



BEACON LAW CENTRE

Lawyers & Notaries Public

Specializing in

- real estate law
- business law
- wills & estates

With us you receive:

- plain language
- up-front approach
- work quoted by the job, not the hour.
- prompt service
- friendliness
- value for money

Offices in:

- Sidney
- Brentwood Bay
- Broadmead

More info on back page

“What lies behind us and what lies before us are tiny matters compared to what lies within us.”

– RW Emerson

Raising the Bar

issue 5, Autumn, 2011

Welcome to *Raising the Bar*, a newsletter for clients and friends of Beacon Law Centre. We intend this newsletter to maintain a valued business relationship at any stage – even after our legal services for you are completed.

With *Raising the Bar*, we hope to keep up the best aspects of our service: meaningful information, trusted advice, and outstanding service. In turn, you can pass on our name, and maybe even this newsletter, to someone else who might need our services.

FIRST PERSON: Craig Grier, Local Business Owner

Having worked for others for others for over 25 years, Craig Grier decided that his mid-forties was as good an age as any to start his own business. With the support of his wife Bonnie, Craig would use the knowledge and perspective he had gained over the years. Confident of success and free to turn to his connections, he viewed running his own company as the culmination of his career that could carry on for many years. That was 1996.

succeeding on his own

Fifteen years later, with Craig the sole shareholder of the incorporated company and Bonnie its salaried bookkeeper, the business has fulfilled his ambitions. It will probably carry on serving customers and providing meaningful work for Craig while supporting a good life for his family.

concerned about the future

Even so, fifteen years in, it occurred to the Griers that they ought to seek counsel to ensure that their business and personal affairs are structured to provide for themselves and their family for years to come.

sought counsel

The company had grown in value. Its retained earnings included excess cash that they had been investing in the stock market. Craig wanted to avoid any surprises. Bonnie encouraged him to get a free business legal check up with Beacon Law Centre.

getting good advice

Beacon Law’s Del Elgersma provided a free business legal check up. Del suggested a corporate restructuring to achieve these objectives:

- limit the capital gains tax and probate fees on Craig’s death.
- ensure that any future sale of the company’s shares qualify for the small business capital gains tax exemption.

- Bonnie and their two children take advantage of the small business capital gains exemption upon any future share sale of the business.

The Griers’ business and personal affairs could be structured to:

- allow Bonnie and their kids to receive dividends out of the company’s profits.
- protect the kids’ ownership interest from any creditor or matrimonial claims.

- remove excess cash from the company tax-free so that it would be protected from any claims by the company’s creditors.
- provide a framework for passing on the business to the kids, who have expressed an interest in running the business in the future.

taking important steps

Prepared to accept Craig as a client, Del then sent Craig to Craig’s accountant. Working closely with the accountant, Del prepared the paperwork for the corporate

reorganization, set up a holding company, and created a family trust.

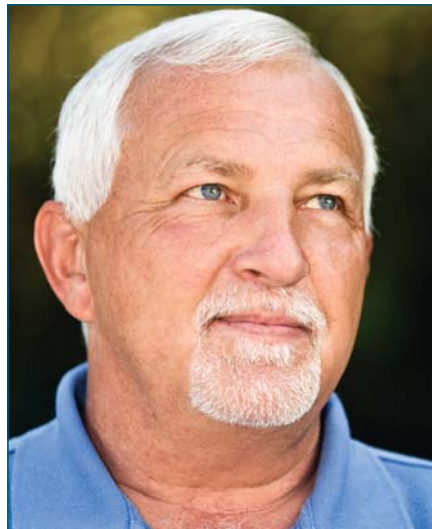
future-focused actions

The next phase involved drafting a new will and creating a shareholders’ agreement to provide for the transfer of shares to the next generation and allow for either child to buy-out the other if/when running the company as co-owners was no longer what they wanted.

comfort from responsible accomplishments

Del ensured that all the i’s were dotted and t’s crossed so that the plan would withstand any scrutiny from Canada Revenue Agency. Craig and Bonnie gained peace of mind knowing that their business and personal affairs are in order with taxes minimized. 🏠

This story is a composite of multiple real-life stories. Names have been changed to protect privacy.





