the interests of all parties.

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## Dealing with conflict

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**Even with the best of intentions, potential issues can be overlooked and disputes can arise.**

From conflict over ownership and power struggles to inheritance disputes and unfulfilled expectations, we understand how upsetting these can be and how difficult they can be to resolve when family are involved, and we are here to help however we can.

Wherever possible we will take a proactive approach, helping reduce the likelihood of conflict occurring by conducting a 'health check' to identify where there may be legacy issues or risks and working to prioritise and mitigate them.

Where there is already friction, we can help prevent matters from escalating by working with all parties to identify a suitable compromise. We will take a sensitive and pragmatic approach to the situation, building relationships with all those involved and bringing a logical and emotionally detached stance to difficult and potentially distressing negotiations. We can, however, adopt a tough approach when that is required.

## Need some help?

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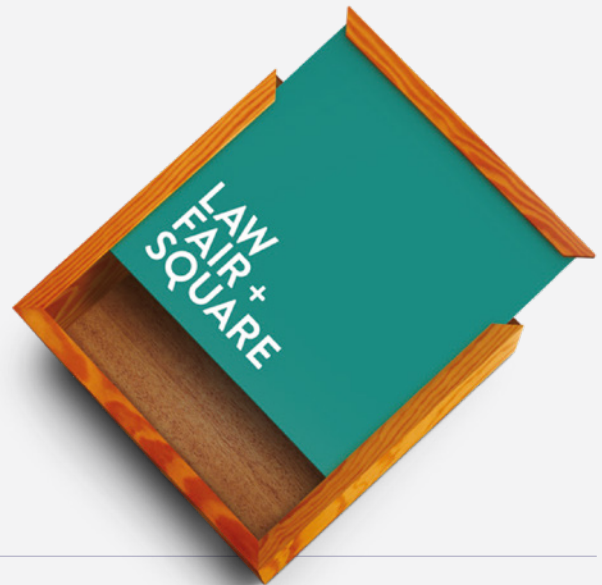
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