

TABLE OF EXPERTS

PREPARING FOR DIVORCE IN BUSINESS

MEET THE EXPERTS

Candace B. Peeples

Owner
Peeples Law



» Candace B. Peeples (Candi) is partner and owner in the Birmingham, Alabama law firm of Peeples Law, which is a boutique styled practice solely focused in the traditional areas of Family Law and Assisted Reproductive Technology. Mrs. Peeples is the past Chair of the American Bar Association Section of Family Law. Candi is also a former Chair of the Family Law Section of the Alabama State Bar, and was honored to be chosen by her peers in this section as the "Attorney of the Year" in 2013. She is a fellow in the Alabama Chapter of the American Academy of Matrimonial Lawyers, the International Academy of Family Lawyers, and is also a Board Certified Family Law Trial Advocate by the National Board of Trial Advocacy. She is consistently chosen as one of Birmingham Alabama's "Top Attorneys" in the area of Family Law by local Birmingham magazines and publications. Candi is AV rated by Martindale Hubbel, and has also been listed in the Mid-South Super-Lawyers list for several years. Candi is a frequent presenter of Continuing Legal Education for both local and national organizations. Ms. Peeples earned her B.A. degree at the University of Georgia and her J.D. degree cum laude at Cumberland School of Law of Samford University. She has been married for 20 years to Lloyd Peeples who is an Assistant United States Attorney in Birmingham, and is the proud mother of two children Chandler (17) and Lily (17).

Laura Montgomery Lee

Managing Partner
Crittenden Partners



» Laura Montgomery Lee is a 2006 cum laude graduate of The University of Alabama where she also earned her Juris Doctorate in 2009. While a law student, Laura was a member of multiple national trial advocacy teams and a two-time recipient of the George Peach Taylor Award for outstanding trial team performance. Laura began working at The Crittenden Firm in September 2010 and became managing partner of Crittenden Partners in September 2014. Professionally, Laura has spoken at numerous conferences and seminars on topics ranging from custodial plans to electronic evidence. Laura is an active member of the Rotary Club of Birmingham where she enjoys giving back to the Birmingham community. Personally, Laura enjoys traveling, reading and spending time with her husband, four children and two goldendoodles.

Jessica Kirk Drennan

Family and Matrimonial
Attorney
Kirk Drennan Law



» Jessica Kirk Drennan is a family and matrimonial attorney with 26 years of litigation experience. She has an AV rating from Martindale Hubbell and is listed as a Super Lawyer. She is a Fellow of the American Academy of Matrimonial Lawyers, a Board-Certified Advocate of the National Board of Trial Advocacy and a Lifetime Fellow of The Birmingham Bar Foundation. Jessica has also authored a book, Divorce in Alabama, and has earned her certification as a domestic relations mediator. Jessica is as dedicated to her community as she is to family and matrimonial law. In 2015 Jessica won the AG Gaston Award issued by the Birmingham Business Alliance. She has also served as the Chair of Birmingham Bar Association Volunteer Lawyer's Program, the Chair of the Family Law Section of the Alabama State Bar Association, President of the Women's Network and Member of the Boards for Children's Village.

Q: How will my ownership or executive position in the business be valued during the divorce process?

Candace B. Peeples (Peeples Law):

This is a pretty complex question, but yes, ownership in a business is often valued during the divorce process. The process of determining the value is truly one of the more involved tasks that family law attorneys have in these type cases. Accurately accessing the value often involves engaging a business valuator or CPA who can help establish the value of the ownership interest in the divorce. These experts will often need access to various company financial data and records, including such things as tax returns and records pertaining to inventory, assets, debts and cash flow. Compiling an expert team to help value these type of ownership interests is critical in the divorce process.