140-4392 West Saanich Road

ANNOUNCING: New Location for Beacon Law's Victoria Office

Effective Monday September 12, Beacon Law Centre's Victoria office has a new address in the Royal Oak area. Known as the Raven Building, the new premises won the Victoria Real Estate Board's Office Building Of The Year award for 2010. It is also the first private

gold-certified LEED (Leadership in Energy & Environmental Design) office building in Saanich. Beacon Law has a larger space there, and it is closer to downtown Victoria (just past the Quadra Street overpass, near the Royal Oak Shopping Centre). The phone number remains the same: 250 656-3280. 🏠

PERSONNEL PROFILE

The Saanich Peninsula Chamber of Commerce recognizes local businesses with annual awards. One such award is the Crystal Award for Business Excellence. The criteria for this award include "continued business excellence through positive growth, exceptional customer service and an ongoing commitment to providing quality products and services." Nominated by fellow business owners and operators on the

peninsula, Beacon Law Centre is the Crystal Award for Business Excellence winner for 2011.

The personnel of Beacon Law Centre make a tremendous effort to excel in these areas and to live up to the company motto, Trusted Advice, Outstanding Service. It is rewarding to be recognized for these efforts. 🏠



Crystal Award



Del Elgersma,
Lawyer, Partner



Lianne Macdonald,
Lawyer, Partner



Kelvin Scheuer,
Lawyer, Associate

LEGAL NEWS: Did You Know?

- Business succession plans often involve a corporate reorganization called an estate freeze, a family trust, a shareholders' agreement, and a will.
- In 2010 the Supreme Court of Canada refused to reconsider the BC Court of Appeal's decision in the Braydon case. It held that a transfer of assets to another company to shield those assets from creditors (even future creditors) is a fraudulent conveyance, even without fraudulent intent. Consequently, creating a holding company requires extra care. It may be advisable for a new business to create a holding company structure from the start.
- Beacon Law Centre offers a free, no-obligation Legal Check-Up for local businesses. 🏠

COMMUNITY INVOLVEMENT

If you have ever visited Beacon Law Centre offices on a Friday, you might have noticed staff dressed casually. There is a good reason for this.

Several years ago, Beacon Law Centre organized Jeans Friday, when staff may wear jeans at work by making a minimum \$2 donation to charity. With the money, the firm sponsors Emily Nkembo, an African girl, through World Vision. Similar to UNICEF, World Vision provides relief to the poor internationally – especially children.

Each Christmas, BLC also helps a local family by providing gifts and warm clothes plus a generous hamper of nutritious food and treats.

Jeans Friday is popular. Not only do we enjoy working in our jeans, but we have the privilege of helping people in need. 🏠



Emily Nkembo.
Born June 12, 2000.

THREE LOCATIONS

Sidney

104-9717 Third St.
Sidney, BC, V8L 3A3

Victoria (at Royal Oak)

140-4392 West Saanich Rd.
Victoria, BC V8Z 3E9

Brentwood Bay

5-7115 West Saanich Rd.
Brentwood Bay, BC, V8M 1P7

e-mail: newsletter@beaconlaw.ca • Phone: 250-656-3280 • Monday to Friday, 9 AM to 5 PM.



Beacon Law Centre (BLC) is a leading south-island boutique law firm. BLC concentrates on real estate, business law, wills, and estates. We provide service from offices in Broadmead, Sidney, and Brentwood Bay. *Raising the Bar* is one way we keep in touch with clients and friends. We also respect your confidentiality. If you want us to add or remove your name and address from the *Raising the Bar* mailing list, then send e-mail to newsletter@beaconlaw.ca. Please share the newsletter with others. When you recommend BLC, that is our best advertising.