

An Estate Action Plan for Your Veterinary Practice *“In Case of My Death...”*

We at Simmons have witnessed many viable and valuable practice assets diminish upon the death of the practice owner because the family was unable or unprepared to manage the practice. This document is a guide and template to help plan and prepare your practice, family and estate to manage the fate of your practice. As with your will and life insurance documents, regularly review this document with the key people and the executor of your estate. Keep it in a safe place for your family and key individuals to access immediately upon your death. We at Simmons stand ready to help you and your family during these trying times.

The following page has a template for an Action Plan to identify the key people who will help your practice, family and estate:

1. To help with veterinary staffing:

It is important that your practice continue to provide veterinary services with as little interruption as possible. The continuity of the revenues helps to maintain the practice value as well as it helps the clients and staff with the sudden change. You should make arrangements with a couple colleagues who agree to help find relief veterinary support for your practice, help with DEA issues, and provide guidance on insurance issues and ongoing operations.

2. To help with the practice value and possible transition

Whether you are a sole owner or you are in a multiple-owner practice, your estate will need to know the value of the practice. It is important to start the practice appraisal process as soon as possible. A veterinary practice appraiser can help make sure that the appraisal process is kept on schedule and he/she can provide guidance to your estate on the issues.

If you are a part of a multiple-owner practice, make sure that your operating agreement has specified what will happen to your interest in the practice. A value of your practice will be needed for the entity or other partner(s) to purchase the shares depending on the process identified in your operating agreement. The value of a detailed buy-sell agreement among the partners cannot be overemphasized and should be reviewed and updated regularly.

*If you are a sole owner, the practice will need a new owner. If you have someone in mind, it may be good to identify them in this plan. If not, it would be good to have a relationship with a trusted practice broker. The broker can work with your estate to get the practice on the market as soon as possible. *The timing is very important.* If the practice revenues decrease or if the practice shuts its doors, the practice value **will** drop precipitously.*

3. My attorney and/or estate/practice executor:

Identify the key people involved in your estate plan. Also, a trusted person needs to be given the authority to keep the practice operational to hire, fire, pay bills, purchase supplies, etc. It may be a spouse or a practice manager, but that person should be identified before the need arises so that there is no unnecessary interruption in daily operations. Your practice manager will need to contact these people and the above identified individuals.

4. Additional Steps & Guidance

This section is for you to provide additional information for your estate team. What are your intentions for the practice? Have you made additional arrangements that the practice leadership team and your estate team should be aware of? Have you identified other key people such as insurance agent contacts (professional liability, business overhead, life insurance related to the practice, etc.), maintenance & service providers, temp agencies, etc. What information will the practice need to continue?

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In order to help ensure the practice continues, I have made arrangements with the following people:

1. It is important that the practice continue to stay open and take care of our clients and their pets. The following people who have agreed to help find veterinarians and help with operations:

Name: _____ Name: _____

Phone: _____ Phone: _____

Name: _____ Name: _____

Phone: _____ Phone: _____

2. Contact the following veterinary practice appraiser/broker and advisor(s) *as soon as possible* to help with the practice transition and the practice value determination and guidance:

Name: _____ Name: _____

Company: _____ Company: _____

Phone: _____ Phone: _____

3. My attorney, estate executor, and/or other key individuals:

Name: _____ Name: _____

Company: _____ Company: _____

Phone: _____ Phone: _____

Name: _____ Name: _____

Company: _____ Company: _____

Phone: _____ Phone: _____

4. Additional Notes/Comments