Jessica Kirk Drennan (Kirk Drennan Law):

In Alabama, if a business is closely held it is valued as an ongoing concern. The business will typically have a higher value than fair market value, because marketability discounts are not applied. The exception to this rule is if there is a present plan to sell the business, in which case it will be valued at its fair market value. It is important to note that when determining the value of your interest in the business, a court is not bound by any buy/

sell agreement that you may have for your shares. If the business is publicly traded, your interest will be valued at the trading price of the stock. When determining the value of your business in a divorce, it is imperative to consult with a qualified domestic relations attorney with experience in high-asset divorces involving the valuation of businesses as well as a certified business valuator to determine what exposure your business interests will have. If you have an executive position in a business, your executive compensation will be used to determine your obligations to pay child support and/or spousal support. Child support determinations use your gross earnings, while spousal support determinations use your net earnings.

Laura Montgomery Lee (Crittenden Partners):

The marital value a court will place on any business or executive compensation depends on many factors, including whether the business was started during the marriage, the contributions of each spouse to the business, and the use of the income from the business throughout the marriage. It is common for domestic relations attorneys to employ business-valuation experts to assist them in determining an accurate value to any business or executive compensation package. One common misunderstanding many people have related to the

value of businesses and executive compensation is that each spouse automatically gets half. Alabama is an equity state, meaning the division of property is not an automatic 50-50 division. While many courts start with the assumption that all marital assets should be divided equally, they will often still consider the factors previously mentioned as well as any fault in the breakdown of the marriage in determining the final division.

Q: What are the implications of dividing business assets — including stocks, options or other forms of equity — between me and my spouse?

Drennan: Business assets are not typically divided per se. The business or business interest is usually valued as a whole and then awarded to one party, and the other party receives other property or monetary award to compensate for their share of the business. In rare instances, the Court may order a business or business interest sold. This would occur if there is insufficient property or money available to compensate the non-owner spouse for his/her share in the business. Stocks in a closely held business are not typically divided due to the conflict that may exist or develop over time between the parties following the divorce. In a small business this type of conflict can seriously affect the performance of the business. Additionally, the

stocks in a closely held business are usually not highly marketable. On the other hand, stocks in a publicly traded business may be divided by the court since the value may be determined by the price at which the stock is trading. Said stocks are easily marketable, and usually each party's position would be a minority interest and therefore personal conflict is not likely to have any effect of the business as a whole. Keep in mind that ownership of restricted stock cannot be transferred in a divorce, and thus the only option would be to value said stock and award the other spouse property or a monetary award to offset the value of the stock. In Alabama, both vested and non-vested stock options may be divided or considered in the value of the marital estate as a whole. Because Alabama is an equitable-division state, which means that marital assets are divided in a manner that is fair and not always equal, stock options that can be exercised up to the end of the marriage are often considered marital property.

Lee: There are many implications of dividing business assets in a divorce, such as tax implications and ongoing income implications. These can be minimized by a good domestic relations attorney, but it is important for the business owner or executive to ensure that they ask any questions they may have about such implications before entering into any

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Jessica Kirk Drennan
and Derek Drennan

settlement agreement or proceeding to trial. Your domestic relations attorney should work hand in hand with any accountant or business lawyer who has historically been involved in your business to ensure any possible negative implications are minimized.

Peeples: While there are many ways to divide any asset, in my experience stocks and stock options are considered marital assets that can be divided between the spouses. The most common is to value them, and for the divorcing employee/owner spouse to retain the assets and award the nonemployee/owner spouse other marital assets of equivalent value as an offset. In terms of other business assets, it works similarly. It is often very difficult to maintain a business relationship with your spouse after a divorce, which is why most attorneys — including myself — recommend against it. It's often a recipe for disaster. But if you and your spouse think you can work together in a reasonable way, you can choose to do so. It might be a good idea to put some stop-gap measures in place, such as an agreement to mediate or allow a third party to make decisions if you and your spouse reach a point where you cannot agree. While each business will have its own set of problems and complications, there are basically three methods of dealing with a business during divorce. One is co-ownership, where both spouses

“Divorce is an emotional affair. It is very time—consuming and involves many elements. As such, dealing with a divorce can be distracting for an executive, who then might not give the business the attention it needs.”

