

The 10-Point Corporate Structure Checklist

Ten facts about how your corporation is built — most already in your minute book and last balance sheet. Gather them once, and every later conversation (CPA, lawyer, or us) is twice as fast.

Each item is tagged to the test it feeds:

EXPOSURE

DRAG

EXIT

☐ 1 How many corporations — and who owns what **EXPOSURE**

Your share registry, not your memory. Most owners haven't opened the minute book since incorporation day.

☐ 2 Where your surplus cash actually sits **EXPOSURE**

Inside the company that signs your contracts, it's working capital for anyone who successfully sues it.

☐ 3 Last year's passive income **DRAG**

Past roughly \$50,000, the small business deduction starts grinding away. Your last T2 has the number.

☐ 4 Real estate inside the operating company **EXPOSURE** **EXIT**

Usually the biggest non-business asset on the balance sheet — an exposure problem and a qualification problem at once.

☐ 5 Your shareholder agreement — exists? funded? **EXPOSURE**

An unfunded agreement is a lawsuit schedule, not a plan. Co-owners and no agreement? That's the first fix.

☐ 6 Your share classes **EXIT**

One class of common shares limits what a reorganization can do later. Your articles say what you have.

☐ 7 Personal guarantees you've signed **EXPOSURE**

Bank, landlord, suppliers. A guarantee reaches past any corporate wall — know which ones are live.

☐ 8 When the structure was last reviewed

If the answer is "at incorporation," you're running on defaults. The rules changed in 2018 and 2024.

☐ 9 Your exit horizon **EXIT**

Selling in the next 3–7 years? The exemption's tests run on sale day *and* the 24 months before. The clock is already running.

☐ 10 What's funded: key-person, buy-sell, the tax bill on death

The legal structure is the frame; some of it needs a funding layer. Note what's in place and what isn't.

The 30-second self-test — count your fails

☐ EXPOSURE

Surplus cash or investments sit inside the company that carries your business risk.

☐ DRAG

The corporation earns more than \$50,000 a year of passive income.

☐ EXIT

You don't know whether your shares would pass the 90% / 50% tests today.

0 — the structure's working. · 1 — worth a review. · 2–3 — this is what the strategy session is for. Surplus small next to the setup cost and annual filings? A holding company is overkill — for now.

What happens next

1

Bring items 1–3 and 9

Balance sheet, share registry, last year's passive income, exit horizon. Rough is fine.

2

The three tests, on your numbers

A 30-minute strategy session with Greg — exposure, drag, exit, run live. No product, no pitch.

3

The right next room, if you need one

Greg introduces you to a CPA partner or a corporate lawyer if a test needs a closer look. If nothing needs anyone, he says so.