



## Business Continuity Instructions: Guiding Your Family, Even After Death

As owners approach their business exits, one topic that's often overlooked is unexpected death or permanent incapacitation. One reason owners gloss over this topic is because it injects an uncontrollable element into a controlled process. Many successful business owners take pride in the control they have over guiding their businesses toward success, so the idea that all of that hard work can be dashed by death without warning is unsettling. But consider the following case study:

*Bud Brown, an Exit Planning Advisor, woke up early on a Monday morning with great anticipation. He and one of his clients, Bruce Delany—a successful business owner and longtime friend—were preparing to receive an offer from a third-party buyer. As Bud finished tying his tie, his phone rang: It was Bruce's wife, Dolores. He answered with a warm, "Good morning, Dolores. Excited about today?"*

*"Bud, Bruce is dead," Dolores said vacantly.*

*"What do you mean Bruce is dead? I just talked to him yesterday."*

*"He was exercising." Dolores said quietly. "Doctors said he had a heart attack. He fell and hit his head." She took a deep breath and sighed.*

*Bud stood silently in in shock, searching for words. He and Bruce had had lunch to talk about the sale fewer than 24 hours ago.*

*"Bud," Dolores said, her voice cracking, "I don't know what I'm supposed to do now. Bruce always said to call you if something happened to him. I need help."*

When an owner dies or faces permanent incapacitation, all control over life and business disappears. Even worse, that owner's family is often thrust into taking responsibility for the business, regardless of ability or



Peter Racen, CLU®, ChFC®, CASL®,  
CFP®, AEP®  
[peter.racen@nm.com](mailto:peter.racen@nm.com)

Northwestern Mutual Wealth  
Management Co., LLC  
[www.peterracen.com](http://www.peterracen.com)  
424 S. Woods Mill Road  
Suite 110  
Chesterfield, MO 63017  
[314-744-5270](tel:314-744-5270)

desire. Family members may find themselves wishing they could ask the owner some important questions and get some much-needed advice, but that is just not possible.

Fortunately, there is a way to prepare your family if you were to face unexpected death or incapacity, and the key is establishing Business Continuity Instructions (BCI).

BCI constitute a non-binding guide that your family and loved ones can use to address business concerns and personal finances upon your unexpected death or incapacitation. The BCI include information about whom your family should contact and for what information, who should fill which roles in the company, and how the company's ownership should be handled upon your death or incapacitation. It also guides your family toward your vision as to how the respective financial resources of the family and company might interact if you are not available to keep things going. The BCI should be your way of telling your family things they want to know at a time when you are otherwise not able to do so.

BCI are easy to complete and can provide direction and comfort to your family during an unbearably difficult time. They should be written in easy-to-understand language and put all important information in one accessible format. Additionally, you don't need to be actively considering a business exit to benefit from BCI. BCI are compatible with owners who want to exit in three months and owners who never want to exit at all.

BCI can help you control the trajectory of your business even after you're unable to control it yourself. Start your list of critical information today. If you think it would be helpful, our firm has specific tools and resources to help you create and keep current any BCI you provide to your family. If you need help giving your business and family a chance at continuity in the face of your unexpected death or incapacitation, please contact us today.

*The information contained in this article is general in nature and is not legal, tax or financial advice. For information regarding your particular situation, contact an attorney or a tax or financial advisor. The information in this newsletter is provided with the understanding that it does not render legal, accounting, tax or financial advice. In specific cases, clients should consult their legal, accounting, tax or financial advisor. This article is not intended to give advice or to represent our firm as being qualified to give advice in all areas of professional services. Exit Planning is a discipline that typically requires the collaboration of multiple professional advisors. To the extent that our firm does not have the expertise required on a particular matter, we will always work closely with you to help you gain access to the resources and professional advice that you need.*

*This is an opt-in newsletter published by Business Enterprise Institute, Inc., and presented to you by our firm. We appreciate your interest.*

*Any examples provided are hypothetical and for illustrative purposes only. Examples include fictitious names and do not represent any particular person or entity.*

---

Northwestern Mutual is the marketing name for The Northwestern Mutual Life Insurance Company, Milwaukee, WI (NM) (life and disability insurance, annuities, and life insurance with long-term care benefits) and its subsidiaries. Peter Andrew Racen is a Representative of Northwestern Mutual Wealth Management Company® (NMWMC), Milwaukee, WI (fiduciary and fee-based financial planning services), a subsidiary of NM, and federal savings bank. All NMWMC products and services are offered only by properly credentialed Representatives who operate from agency offices of NMWMC. Representative is an Insurance Agent of NM and Northwestern Long Term Care Insurance Company, Milwaukee, WI, (long-term care insurance) a subsidiary of NM, and a Registered Representative of Northwestern Mutual Investment Services, LLC (NMIS) (securities), a subsidiary of NM, broker-dealer, registered investment adviser and member FINRA ([www.finra.org](http://www.finra.org)) and SIPC ([www.sipc.org](http://www.sipc.org)).

The products and services referenced are offered and sold only by appropriately appointed and licensed entities and Financial Representatives. Financial Representatives and their staff might not represent all entities shown or provide all the services discussed on this Web site. Not all products and services are available in all states.

Peter Andrew Racen is primarily licensed in Missouri and may be licensed in other states.

CA License: #0D29950

AR License: #3201464

Certified Financial Planner Board of Standards Inc. owns the certification marks CFP®, CERTIFIED FINANCIAL PLANNER™ CFP® (with plaque design) and CFP® (with flame design) in the U.S., which it awards to individuals who successfully complete CFP Board's initial and ongoing certification requirements.

The Chartered Advisor for Senior Living (CASL®) designation is conferred by The American College of Financial Services.

©2017 Business Enterprise Institute, Inc. All rights reserved.