CANDACE B. PEEPLES

continue to own the business after the divorce. If spouses remain amicable, it may be possible to work together after a break-up. But this is not for the weak of heart. It will require a solid working relationship or high level of trust in the other's management skills. If there is a great deal of rancor, continued co-ownership is a recipe for disaster and not really a viable solution. Second, you can sell the business and divide the profits. The pros of this option

are that both spouses may profit from a sale of the business and can use the proceeds to invest in their own business ventures. Plus, spouses can avoid additional financial ties to their ex-spouse. The downside is that this could take some time. Many businesses can't be sold easily and it may be months before a buyer is found. And third, you can buy-out the other spouse's interest. This may be the best option assuming there are sufficient assets to complete

the transaction. Alternatively, the spouses could offset the selling spouse's portion of the business with other assets of the marriage.

Q: Can my spouse claim ownership or part of my business or executive compensation as marital property?

Lee: Courts can consider the value of any business or executive compensation that was started, operated, utilized or derived income during the marriage. This does not mean that a spouse will be awarded any ownership or compensation directly, but that a court can consider the value of the business assets in dividing the non-business assets, and may award a spouse more of another marital asset to offset that value.

Peeples: Yes, spouses may claim ownership in businesses as marital property. In determining how to equitably distribute executive compensation, first, the type of executive compensation must be identified. Then it must be determined whether the executive compensation was awarded for the party's past efforts or in anticipation of the party's future efforts. Executive compensation awarded prior to the termination of the marriage may be subject to equitable distribution, whereas executive compensation awarded after the termination of the marriage likely will not be. As executive compensation is often awarded for both past

efforts and in anticipation of future services, a portion — but not all — of executive compensation is often part of the marital estate for purposes of equitable distribution. The court still may also use these forms of executive compensation as income for the purposes of calculating child support or alimony.

Drennan: A business that was either acquired during the marriage or was regularly used for the common benefit of the marriage will be considered marital property and thus be included in the division of marital property. This holds true even when the business is only titled in the name of one spouse, as both parties are deemed to have an equitable interest in all marital assets — as opposed to separate assets — regardless of title. If the parties are unable to reach a settlement agreement, then the court will decide how to divide the property. When dividing a business, the court can order that the business be sold and the proceeds split; award each party a portion of the business; or award the business to one party. Generally, when a business is awarded to one party, the other party is compensated for his/her interest in the business with a lump sum payment or with a greater share of the other assets in the marital estate to offset the value of the business. When the court is making this decision, many factors will be taken into consideration such as the organization of the business, the members/partners of the business, and each party's involvement and role in the business. Therefore, one of the biggest impacts a divorce can have on a party's business and personal wealth is the loss of all or a portion of the ownership of the business, or the loss of assets or cash to compensate for the preservation of ownership. However, if the business was started before the marriage or established during the marriage with monies accumulated before marriage or by gift or inheritance to one spouse, then it may be deemed separate property, which means the other spouse would not be able to claim an interest. But if the money used to establish the business came from a source of income that was regularly used to benefit the marriage, even if that source of income would have otherwise been separate property, it becomes marital property, and your spouse may be able to claim an interest in the business. This is also true if you regularly used assets of the business for the benefit of the marriage.

Q: How will the divorce impact my role and responsibilities within the business or my executive position?

