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Legal knowledge, human wisdom:  
Helping you plan today, so you can  
sleep better tonight.

# Passing Along a Benefit, Not a Burden:

## Why Every Business Owner Needs a Back-Up Plan for Absence and Incapacity

When you run a business, you get used to being the one everyone counts on. You plan for growth, manage the day-to-day, and keep the future moving in the right direction. But very few business owners stop to ask the harder question:

What happens if you suddenly can't be there?

Not just when you pass away — but if you're sidelined by an illness, injury, long trip abroad, or even a treatment plan that pulls you away for months.

A solid estate plan doesn't just cover "after death" issues. It also protects your business, your employees, and your family from chaos if you're temporarily or permanently unable to lead.

Let's break down what that really looks like.

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## Why Incapacity Planning Matters (More Than You Think)

Most owners assume they'll always be at the helm — until something unexpected proves otherwise.

Without a clear backup plan:

- Your business may have no one with the legal authority to sign contracts, pay bills, manage payroll, or make decisions.
- Employees may be left without leadership.
- Client relationships may strain or collapse.
- Your family or partners may be forced into expensive, slow court proceedings to get permission just to keep the lights on.

Even well-meaning loved ones cannot step in automatically. Banks, vendors, insurers, and partners need legally recognized authority — and that only comes from proper planning.

You wouldn't leave your business uninsured. Don't leave it leaderless, either.

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# The Essential Tools Every Business Owner Should Have

## 1. Durable Financial Power of Attorney (DPOA)

This document gives someone you trust the authority to handle financial and business matters if you can't.

For many business owners, that means two separate roles:

- Personal DPOA – handles your personal banking and finances.
- Business-specific DPOA – includes expanded powers to run the company, access business accounts, manage payroll, sign contracts, and make management decisions.

If you're relying on one DPOA to do it all, it must be drafted carefully. Without explicit business powers, banks and third parties can — and often do — reject it.

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## 2. Medical Directives (Healthcare Power of Attorney & HIPAA Release)

If you're hospitalized or under treatment and unable to communicate, someone you trust needs the authority to make medical decisions and keep the right people informed.

A Healthcare Power of Attorney names the person who can speak to doctors and make decisions about your care.

A HIPAA Release allows designated individuals — like a business partner or key employee — to get updates on your condition so they can plan accordingly. This prevents confusion, rumors, and operational delays.

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## 3. Revocable Living Trust

For many business owners, this is the smoothest way to protect the company during incapacity.

A trust lets you:

- Keep full control while you're healthy.
- Name a successor trustee who can immediately step in if you become incapacitated — no court involvement.
- Provide instructions for how the business should be managed.
- Keep everything private and out of probate.

If your business interest is owned by your trust, the transition is seamless.

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## 4. Buy-Sell Agreement with an Incapacity Clause

If you have business partners, this document is essential.

A good buy-sell agreement:

- Defines what happens if you're incapacitated, retire, or pass away.
- Sets out how your interest is valued.
- Lets your partners continue operating without interruption.
- Protects your family from being forced into the business or from losing financial stability.

The incapacity clause should include clear triggers (e.g., confirmation by two physicians) so no one is left arguing about when it applies.

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## 5. Business Instruction Letter

Think of this as the “how-to guide” for keeping the business running smoothly.

This non-binding document can include:

- Key vendor and client contacts
- Password and account access instructions
- Employee roles and responsibilities
- Ongoing projects and operational essentials
- Family expectations (so no one assumes they're automatically in charge)

This isn't a legal power on its own — but it's incredibly helpful to the people stepping into your shoes.

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## Your Business Deserves a Backup Plan

Your leadership is valuable — but even the strongest leader needs a plan for the unexpected.

A well-crafted incapacity plan:

- Protects your employees
- Stabilizes your business
- Safeguards your family
- Preserves your legacy

It ensures your company isn't just successful while you're at the helm — it remains strong even when life throws a curveball.

If you're ready to put a real plan in place (or update the one you have), I'm here to help you build something that protects both your livelihood and the people who depend on you.