Peeples: It is important to find a balance to lessen the impact divorce has on the disruption to your day-to-day life. In many instances, when a family owns a small business, both spouses play an active role in its operations. If this is the case, when a couple reaches the point that they are divorcing, they very well may have significant issues working

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JESSICA KIRK DRENNAN

together in a cooperative manner. Another potential problem is the disruptive impact divorce can have on employees, colleagues, customers or others involved in the business. In some instances, this impact can be so significant that major damage can be done to a business and its operations. There can be occasions in which a third-party might be brought in to assist in overseeing the business' operations during divorce proceedings, which can lessen the disruptive impact. Most executives are well-compensated for their roles in helping businesses succeed. Anything negative that happens to the executive in their personal lives can translate into negative results for the business. Therefore, when executives divorce, there are concerns for how the divorce may impact the executive's role in the company. If the bulk of a couples' wealth is tied up in the stock of the company, a divorce may force the executive to sell or transfer ownership of the stock to the non-executive spouse as part of property division in a divorce. Another potential impact is if the executive's personal wealth is significantly reduced by a divorce, the executive might become more or less risk-averse when evaluating business opportunities. Finally, divorce is an emotional affair. It is very time-consuming and involves many elements. As such, dealing with a divorce can be distracting for an executive, who then might not give the business the attention it needs.

Drennan: If your spouse has a controlling interest in the business or your spouse is the managing member of an LLC, he or she may terminate your services if you are employed by the business, change your employment responsibilities, and/or change your compensation. If these actions are taken without cause, your attorney may ask for a temporary relief in the divorce action to address the adverse effects said decisions have on your ability to support yourself pending final hearing in the divorce. However, it is important to note that if you are harming the company in your role, and your spouse's actions were taken to

protect the business, the Court may not grant you any relief. In regards to executive positions, depending on the operating agreement of the business, you may be removed from your position by a spouse who has the power to do so. It is important to maintain consistency and good judgment in all business decisions throughout the divorce. Erratic, punitive or high-risk decisions may undermine third-party financiers' and/or employees' confidence in you and/or the performance of the business.

Lee: Ideally, a divorce should not impact your role or responsibilities within the business or your executive position. But since a divorce can be an emotionally taxing experience, it is important to hire a domestic relations attorney you can trust to ensure that you can focus on those roles and responsibilities. A divorce can also be disruptive to a business owner's or executive's schedule as there are often court dates, deposition dates and mediation dates that you cannot control. A business owner or executive should ensure that their attorney is aware of any required dates for travel or other necessary obligations to try to minimize this disruption.

Q: What are the tax implications of a divorce for my business ownership or executive compensation, including stock options, bonuses and other forms of compensation?

Drennan: Division of property pursuant to a divorce decree has no tax effect, and this includes the division of business interests. However, when these assets are liquidated after the divorce there can be substantial tax effects. When an asset is transferred in a divorce, the transferring spouse's basis becomes the basis for the recipient spouse. The difference in that basis and the sale price may be subject to taxation and thus reduce the overall value of that asset to you. It is important to consider the tax effect of liquidating assets when dividing property. When it comes to alimony and child support that you may be ordered to pay or that you may receive, there

is no longer a tax deduction for the payor nor a tax liability to the payee. Essentially, the payor bears the tax burden on the monies used to pay alimony. This law was changed with the 2018 tax reform and greatly benefits the government, as the tax burden is borne by the party that usually has the highest tax bracket — the payor. Child support continues to be paid with post-tax monies. There is no tax deduction for the payor nor tax liability for the recipient.

Lee: Surprisingly, business owners and executives often fail to consider tax implications during a divorce. Tax regulations are regularly changing, and it is absolutely necessary to have someone who specializes in such regulations to consult. Any good divorce attorney will advise a business owner or executive to consult a tax accountant during the divorce process, as very few lawyers even endeavor to prepare their own taxes, and most are wise enough to inform clients that they do not know all the possible tax implications associated with the division of the parties' assets. I have found it extremely helpful in my practice, and at times absolutely necessary, to have a tax accountant involved on the front end when discussing the division of any business or substantial assets in order to be aware of the intricate tax issues associated therewith.

Peeples: Executive compensation is a special type of pay most frequently used for high-level executives in a business. Instead of getting a traditional cash salary, executives are often awarded a certain amount of stock or other incentive plans. These special payment forms are meant to reward executives who perform well, and they often have special tax benefits that help high-paid employees avoid higher tax brackets. Some common forms of executive compensation include option grants, deferred compensation, long-term incentive plans, retirement packages and other perks. If a person is receiving executive compensation, it can end up affecting their divorce. Unlike a standard paycheck, dividing up executive compensation isn't straightforward. Some types fluctuate in value, and other types might lose value if they are converted into cash too soon. Depending on the compensation, it might be entirely impossible to liquidate it or transfer ownership. Other potential tax pitfalls to consider during a divorce include: retirement plans with tax penalties for cashing out too early; capital gains on stocks; and deferred compensation plans.

Q: Do I need to update any legal agreements or contracts related to my business or executive position, such as shareholder agreements, employment contracts or non-compete agreements?

Lee: If a divorce is anticipated, it is wise for a business owner or executive to consult a domestic relations attorney, as well as their business attorney, to discuss any



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current legal agreements and contracts related to their business or executive position. While major changes are not usually wise immediately preceding a divorce, since such changes can be highly scrutinized by the court, there may be areas of the existing organizational documents or buy-sell agreements that need to be clarified or revised to ensure the actual intent and current agreements and workings of any business.

Peeples: There is a range of protective measures that business owners can take depending on the circumstance. These include: the preparation of a will; signing a prenuptial agreement, which is not guaranteed to save your business, but there's a good chance it will; having a buy/sell agreement that stipulates what happens to company ownership in the event of certain triggering events, such as divorce; creating a domestic asset protection trust, which transfers the shares of a business into a trust that would not be subject to division in a divorce; and creating provisions within partnership / shareholder / operating agreements that protect the interests of the other owners if one of the owners gets divorced.

Drennan: There are many steps that can be taken during the formation of a business — and after, if you can get consent — to minimize the effects of divorce. For example, an LLC or other type of business can create obstacles that have to be overcome before a court can order the business sold. Additionally, when forming the business you should be mindful of who will hold the controlling ownership interest in the business and who the managing partners/members will be. Should you, rather than your spouse, hold the controlling ownership interest and be the managing partner / member, you will maintain decision-making authority throughout the divorce process. If you own the business with other partners, you should have a buy-sell agreement and restricted stocks to prevent your spouse from acquiring an ownership interest in the business entity through divorce. This agreement may not be controlling as to the value of your business interests. You may also want to put in place a third-party neutral on the board of directors who would have voting authority to prevent deadlocks when making key decisions. It is best to think of your spouse as an adversary when structuring your business so the necessary safeguards will be in place if he or she ever takes on that role through business or divorce litigation. One option you may consider is an irrevocable business trust, which can protect the assets of the business by putting the assets in the control of the beneficiary of the trust. The downside is that for this type of trust to actually protect the business, the trust and thus the business can no longer be in your control. Once your business is transferred to such a trust it may be deemed separate property.

This means the assets are no longer subject to division in your divorce. However, if you transfer the business into such a trust in contemplation of divorce, then the transaction may be set aside or counted as part of your equitable portion of the marital estate.

Q: Can I protect my business or executive compensation from being affected by the divorce, such as by setting up a prenuptial or postnuptial agreement?

Peeples: Potentially, yes. A prenuptial agreement is a contract signed by both parties before their wedding that details what each person's property rights and expectations would be upon divorce. A postnuptial agreement is a similar contract that is executed after the marriage, with some form of consideration to the parties agreeing to continue to stay married based on the terms of the contract. A well-drafted prenu or postnup can override Equitable Distribution laws, which is the law in Alabama, and the courts will usually respect such agreements, making them a very powerful tool in protecting your business or executive compensation. Having said that, prenups and postnups can be rather tricky, so it is really important that they are well drafted. To strengthen them, each to-be spouse should be represented by their own attorney.

Drennan: The best way to protect your business interest is by executing a prenuptial agreement. Since you can draft your prenu to designate your business as separate property, it cannot be divided by a divorce court. The agreement can also designate your retirement accounts and compensation as separate property. Prenuptial agreements can be a useful tool to plan financially in the event of divorce. The agreement may contain a mutual waiver of both alimony and attorneys' fees. However, you cannot waive child support in a prenuptial agreement. This is because child support is for the benefit of the child, not the parties to the agreement. You will want to present the prenuptial agreement to your future spouse at least six months in advance of the wedding. This will give them time to obtain counsel and thoroughly consider the agreement. If you give your spouse too little time, a court may later find that they signed the agreement under duress, making the agreement void. You will also want to take care to fully disclose your assets in the agreement, so your future spouse makes an informed decision when they sign the agreement, otherwise a court may later set the agreement aside.

Lee: A prenuptial agreement is by far the best way for a business owner to protect his or her business before getting married. It is important for a business owner to know that once they are married, any use of the business or the business income for the use and benefit of the marriage will commingle the asset and allow the court to consider the business a marital asset. Most business

owners live off the income from their business to some extent and cannot avoid commingling the business once married. For that reason, a prenuptial agreement is the only way to protect the business if keeping the earnings and the business itself separate is not an option.

Q: How will my divorce impact my business partnerships, board positions or other executive roles, if applicable?

Drennan: Your spouse may request that the Court sell the business. If this were to occur, the business and/or its partners must be made a party to the divorce. This allows the Court to obtain the jurisdiction needed to make orders concerning the business and its assets. Without this necessary step, the business would have the ability to try to get the court's judgment overturned in a later court action. I cannot think of any business owner who would want to be pulled into a party's divorce action. Divorce not only impacts you financially, it also can cause a good deal of stress that affects your ability to perform your executive role or participate fully in the board. This might cause you to step down voluntarily, or you may be asked to do so. Some stress may come from the fact that divorces are public. This means that the board of directors has the ability to see what is going on in your divorce. One thing you can do is request that your divorce file be sealed or marked confidential. This means that only you, your spouse, the attorneys and the Court will be able to see the pleadings and orders. To have your file sealed, you must prove that the file relates to a wholly private family matter, the public exposure of the file poses a serious threat of harassment, exploitation, physical intrusion or other particularized harm to the parties, or there is potential harm to third persons not a party to the divorce.

Lee: A good domestic relations attorney's goal will be to minimize any impact on a client's business partnerships, board positions or other executive roles. In most cases, reaching a settlement agreement quickly and efficiently is the best way to minimize any impact. It allows the business owner or executive to have control over how the business is handled in the divorce, and ensure that any necessary precautions to protect the business going forward are taken.

Peeples: The biggest place a divorce may impact these places is with a potential for loss of control or influence within the company based on the divorce itself. Often, an executive with a significant ownership stake in a company might be forced to sell or transfer a portion of this stake to satisfy the terms of a divorce settlement. This can reduce the influence he or she has over the organization and impact decisions regarding corporate strategy, asset ownership and board composition. Second, divorce can affect the productivity,

concentration and energy levels of the owner or executive. It's important for executives to understand this and develop a team and strategy to try to minimize this impact so that their work life is as unaffected as possible. Third, divorce can influence an executive's attitude toward risk, depending on how the divorce settlement is financed. Trying to understand this potential for weakness is crucial to minimize it. Often, trying to separate your personal divorce and its impact on your decision making within the business is difficult but not impossible. Having a detailed strategy for this can be critical.

Q: Can I continue to fulfill my financial obligations, such as alimony or child support, based on my business ownership or executive compensation?

Lee: A business owner or executive can use all sources of income to fulfill any financial obligations such as alimony or child support, just as all income sources will be considered in arriving at a child support or alimony amount.

Peeples: You might think it would be easy to calculate child support and alimony as a business owner or executive, but sometimes it's actually pretty difficult. There's no question that a person can fulfill their financial obligations in a divorce — such as alimony or child support — based on their business ownership or executive compensation. The key to all this is determining what the payor's income is. To do this, you have to consider all the money or other benefits from the business assigned for personal use, but it is not that simple for some companies. A lot of business owners or executives have difficulties in the divorce process figuring out their actual income for the purposes of support in a divorce, because they don't earn income the same way a typical employee would. For most business owners and executives, the issue is much more complicated and may require a tax professional to help calculate an income figure for the sake of following the law on what must be considered income in a divorce, as opposed to what is income for the purposes of taxes.

Drennan: Your child support obligation will be based on your income, and Courts use a set of guidelines to determine how much child support should be ordered. The guidelines take into consideration the parties' income and the number of children. The current guidelines stop accounting for monthly income at \$30,000 per month combined gross income of the parties. If your combined incomes are \$30,000 or less, then the child support will be established by a formula. If the amount determined by the formula is too high or too low, you are allowed to agree to a deviation, but the deviation must be approved by the Court. If you and your spouse earn in excess of this amount, then child support is established by the budget of the children for not only their

basic necessities but also the lifestyle afforded them during the marriage. Alimony is determined based on one spouse's need and the other spouse's ability to pay. Therefore, your spouse's need for alimony will be tempered by your ability to earn. When awarding alimony, the Court must also take into consideration the debts of the marriage that you are required to pay, thus the amount ordered may be difficult but should not be impossible to meet.

Q: Should I consider hiring a financial expert or a business valuation professional with experience in divorce cases to provide expert testimony or guidance?

Peeples: Without hesitation I would say yes. Having a team approach is best, and professional service or financial firms can play a vital role in this. Divorce can be distracting. Having friends and trusted associates with whom you can discuss various options or decisions is invaluable. Being able to double check your thinking before making strategic decisions can be a great resource during the highly charged months that encompass the divorce process. Business owners need to make sure they have several professionals in their corner during the divorce process. Some of the most important professional components are legal, accounting, estate planning and financial advisors. In making these

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LAURA MONTGOMERY LEE

selections, business owners need to make certain these individuals are working in tandem with each other to ensure that the common goals and objectives are being executed by everyone.

Drennan: Knowing the value of your business is essential to understanding the likely outcomes you may face in a property division reached by settlement or litigation. Because your business is likely one of your largest assets, its value will likely

be in dispute, and you will need to be prepared to prove its value and/or attack the value submitted by your spouse's expert. The business valuator you choose should be familiar with the laws of Alabama and how said laws affect the method of valuation used. Of course, if you have an ownership interest in the business, the Court can consider your opinion as to value, but this might not prevail if your spouse hires an expert to give an opinion. Your opinion may be considered biased. Also, the expert



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Candi's practice is limited exclusively to Matrimonial & Family Law. Candi believes that every case has the potential to settle out of court and strives to exhaust all possible avenues of settlement while fully understanding that a trial on the merits of the case may be the only option in some matters as well. She is a fellow in the American Academy of Matrimonial Attorneys (AAML) and has also achieved Board Certification as a family trial advocate by the National Board of Trial Advocacy. Candi presently serves as the Chair of the American Bar Association Family Law Section.

She is a certified domestic and appellate mediator who facilitates private party mediations, as well as attorneys lead sessions. Chosen early in her career as one of the Birmingham Business Journal's "Top 40 Under 40," Candi graduated from the University of Georgia and earned her law degree cum laude from Samford University's Cumberland School of Law in 2000.

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may initially be hired as a consultant to assist your lawyer in valuing the entire marital estate so the lawyer can give you a better picture of what an equitable division of property will look like for you. This could definitely assist in making reasonable settlement offers and even influence whether you file for divorce. It is important to hire a lawyer well versed in high-asset divorces involving business interests so they can advise you with creative solutions to compensating your spouse for their share of the business.

Lee: Most domestic relations attorneys have financial experts and business valuation professionals who they regularly work with and trust. It is very important to hire these experts early so that they can begin their work and provide guidance significantly in advance of any mediation or trial.